



# BAWAG GROUP

GROWING INTO A PAN-EUROPEAN  
AND U.S. BANKING GROUP



2025



easybank

knab

easyleasing

PayLife

MoCo

BFL

startbausparkasse  
eine marke der bawag p.s.k.

Qlick

SUDWESTBANK

zahnärzte  
kasse

IDAHO FIRST BANK

HealthAG

PEAK BANK

# HIGHLIGHTS 2025

## Net Profit

€ 859.9 million

## RoTCE

26.9%

## CIR

36.1%

## EPS

€ 10.87

## FINANCIAL PERFORMANCE

€ 859.9 million

Net Profit  
+13% vPY

€ 10.87

EPS  
+13% vPY

26.9%

RoTCE  
+0.9pts vPY

- Full contribution of Knab and 11 months contribution of easybank in Germany
- Strong operating performance with primary focus on integrations

## OPERATIONAL EXCELLENCE

36.1%

CIR  
+3pts vPY

- 80% of integrations completed with synergies starting to materialize
- Transformation of Knab into branch completed in Q4 '25
- Building pan-European & U.S. Banking Group

## CAPITAL GENERATION

+417 basis points

Capital generation through earnings

14.6%

Pro-forma CET1 ratio

- Highly capital generative franchise
- 14 acquisitions fully self-funded

## CAPITAL ALLOCATION

€ 6.25

Dividend per share  
+13% vPY

€ 468 million

Pro-forma excess capital

- Dividend per share of € 6.25 will be proposed to Annual General Meeting
- Share buyback of € 175 million completed in 2025, followed by 1.6 million shares cancelled – 23% share count reduction since IPO
- € 3.7 billion capital distribution since IPO by way of € 2.6 billion dividends and € 1.1 billion share buy-backs
- Excess capital of € 468 million above target CET1 ratio 12.5%

# FINANCIAL DEVELOPMENTS

## KEY DEVELOPMENTS

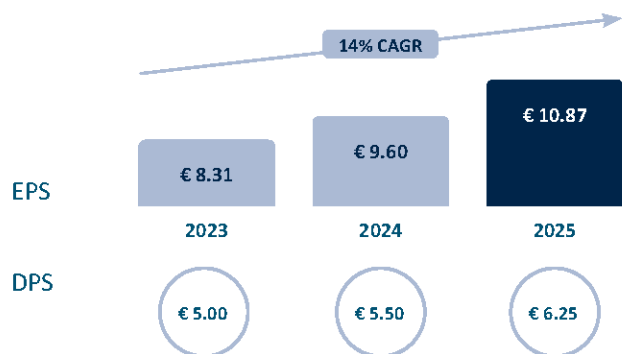
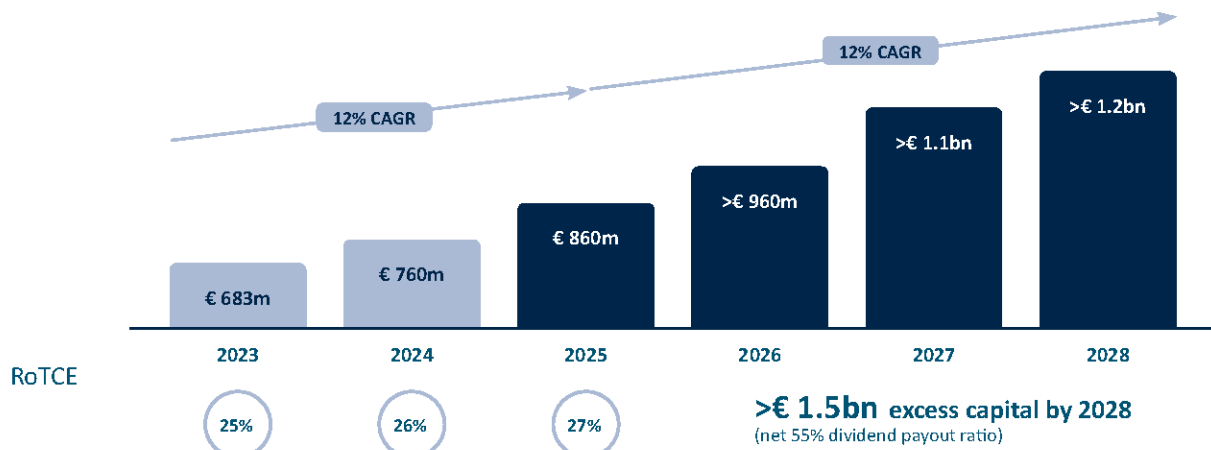
**Loan growth:** +3% organic loan growth / +12% including M&A

**Cash balance:** € 14 billion / 19% of balance sheet

**Margin:** 329 basis points net interest margin

**Asset quality:** 0.8% NPL ratio

## EXCEEDING ALL 2025 TARGETS AND INITIATING 3-YEAR ROLLING TARGETS



## THROUGH-THE-CYCLE TARGETS

ROTCE  
**>20%**

CIR  
**<33%**

CET1  
**12.5%**

# KEY FIGURES

## Profit or loss statement

in € million	2025	2024	Change %	2023	Change %
Net interest income	1,836.5	1,311.8	40.0	1,252.8	46.6
Net fee and commission income	370.6	309.9	19.6	284.6	30.2
<b>Core revenues</b>	<b>2,207.1</b>	<b>1,621.7</b>	<b>36.1</b>	<b>1,537.4</b>	<b>43.6</b>
Other income <sup>1</sup>	8.7	6.1	42.6	(12.0)	—
<b>Operating income</b>	<b>2,215.8</b>	<b>1,627.8</b>	<b>36.1</b>	<b>1,525.4</b>	<b>45.3</b>
<b>Operating expenses</b>	<b>(798.9)</b>	<b>(545.1)</b>	<b>(46.6)</b>	<b>(485.4)</b>	<b>(64.6)</b>
<b>Pre-provision profit</b>	<b>1,416.9</b>	<b>1,082.7</b>	<b>30.9</b>	<b>1,040.0</b>	<b>36.2</b>
Regulatory charges	(38.9)	(15.3)	<(100)	(39.0)	0.3
Total risk costs	(227.5)	(81.8)	<(100)	(93.2)	<(100)
Net result of at-equity investments	6.6	4.3	53.5	2.5	>100
<b>Profit before tax</b>	<b>1,157.1</b>	<b>989.9</b>	<b>16.9</b>	<b>910.3</b>	<b>27.1</b>
Income taxes	(295.2)	(229.9)	(28.4)	(227.8)	(29.6)
<b>Profit after tax</b>	<b>861.9</b>	<b>760.0</b>	<b>13.4</b>	<b>682.5</b>	<b>26.3</b>
Non-controlling interests	(2.0)	—	—	—	—
<b>Net profit</b>	<b>859.9</b>	<b>760.0</b>	<b>13.1</b>	<b>682.5</b>	<b>26.0</b>

## Performance ratios

figures annualized	2025	2024	Change pts	2023	Change pts
Return on common equity	23.1%	22.0%	1.1	20.9%	2.2
<b>Return on tangible common equity</b>	<b>26.9%</b>	<b>26.0%</b>	<b>0.9</b>	<b>25.0%</b>	<b>1.9</b>
Net interest margin	3.29%	3.07%	0.22	2.98%	0.31
Cost-income ratio	36.1%	33.5%	2.6	31.8%	4.3
Risk costs / interest-bearing assets	0.41%	0.19%	0.22	0.22%	0.19

## Statement of financial position

in € million	2025	2024	Change %	2023	Change %
Total assets	72,297	71,341	1.3	55,448	30.4
Interest-bearing assets	56,653	51,944	9.1	41,260	37.3
Customer loans	50,749	45,496	11.5	33,593	51.1
Customer funding	61,873	61,254	1.0	45,822	35.0
Common equity <sup>2</sup>	3,859	3,593	7.4	3,307	16.7
Tangible common equity <sup>2</sup>	3,323	3,061	8.6	2,775	19.7
Risk-weighted assets	22,594	20,627	9.5	19,317	17.0

## Balance sheet ratios

	2025	2024	Change pts	2023	Change pts
<b>Common Equity Tier 1 capital ratio (pro forma) 2025</b>	<b>14.6%</b>	<b>15.2%</b>	<b>(0.6)</b>	<b>14.7%</b>	<b>(0.1)</b>
Common Equity Tier 1 capital ratio	14.2%	15.2%	(1.0)	14.7%	(0.5)
Total capital ratio	19.3%	21.2%	(1.9)	19.9%	(0.6)
Leverage ratio	4.9%	5.2%	(0.3)	5.7%	(0.8)
Liquidity coverage ratio (LCR)	204%	249%	(45)	215%	(11)
NPL ratio	0.8%	0.8%	—	1.0%	(0.2)

<sup>1</sup> The term "Other Income" includes gains and losses on financial instruments and other operating income and expenses.

<sup>2</sup> Excluding AT1 capital and dividends.

Note: For details on definitions and calculation methodology, please refer to the section entitled "Definitions".

## SHARE RELATED FIGURES

### Share & stock market data

	2025	2024	Change %	2023	Change %
Pre-tax earnings per share (in €) <sup>1</sup>	14.63	12.51	16.9	11.08	32.0
After-tax earnings per share (in €) <sup>1</sup>	10.87	9.60	13.2	8.31	30.8
Book value per share (in €)	50.13	45.76	9.5	42.12	19.0
Tangible book value per share (in €)	43.17	38.98	10.7	35.35	22.1
Dividend per share (in €)	6.25	5.50	13.6	5.00	25.0
Share price high (in €)	129.00	81.15	59.0	58.95	>100
Share price low (in €)	79.05	45.64	73.2	40.46	95.4
Closing price (in €)	129.00	81.15	59.0	47.98	>100
Price/book ratio	2.57	1.77	45.2	1.14	>100
Price/tangible book ratio	2.99	2.08	43.8	1.36	>100
Shares outstanding at the end of the period	76,976,955	78,524,046	(2.0)	78,507,604	(1.9)
Weighted average diluted number of outstanding shares	79,113,633	79,144,012	—	82,120,245	(3.7)
Market capitalization (in € billion)	9.9	6.4	54.7	3.8	>100

<sup>1</sup> Before deduction of AT1 coupon; 2025 earnings per share after deduction of AT1 coupon pre-tax € 14.04, post-tax € 10.29.

# MANAGEMENT BOARD



15 years at BAWAG

## Anas Abuzaakouk

Chairman of the Management Board  
Chief Executive Officer  
Joined in 2012



13 years at BAWAG

## Sat Shah

Member of the Management Board  
Head of Digital Bank & Specialty Finance  
Deputy Chief Executive Officer  
Joined in 2014



21 years at BAWAG

## Enver Sirucic

Member of the Management Board  
Chief Financial Officer  
Deputy Chief Executive Officer  
Head Commercial Bank Austria & Germany  
Joined in 2006



15 years at BAWAG

## Andrew Wise

Member of the Management Board  
Chief Investment Officer  
Head International and Real Estate Lending  
Joined in 2012



12 years at BAWAG

## David O'Leary

Member of the Management Board  
Chief Risk Officer  
Joined in 2016



15 years at BAWAG

## Guido Jestädt

Member of the Management Board  
Chief Administrative Officer  
Joined in 2012

Disclaimer:

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Actual results may differ materially from the results predicted, and reported results should not be considered as an indication of future performance.

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The tables in this report may contain rounding differences.

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# CEO LETTER

Dear Fellow Shareholders,

2025 was a transformative year for the Group. We surpassed all our financial targets and made substantial progress integrating our two latest acquisitions. More importantly, we continued advancing our vision to build a pan-European and U.S. banking group, underpinned by a solid foundation and a unique culture. While we are proud of our transformation over the years, our journey is only just beginning. We are well positioned to capture new opportunities and address challenges ahead. I hope this letter offers both perspective and insight into how we are achieving this.

In 2025, we delivered net profit of € 860 million, EPS of € 10.87, a return on tangible common equity (RoTCE) of 26.9%, and a cost-income ratio (CIR) of 36.1% - another record year for the Group. We distributed € 607 million to shareholders: € 432 million in dividends (€ 5.50 per share) and € 175 million through a share buyback. Following the buyback, we cancelled 1.6 million shares (2%), with 77 million shares outstanding at the end of 2025, a 23% reduction since our IPO in October 2017. We closed the year with a CET1 ratio of 14.2%, after setting aside € 481 million for dividends (€ 6.25 per share, a 14% increase year-over-year), which we will propose at our annual shareholder meeting on April 22, 2026.

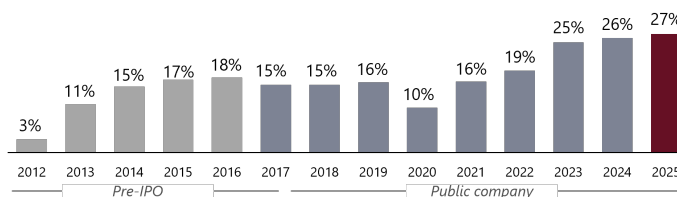
Our success is a testimony to the merits of being patient, disciplined, and making strategic decisions with a view to the future and not the next quarter. This long-term mindset is what has fundamentally changed our company.

Since 2012, we increased EPS 26-fold (from € 0.42 to € 10.87), extended approximately € 85 billion of credit to our customers, invested € 2 billion into the franchise, self-funded 14 acquisitions, expanded into 6 new countries, and welcomed 2.5 million new customers. We also returned € 3.7 billion to shareholders in the form of dividends and buybacks since our IPO in 2017. Most importantly, we built an amazing team with a deep bench that will lead the company long into the future.



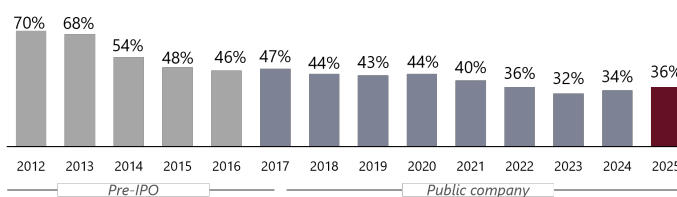
Although we delivered an impressive 26.9% RoTCE this past year, we have averaged a RoTCE of 17% over the last 14 years, which included eight years of zero or negative rates, versus the European banking sector (Stoxx Europe 600 Banks, SX7P) of approximately 10%. Our strategy has always focused on what we can control, which translates into managing your cost base and risk appetite, pillars of how we run the bank.

Return on tangible common equity (RoTCE)



Over the same period, our average CIR was 46% versus 62% of the European banking sector. From a risk and asset quality standpoint, our average NPL ratio was 1.7%, versus the European banking sector of 4.8%.

Cost-income ratio (CIR)



Since our IPO, BAWAG Group has delivered a Total Shareholder Return (TSR) of 326% through the end of 2025, versus the Stoxx Europe 600 Banks index of 183%, resulting in an outperformance of +143pts, or 1.8x. Our focus is not on the short-term share price, but we believe over the long-term this is a good measure of performance. We pride ourselves on delivering consistent results, year in and year out, across all cycles.

Despite a record performance this past year, our best years lie ahead. Our strategy has been consistent, requiring patience and discipline, embracing a continuous improvement mindset, and a commitment to execution. Today, BAWAG Group is recognized among the top-performing banks, an achievement years in the making and a tremendous source of pride across the company. I want to thank our customers for placing their trust in us, our shareholders for their continued support, and our team members for their passion and commitment.

### **Being good stewards of capital**

Disciplined capital allocation, and M&A specifically, is key to our strategy and how we run the bank. We aim to be good stewards of capital, being prudent in our capital distribution plans, maintaining our strong balance sheet, and having sufficient dry powder to capitalize on unique opportunities. This disciplined approach is supported by our strong profitability, which enables us to generate significant capital each year. We deploy this capital prudently: extending credit to our customers, investing in our franchise and teams, pursuing strategic acquisitions, and distributing to our shareholders.

At the end of 2025, our pro-forma CET1 ratio—factoring in the sale of a minority investment that took place in the fourth quarter 2025 and is expected to close in the first half of 2026—stood at 14.6%, equal to € 468 million of excess capital above our CET1 target of 12.5%, positioning us well to capitalize on new opportunities.

### **European banking consolidation**

Over the past year, we saw a continued trend toward greater banking consolidation in Europe across several countries — a pattern that has persisted since the great financial crisis. Since 2008, the number of European credit institutions has declined by 44%, leaving approximately 3,500 today. Despite this consolidation, certain markets are still highly fragmented, and we expect the trend of consolidation to continue in the years ahead.

The challenges stemming from legacy cost structures, outdated business models, overleveraged balance sheets, poor funding dynamics, and subpar technology are likely to be further intensified by greater market volatility and the emergence of Artificial Intelligence (AI), stablecoins, and the digital euro.

We believe that consolidation acts as a catalyst for creating stronger European banks, better equipped to compete both domestically and internationally. Strong banks promote investment, drive economic growth, and contribute to a more resilient European Union. To that end, we actively keep a list of potential acquisition targets that fit well with our business, and are prepared to pursue both large and small transactions. However, we will always remain disciplined in our approach to M&A. Our financial criteria for acquisitions is consistent with

our Group return requirements, specifically targeting a RoTCE above 20%.

Our experience with acquisitions and integrations runs deep, having completed 14 acquisitions since 2015. With each acquisition, our teams build greater capabilities. We have also benefited from the continuity of our leadership team over this period, who are true owner-operators. Our recent acquisitions of Knab and Barclays Consumer Bank Europe played a small part in the trend toward consolidation and strengthening of the European banking sector. These strategic acquisitions have gone a long way in helping build BAWAG into a pan-European & U.S. banking group with a strong foundation that can play a positive role in European banking consolidation.

### **Integrating Knab and easybank in Germany**

The integrations of Knab and Barclays Consumer Bank Europe — which was rebranded as easybank in Germany — have progressed exceptionally well. Throughout the year, teams across the Group have worked tirelessly to integrate, centralize, simplify, and standardize processes and systems, laying the groundwork for sustainable and profitable growth. Talented individuals from both acquisitions have stepped into broader leadership roles, and teams are building bonds and actively sharing best practices.

The progress this past year was impressive. Achievements such as the Knab bank merger, centralizing data reporting, harmonizing much of our technology stack, and the emergence of new leaders have all exceeded our initial expectations. To date, we have successfully completed over 80% of the integration. While we have a few system migrations pending, we are confident in completing these in the coming year.

With a strong base set across both acquisitions, our attention now turns to brand, channel, and product development. By leveraging the Group's broader platform, we aim to better serve both existing and new customers across all markets, providing a broader portfolio of financial services and delivering great customer service. From the very beginning, our goal has been to fully integrate both acquisitions into the Group's operating framework, work as one team, speak with one voice, and build one culture.

### **Transforming from a position of strength**

Our success over the years is a result of embracing a continuous improvement mindset — one that allows the company to constantly adapt to customer needs and capture new market opportunities. This past year was no different. As we look to the future, we must challenge the status quo and reimagine the company. In the face of shifting demographics, changing customer behaviors, and transformative technologies, we need to ensure that we stay competitive and relevant for the long term.

Even though our company is in great shape today, we must adapt from a position of strength and not fall victim to complacency. We must focus on what we can control and prepare for a more competitive future. The recent acquisitions have been a catalyst for building the operating framework for a pan-European & U.S. banking group, continuing our technological evolution, and maintaining our unique culture.

### **Building a pan-European & U.S. banking group**

Since 2012, our strategy has been consistent: grow within our core markets, prioritize our customer's needs, deliver efficiency through operational excellence, and keep a safe and secure risk profile. Embracing a continuous improvement mindset, along with executing strategic acquisitions, has enabled our transformation from a traditional legacy banking model into a digitally enabled bank with a high-touch advisory-focused branch network. We see the future as one where customers demand seamless banking experiences, with products and services delivered when and where they choose—across a robust, multi-channel platform. However, our commitment stays the same, *“providing our customers with simple, intuitive, and affordable financial products and services they need and that promote their financial health.”*

This past year, we reorganized our Retail & SME business between our digital channels and branch-focused advisory business. This structure is designed to accelerate growth while capturing group-wide synergies across products, channels, brands, and geographies. This new organizational set-up reflects our digital focus and the many opportunities, as well as the expanding footprint, of the Group. This will allow us to move faster, be closer to our customers, collaborate better, and work with greater efficiency. Our goal is to build a customer-focused franchise that is resilient in the face of both economic cycles and technological disruption.

Our growth over the years has been fueled by both expanding our digital capabilities and entering new geographic markets. This expansion was a result of strategic acquisitions and organic initiatives, including entry into new markets such as the Netherlands, Ireland, and the United States.

We also built and partnered with various platforms in Europe and the United States, focusing on housing loans, solar financing, small business lending, payments, and online deposits. Our digital capabilities touch all parts of the business—from originations and marketing to product innovation, analytics, customer onboarding, credit underwriting, fraud detection, servicing, and collections—and will continue to reap the benefits of emerging technologies.

Over the past decade, we have significantly advanced our digital capabilities to become industry leaders. However, we recognize this transformation is an ongoing process, and we must continue to innovate and embrace a continuous improvement mindset. Over the years, we successfully introduced fast-track consumer lending, a seamless SME

digital current account, an online trading app, and our German Ratenkauf refinancing product. Looking ahead, we plan to build on these successes by drawing on expertise in card innovation from easybank in Germany and Knab's strong digital engagement with self-employed customers. Today, approximately 90% of our Group originations occur through direct and digital channels, providing a solid foundation for ongoing expansion into existing and new markets.

With emerging technologies and greater digitization, we also believe the need for personal interaction and quality advisory will increase. Our physical branch network is a differentiator, providing a local community presence supported by advanced digital processes to serve our customers best. As demographics shift and technology becomes ever more integrated into daily life, we expect rising demand for personalized advice and human connection. For major financial decisions—whether investing or buying a home—we plan to support, guide, and advise our customers during life's significant moments.

To that end, we will be refocusing our efforts around our advisory business in Europe, drawing on our experienced sales force and footprint of 66 branches, as we look to better address the Austrian and German markets under the newly created Austrian & German commercial banking platform. The goal is to better serve our diverse customer base, foster deeper collaboration across our teams, build partnerships, and unlock new growth opportunities.

Our International Corporate, Real Estate, and Public Sector business continues to expand as well. Today, we have a high-caliber team working from offices in Vienna, London, Los Angeles, and New York City. Over the years, we have developed a conservative direct lending franchise built on strong client relationships, providing new avenues for growth. This business complements our Retail & SME franchise in certain areas, diversifies our earnings and geographic presence, and enables us to generate attractive risk-adjusted returns across all cycles.

Drawing on the internal experts and institutional knowledge built over the last decade—alongside the digital and product strengths gained from our recent acquisitions—we are setting up Group Centers of Excellence (COEs). These COEs will combine top talent and capabilities across our organization to drive scale and innovation. Our first COEs will focus on digital marketing, TechOps, AI, analytics, and the core products of cards, payments, and brokerage. At the same time, we continue to centralize and simplify headquarter functions—enhancing controls and oversight, cutting bureaucracy, and serving as growth enablers.

Today, our teams work in seven countries and multiple cities serving over four million customers across our Retail, SME, Corporate, Real Estate, and Public Sector businesses. As we

evolve into a truly pan-European & U.S. banking group, we are excited about the opportunities and growth that lie ahead.

### **Technological evolution: Artificial Intelligence (AI) as the next leg of our transformation**

Despite our achievements over the years, we recognize that ongoing technological disruption—specifically the rapid advance of artificial intelligence—demands that we proactively redesign our company. This era of innovation and disruption will fundamentally reshape how we serve our customers, structure our organization, and define the very nature of work. As a result, some technologies and processes will quickly become obsolete, requiring us to rethink traditional roles and create entirely new ones.

We embrace this transformation from a position of strength, with the confidence and understanding that *“change is the only constant”*. During periods of accelerated change, it is important to be proactive rather than reactive and focusing on the things you can control. History teaches us that companies do not realize the bigger risk is maintaining the status quo. If we are successful, we will be the beneficiaries of this innovative technology. The economic landscape is evolving in ways that are hard to understand or predict. Our goal is to proactively navigate these significant changes and ensure the long-term success of our franchise.

We plan to incorporate AI into our operating framework. This is a unique opportunity to transform the company to be truly customer centric. The goal is empowering teams to spend more time advising and attracting customers, innovating across products and channels, and less time on administrative non-value-added work. We will significantly enhance customer service, making this a truly competitive advantage, as we reduce friction in our processes enabling immediate and effective first-touch resolution. While we have already made significant strides in operational efficiency, we must remain focused on cutting unnecessary bureaucracy and mundane tasks — freeing up our people to engage in more impactful and rewarding work that requires more creativity, problem solving, and critical thinking.

Central to our AI strategy is building the right technical infrastructure and fostering institutional expertise to remove friction from both customer journeys and internal operations. Our goal is to free up advisors to spend more quality time with customers, enable our operations and call center teams to focus on complex cases and portfolio management, and streamline central functions to become faster, leaner, and more strategic across the Group.

Our TechOps investments over the years have enabled us to fully migrate to the public cloud, enhance our data architecture, and adopt standardized workflow and reporting tools. This foundation is ground zero for building an AI operating framework – one that seamlessly integrates technology, supports robust governance, and drives impactful

use-cases. To support this, we have set up a dedicated team of business process engineers within our TechOps group, combining process knowledge with technical skills to lead AI initiatives in close partnership with functional experts. However, we believe that before AI can be properly leveraged, there needs to be NI (Natural Intelligence) around the process. This means team members with deep process and institutional knowledge working closely with business process engineers to redesign processes through simplification measures, basic workflow automation, and ultimately thoughtful application of Artificial Intelligence.

### **Maintaining our unique culture**

Our transformation over the years has been anchored to our culture. One built on integrity and accountability. It is how our team members work together and the respect we have for each other. We will never tolerate arrogance or putting oneself above the team. We have made many mistakes over the years - me more than anyone else - but we have always focused on identifying root causes, addressing problems directly, and learning from each experience.

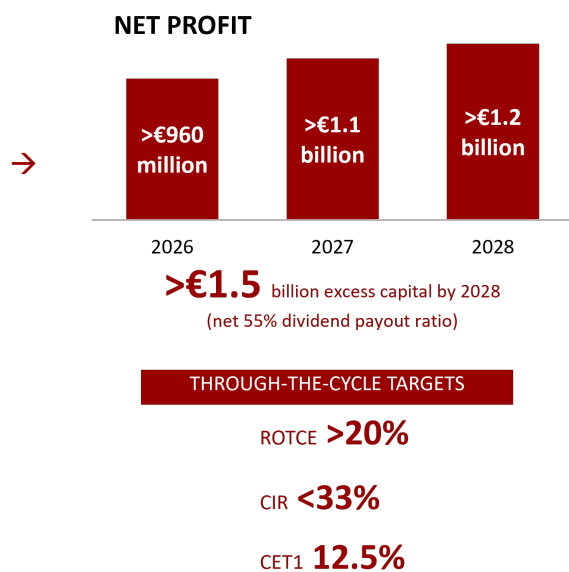
Our culture is not defined in a mission statement or employee handbook; it is proven daily in how we collaborate, set priorities, and uphold our values. It is captured in our meritocratic principles: valuing work ethic, character, and performance. We foster an owner-operator mindset, encourage entrepreneurial thinking, and continuously challenging the status quo, all while maintaining humility. We do not shy away from change, knowing that it is the only constant. Our future success depends on preserving this truly unique and dynamic culture as our company continues to grow and evolve.

### **New 3-year targets**

Despite our record performance in 2025, our best years lie ahead. Our strategy has been consistent since 2012, one focused on being patient, disciplined, cutting through the noise, and embracing a continuous improvement mindset. Our resilience is proven by our ability to consistently deliver results and improve each year. On the back of strong customer loan growth in 2025 and the integrations delivering ahead of plan, we are updating our 3-year targets. We are targeting net profit over € 960 million in 2026, over € 1.1 billion in 2027, and over € 1.2 billion in 2028 - excluding any potential acquisitions. This translates into a net profit CAGR of ~12% over the next three years, from 2026 thru 2028.

We will also continue to build-up excess capital, with over € 1.1 billion projected from 2026 thru 2028, leaving us with over € 1.5 billion of excess capital, which includes our pro-forma excess capital of € 468 million, to earmark towards M&A, capital distributions, or potential new growth opportunities above our stated plans. It is important to note; this excess capital is incremental to the capital underpinning our updated 3-year targets and post our 55% dividend payout ratio.

Through the cycle, we are targeting a RoTCE over 20% and CIR under 33%, as the franchise continues to reap the benefits of long-term investments and scale as we build-out a pan-European & US banking group. When we refer to “through the cycle”, there will be years we deliver higher returns given the current rate environment and benign credit cycle, with our targets representing a more conservative floor. However, our goal is to consistently deliver results and be prudent in how we run the bank, accounting for the cyclical nature of markets and lending. Our CET1 target remains at 12.5%, 227bps above our minimum regulatory capital requirements.



**Senior Leadership Team**

Our Senior Leadership Team embodies stability and dedication, with the Management Board and senior leaders collectively owning 5.3% of the company. This reflects our owner-operator culture and commitment to long-term success of the franchise. This group has an average tenure of 12 years and age of 45. One quarter of our leaders joined through prior acquisitions, and we continue to build a deep bench of senior leaders cultivated through internal development programs, mentoring, strategic recruitment, and acquisitions. This is vital as we expand into a pan-European & U.S. banking group, ensuring we have the proper bandwidth and skillset to grow the business and address the many challenges and opportunities ahead.

**Investing in our people & communities**

Our people are the cornerstone of BAWAG Group’s success. We focus on attracting, developing, and retaining talented and dedicated team members in an environment that supports growth and rewards contributions. With over 50 nationalities across seven countries, our diverse workforce is a core strength of the Group, reflecting the customers and communities we serve. However, our hiring and promotions are always based on merit, character, and work ethic—reflecting the values we espouse and the culture we have built.

We care deeply about instilling an owner-operator mindset and our commitment to shared success. Our employee benefits—such as profit sharing, stock grants, and a stock matching program—reflect these values. The goal is to promote ownership and shared success across the Group.

As we grow into a pan-European & U.S. banking group, we have harmonized group policies, protocols, and benefits. We have adopted English as the common language for Group communications. However, local languages will continue to dominate customer interactions, daily business operations, and community outreach.

Supporting our local communities is also core to our identity. Our focus is on initiatives that foster financial literacy at an early age, support underprivileged communities, and promote women’s empowerment. Corporate volunteering and employee donations matched by the Group are the foundations of these efforts.

**Thank you**

I am truly blessed to be part of this special group. A heartfelt thank you to our team members who went above and beyond—successfully managing two large integrations, driving forward multiple initiatives, and ensuring the daily business never skipped a beat. Your work ethic, passion, and commitment to excellence are what sets BAWAG Group apart and makes it so special!



Anas Abuzaakouk, CEO of BAWAG Group

# STRATEGY

Following the consistent execution of our strategy since 2012, BAWAG Group has grown into a pan-European & U.S. banking group today, serving over four million customers across retail, SME, corporate, real estate, and public sector business. Our aim is to deliver simple and intuitive products that make banking easy by combining a comprehensive digital offering with an advisory-driven branch network. Guided by our core management principles, BAWAG Group has consistently delivered strong results, positioning itself among Europe's most financially successful and efficient banking institutions. We aim to set new standards for operational excellence, efficiency, and profitability, while playing a positive role in the ongoing consolidation of the European banking sector.

As firm believers that the European and U.S. banking landscape will be fundamentally transformed in the years ahead driven by rapidly changing customer behavior, digital innovations, the need for greater simplicity and efficiency, and the opportunity to provide customers with financial products and services at their point of need, BAWAG Group has been investing in digital innovation, expanding our channels to meet customers' financial needs, and actively consolidating smaller banks and specialty finance businesses as we look to build-out a larger banking group. By doing so, we are helping to drive forward the consolidation in the European banking sector and the need to address outdated business models through simplification, technology, digital innovation, and ultimately broader scale.

Our ongoing investments in digital platforms, automation, and online services position us to continue delivering innovative, and intuitive digital banking services. Technology, data and operations platforms are in-sourced and centralized, which enables us to focus on efficiency and customer service while supporting our goal of being one of the most profitable and efficient banks in Europe. By continuing our focus on operational excellence, disciplined growth and prudent capital allocation, we aim to grow shareholder value and are committed to focus on sustainable profitability. We also seek to integrate sustainability into our long-term business model, not only to comply with regulations but to actively promote responsible banking practices, as all these factors can have a financial impact over the mid to long term.

By embracing innovative employee management - including talent development, diversity and inclusion initiatives - we empower our teams to achieve personal growth and drive organizational success. This is anchored to our meritocratic culture, valuing work ethic, character, and performance. We care deeply about instilling an owner-operator mindset, being entrepreneurial, challenging the status quo, being humble, and always looking to improve. And we do not shy away from

change, knowing that this is the only constant. Embedding an "owner-operator" culture across the Group means ensuring team members have a vested interest in the long-term health of the company as shareholders as well.

BAWAG's strategy is based on three pillars:

## GROWTH IN CORE MARKETS FOCUSED ON SERVING OUR CUSTOMERS

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Our goal is to drive profitable growth in our key markets, including Austria, Germany, Switzerland, Netherlands, Ireland, United Kingdom and the United States, through both organic growth and acquisitions. We aim to further grow in these seven countries and develop a best-in-class customer franchise across our core markets. All these are mature markets, which offer a strong fiscal foundation with a sovereign rating of AA or higher, a favorable macroeconomic environment, and a stable legal and political system. The markets we operate in Europe cover more than 35% of Europe's GDP. Our focus is on deploying our standardized, highly efficient product portfolio to expand our customer base through various channels (such as partnerships and platforms) while minimizing risk and optimizing cost. We do this by:

- Focusing on organic growth and M&A
- Investing in platforms and partnerships to drive growth across the Group
- Pursuing earnings-accretive M&A meeting our Group RoTCE target of > 20%.

The detailed strategies of the business segments are described in the management report.

Since 2015, BAWAG has completed 14 acquisitions across Austria, Germany, the Netherlands, Switzerland, Ireland, and the United States.

Customers are looking for a more rewarding and engaging experience with targeted products and services while having 24/7 access to manage their financial lives. We aim to fulfill these needs and to better leverage new and existing technologies to enhance the overall customer experience. We are building a multi-channel and multi-brand Retail & SME franchise from branches-to-partners-to-brokers-to-platforms using digital products and technology across our entire customer value chain. Our products are built to be simple and intuitive for customers, and priced affordably to promote inclusive access to financial solutions.

The following cornerstones are key to building and supporting successful customer relationships:

- providing customers with a range of products and services when and where they want,
- providing easy-to-use and intuitive financial products at a fair price,
- leveraging new and existing technologies to simplify processes and reduce complexity,
- focusing on high-touch and high-quality advisory across a modernized branch network, as well as
- establishing new retail partnerships and leveraging lending platforms to extend credit and acquire new customers

With the shift towards more digital engagement, we have adjusted our business towards advisory services in our branch network, while shifting more straightforward administrative tasks to our digital/online channels. Fundamental to that development is the continuous enhancement of our digital product offering. Harmonizing online and branch processes has allowed us to digitize approximately 90% of Retail & SME product offering. Customers are increasingly expecting that traditional branch services are available on e-banking and mobile platforms. Building on our established regulatory frameworks, we are able to offer competitive and convenient services without sacrificing quality, compliance or security.

Digitization also serves to streamline BAWAG Group's relationships with distribution partners, creating faster response time to end customers. With our investments in digital channels, partnerships and platforms, we have diversified our originations away from branches. As a result, approximately 90% of originations are generated outside of the traditional branch channel.

## DRIVING EFFICIENCY THROUGH OPERATIONAL EXCELLENCE

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The banking industry across Europe continues to undergo a significant transformation and still faces multiple headwinds driven by geopolitical uncertainty, broken cost structures, over-leveraged balance sheets, pricing pressure, high regulatory costs and sub-par technology. Additionally, more companies from outside the traditional financial services industry have entered the market, negatively affecting margins as they focus on loss-making growth to gain market share and attacking traditional revenue streams and financial institutions.

Listening and responding to customers' needs, while being diligent about efficiency measures, profitability, and driving operational excellence, is part of our teams' DNA. We believe these are the few things a management team truly controls and will continue to differentiate BAWAG Group from both established institutions and new players entering the market.

We are convinced that despite the tailwind of higher interest rates, banks must continue to transform their business models and cost structure to be much simpler and more efficient. We embarked on this transformation over a decade ago and are well positioned for the years ahead. First, we focused on building a strong technological foundation. We recognize that at their core, banks are technology companies, and moving data is a key business process for banks. Hence, we initially focused on our data infrastructure and on building internal technological capabilities. On the data infrastructure side, we combined financial, risk, and regulatory reporting in a central Group data warehouse, enabling the organization to work off the same baseline, accelerate reporting, and decommission highly manual, bespoke reports. At the same time, we in-sourced software engineering, built a central, standardized cloud infrastructure, and invested in technical in-house capabilities across the entire technology stack.

With a strong technological foundation, we applied the same rigor to customer service and operations teams. We set up the TechOps unit, combining technological and operational capabilities to keep stable and resilient operations, provide an enhanced customer experience, build tech-first leadership, and continuously improve. We maintain a continuous improvement mindset to regularly review key processes, enhancing customer service and operational efficiency through the latest technology while managing increasing complexity. We look at processes end-to-end through the lens of customers as well as employees and promote self-service and one-touch-resolution of customer requests. We invested in internal capabilities of process engineering, analytics, and workflow tooling. All customer requests are structured on a central customer service platform to further reduce cost-to-serve, while improving customer service levels. We deploy these platforms to capture organic opportunities and to integrate acquired franchises, such as Knab and the former Barclays retail business in Germany. While the systems landscape and service processes differ significantly at the time of acquisition, we aim to standardize the application landscape, infrastructure and security and processes wherever possible.

The same rigor is applied to internal processes in central functions. We support a self-help mindset and aim to retain and develop technical talent across all levels while avoiding white elephant projects, overreliance on consultants, and silver bullet solutions. We favor flat, product-driven, fit-for-purpose teams that have a clear mandate to deliver business impact and keep reorganizing ourselves to effectively respond to current priorities.

Since 2012, we have invested over € 700 million in technology. These investments will continue and today represent a greater percentage of our overall spend across the Group, moving from 15% in 2012 to 28% of our total Group spend.

Building on our platforms, especially our cloud capabilities, we are excited about the opportunities to deploy AI technologies. We have chosen an approach that served us well in the past: building internal capabilities, focusing on measurable results, and supporting a continuous improvement mindset. Our focus continues to be on driving efficiency through process re-engineering, simplification, standardization and ultimately automation. In the past year, we have deployed AI to achieve measurable improvements in customer service, while reducing operating costs. We have a strong foundation to scale across BAWAG Group and will pursue further use cases in a diligent and disciplined manner, with a focus on tangible, future oriented results.

The benefits of creating a scalable and efficient banking platform are more evident today than ever.

Efficiency is not just about technology — it's also about people. BAWAG constantly strives to reduce reliance on third-party providers, expanding internal technical expertise and avoiding offshore delivery centers and excessive outsourcing. This approach fosters a culture of ownership, where teams are empowered to drive change from within the organization, shifting focus towards value-adding activities and away from repetitive tasks. Our culture is based on:

- **Leadership and embracing change:** We value leaders who are dynamic, lead with uncompromising integrity, have a strong work ethic and do not shy away from making tough decisions.
- **Simple and flat organization:** We do our best to maintain a simple Group structure and flat organization. We encourage all team members to focus on the work at hand, cut out the noise and always challenge the status quo for the betterment of the team. We believe hierarchy, bureaucracy and a siloed organization lead to disjointed analysis, wide scale inefficiencies, poor decision-making and ultimately a bloated cost structure.
- **Accountability, meritocracy and inclusion:** We believe our diversity, inclusivity and meritocratic culture are a real source of strength. The team members come from 50 different nationalities, which we believe is a core strength of the Group. However, this will always be a byproduct of merit, integrity and work ethic. Our greatest asset is our human capital, so we are focused on developing and mentoring our team members across the ranks.
- **Management as both fiduciaries and shareholders:** The Management Team are both fiduciaries as well as shareholders of the Bank. The incentives are directly tied to

financial and non-financial targets, which we believe create long-term sustainable value. The Senior Leadership Team owns 4.6% of the Bank. We believe stock ownership is the best way to create alignment with shareholders and long-term strategic value creation.

Instilling this culture within the organization has been pivotal in driving our "self-help" DNA, building a scalable commercial banking platform that will remain competitive in the future. Our culture has been the foundation of our success when it comes to motivating and retaining our team members as well as attracting top talent over the years.

## KEEPING A SAFE AND SECURE RISK PROFILE

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A bank is fundamentally in the business of managing risk. For us, having a safe and secure risk profile is about maintaining a fortress balance sheet through a strong capital position, stable customer funding and a low risk profile through proactive risk management. These are fundamental cornerstones to the execution of our business strategy. Management is committed to running BAWAG Group in a safe and secure way.

Our low risk profile is defined by the following principles:

- **Maintaining a strong capital position, stable customer funding, conservative underwriting, and a low risk appetite**  
Our business model and strategy already limit certain risk areas. A key role of our activities is transforming deposits and other types of funding into customer loans (see "Capital & Funding" chapter). Customer deposits are a key pillar of our funding strategy, supplemented by covered bonds (secured by mortgage and public sector collateral) and unsecured funding. In terms of capital, BAWAG Group's target CET1 ratio is 12.5%, providing a conservative management buffer above our minimum regulatory capital requirements.
- **Applying disciplined underwriting in mature markets with a focus on secured lending and risk-adjusted returns**  
Our lending is focused on disciplined underwriting and on risk-adjusted returns across developed and mature markets. The core concept of the quality of loan volume versus the quantity is fundamental to our business strategy. We assess all lending by risk-adjusted returns to ensure our return thresholds are met and our future earnings are resilient. More than 80% of our balance sheet relates to secured or public sector lending.

→ **Maintaining a fortress balance sheet**

We focus on solid asset quality with a low NPL ratio of 0.8%, strong capital generation with gross capital generation of +417 basis points through earnings in 2025 and conservative capitalization levels targeting a CET1 ratio of 12.5% as we maintain a fortress balance sheet. We continue to fortify our balance sheet to withstand all economic cycles.

→ **Proactively managing and mitigating non-financial risk**

Being safe and secure is not limited to balance sheet figures or regulatory KPIs, it is also about managing non-financial risk (be it AML or ESG risks). We continuously enhance our governance structure as well as risk management frameworks to address these risks, including sustainability-related risks. We have no relevant exposure to emerging markets or CEE countries and no operations in countries with elevated AML risk. We are also committed to keeping our exposure to high-emitting GHG sectors low across our corporate portfolio.

Overall, this conservative approach positioned us well over the past years when faced with the risks brought on by a global pandemic, geopolitical conflicts and the crisis in the US office commercial real estate sector. Our focus on developed markets provided us with indirect benefits via the high level of labor market support as well as social safety net benefits our customers received in the form of various stimulus or support programs.

We will continue to keep our conservative risk appetite, ensuring that we mitigate against both macro and micro risks. Our goal is to always maintain a fortress balance sheet and conservative underwriting, a cornerstone of how we run the bank.

# BAWAG GROUP ON THE STOCK EXCHANGE

The capital market environment remained overall positive for European banks during 2025, with higher equity valuations. BAWAG Group shares closed the year 2025 at € 129.0, compared to € 81.2 as of year-end 2024.

In terms of capital distribution, BAWAG Group paid a dividend of € 5.50 per share on April 11, 2025, for the financial year 2024. In addition, a share buyback of € 175 million was executed in the second half of 2025, followed by the cancellation of 1.6 million shares in September 2025. In total, the share capital was reduced by 23% since BAWAG's IPO, underscoring the commitment to disciplined capital management and delivering long-term shareholder value. BAWAG has distributed/earmarked a total of € 3.7 billion to shareholders since the IPO, comprising € 2.6 billion in dividends and € 1.1 billion through share buybacks.

## Investor relations

BAWAG Group maintained active engagement with shareholders through various channels, including conferences, roadshows and both in-person and virtual meetings. Additionally, we continued our dialogue on corporate governance with stewardship teams.

## Shareholder structure

Our shareholder base is highly diversified and spans a broad international footprint, with the majority of institutional investors located across Europe and North America. Many of our largest shareholders have been long-standing partners, supporting BAWAG throughout our growth journey. We firmly believe that meaningful stock ownership is the strongest alignment tool for fostering shared interests and driving long-term value creation. Today, the senior leadership team collectively owns more than 5% of the company, including a 4.6% stake held by the Management Board. Through the employee stock programs, we target to increase this share over time incentivizing an ownership mentality.

Shareholders	Holding
T. Rowe Price	6.1%
Blackrock (including instruments)	5.4%
Capital Group	4.0%
BAWAG Management Board	4.6%

	since IPO	2025	2024
<b>Share performance (%)</b>			
Closing price (31 December)	€129.0	€ 129.0	€ 81.2
Share price high	€129.0	€ 129.0	€ 81.2
Share price low	€ 17.5	€ 77.0	€ 45.6
<b>Total shareholder return (financial year)</b>			
BAWAG Group	325.8	69.5	84.1
Stoxx 600 Banks (SX7P)	182.6	76.7	35.4
Euro Stoxx Banks (SX7E)	190.1	90.9	32.0
EuroStoxx 50	108.0	22.1	11.9
S&P 500	204.7	17.9	25.0
<b>Dividend per share paid</b>			
	€25.10	€ 5.50	€ 5.00
<b>Number of shares at year-end (in million)</b>			
		77	79
<b>Equity market capitalization (in € billion at year-end)</b>			
		9.93	6.37
<b>Coverage</b>			
Sell-side analysts covering BAWAG Group's share		14	15
Buy/overweight/outperform recommendation		12	14
Hold/neutral recommendation		2	1
Sell/underweight recommendation		—	—
<b>Rating (Moody's)</b>			
Long-term senior unsecured / issuer rating		A1 (positive outlook)	A1 (stable outlook)
Long-term Bank deposits rating		A1 (positive outlook)	A1 (stable outlook)
Short-term issuer / bank deposits rating		P-1	P-1

## GROUP MANAGEMENT REPORT

## ECONOMIC AND REGULATORY DEVELOPMENTS

### ECONOMIC DEVELOPMENTS

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... written by **Prof. Dr. Ewald Nowotny**, former Governor of Oesterreichische Nationalbank (OeNB), former CEO of BAWAG and current Advisor to the BAWAG Group Supervisory Board

#### International perspectives

In 2025, the global economy faced significant challenges, including the frequently abrupt tariff and sanctions policy of the United States, the Russia and Ukraine war, rising public debt levels, and an increased incidence of natural disasters. As a result, global economic growth slowed to approximately 3% in 2025, with growth expectations of 0.8% for the European Union and 2.7% for the United States.

Amid global uncertainty, the European Single Market continues to grow in strategic relevance. Home to 448 million people with significant purchasing power, it represents the largest integrated market worldwide. At the same time, it remains dependent on external energy sources, relies on export surpluses to global markets, and holds a relatively weak military position.

The IMF forecasts global economic growth of roughly 3.2% in 2026, supported by stronger activity in Asia and modestly improving conditions in the European Union (1.4% GDP growth). In the U.S., tariff policies are driving higher inflation, increasing the likelihood of stagflation, though technological innovation remains a key source of dynamism. For 2026, a growth of 2.5% is expected. At the same time, deregulation heightens the risk of speculative bubbles, particularly in artificial intelligence.

China continues to grapple with significant overcapacity, and with limited access to the U.S. market, a growing share of exports is being directed toward Europe—requiring a firm policy response from the EU.

#### Market developments in the European Union

After several years of weak economic performance, the EU is expected to see a gradual improvement in its economic outlook, though disparities among member states remain pronounced. Germany — Europe’s largest and most influential economy — will be central to this development. Its prior

economic model, built on strong export surpluses, inexpensive energy, and low defense spending, has fundamentally shifted.

To address these challenges, the new German government has enacted significant changes to the debt brake, allowing for increased public investment in infrastructure and defense. This expansionary fiscal stance should support demand recovery over time. Nevertheless, transformative structural reforms—especially in core industrial sectors—are still required. Germany’s skilled labor force and its advanced technological and scientific capabilities should help underpin Europe’s long-term economic resilience.

The Netherlands, which has turned into an increasingly important market for BAWAG, is expected to maintain long-term economic stability, although political uncertainty may persist. The country avoided a recession and is projected to sustain medium-term growth of 1–2%. Its favorable fiscal position, with a forecasted deficit of 2.4% in 2025, provides ample flexibility for economic policy.

By contrast, considerable and potentially long-term concerns persist regarding the economic and political development of France. Most notably, France is running a public sector deficit of 5.7 percent of GDP. In Italy, by comparison, the “disciplinary effect” of higher interest rates demanded by financial markets has fostered greater fiscal prudence (albeit alongside still high debt levels) — a trend not yet visible in France. Concerns that this could lead to another “Eurozone crisis” similar to 2011–2012 appear unfounded. The EU and the European Central Bank have drawn lessons from that episode and created measures such as the European Stability Mechanism (ESM) to address potential emergencies. However, the use of these instruments is subject to extensive conditions, making them politically and socially challenging to implement. It is therefore in the interest of every EU member state to avoid triggering such situations through prudent fiscal policy.

In terms of monetary policy, the ECB has kept interest rates steady after seven rate cuts since July 2025. From the standpoint that current inflation dynamics in the euro area align with the ECB’s medium-term target of 2 percent inflation, the deposit rate — the key policy rate — stands at 2%. This level is generally considered “neutral” for the Euro area, meaning it has neither restrictive nor expansionary effects on macroeconomic activity. Naturally, future ECB policy may be influenced by various external developments. Potential scenarios include modest rate cuts (for example, in response to a pronounced depreciation of the U.S. dollar) or rate hikes (for example, in response to inflationary pressures from higher CO<sub>2</sub> prices).

After two consecutive years of economic contraction, Austria recorded modest growth of 0.5% in 2025, and is expected to grow by 1.1% in 2026. Contributing factors include stronger private consumption and a slight recovery in foreign trade, supported by improvements in the German economy despite

ongoing challenges in the United States. These conditions should lead to a rebound in investment activity in 2026. Residential construction is expected to recover further thanks to lower interest rates, whereas civil engineering will continue to be constrained by fiscal restrictions in public budgets. The unemployment rate is projected to ease slightly in 2026, despite significant redundancies in industry, aided by demographic trends that are reducing labor supply. Compared with previous economic cycles, Austria’s anticipated recovery remains very subdued, underscoring the importance of longer-term structural factors.

Two key immediate challenges facing Austria’s economy are inflation and the public deficit. Inflation, which reached as high as 4% in certain months during 2025, and consistently exceeded the euro area average, is expected to fall significantly in 2026. Inflationary pressures caused by the expiration of energy-related price control measures - most notably the electricity price cap - are dissipating. Lower wage increases should also help break the wage-price spiral. Nonetheless, increases in public fees and charges are expected to exert upward pressure on inflation.

Austria’s fiscal outlook poses a greater challenge than inflation. Since 2024, measures to soften the impact of climate policies and unfunded tax cuts have widened the public-sector deficit, leading the European Commission to open excessive deficit procedures against Austria. A consolidation package aims to reduce the deficit to 4.2% of GDP in 2025 and 3.9% in 2026, still above the Stability and Growth Pact’s 3% limit and implying further increases in public debt. As the Pact also covers regional and social insurance budgets, ensuring fiscal stability will require complex negotiations.

Austria’s long-term financing strategy allows the country to benefit from previously locked-in low interest rates, though interest costs will rise and reduce fiscal flexibility. Austria remains a highly rated and trusted sovereign borrower, with strong demand for government bond issuances despite the recent shift in Moody’s outlook from “stable” to “negative”.

**Macro data in our core markets in 2025**

in %	Austria	Germany	Netherlands	Euro area	United States
GDP growth	0.5	0.2	1.5	0.8	2.7
Inflation rate	3.5	2.3	3.0	2.4	2.8
Unemployment rate	5.5	3.7	3.9	6.1	4.1
<b>Outlook for 2026</b>					
GDP growth	1.1	1.0	1.3	1.4	2.5
Inflation	2.4	1.9	2.0	2.1	2.1

Data sources: Economist Economic and Financial Indicators, Austrian Institute of Economic Research, Economic Forecast 12/2025.

## REGULATORY DEVELOPMENTS

The European Central Bank (ECB) continued its direct oversight of the Eurozone's main credit institutions, including BAWAG Group, under the Single Supervisory Mechanism (SSM). The SSM's supervisory priorities for the years 2026–2028 reflect ECB Banking Supervision's medium-term strategy and consist of strengthening banks' resilience to geopolitical risks and macro-financial uncertainties with a view to ensuring prudent risk-taking and sound credit standards, adequate capitalisation and consistent implementation of CRR III and prudent management of climate and nature-related risks and consist of strengthening banks' operational resilience and fostering robust ICT capabilities focusing on the implementation of robust and resilient operational risk management frameworks, remedying deficiencies in risk reporting capabilities and related information systems and banks' digital and, in particular, AI-related strategies, governance and risk management.

In 2023 the European Commission published its proposal to introduce a digital euro with the aim to support open strategic autonomy by creating a new payment scheme that would be resilient against potential external disruptions and provide an alternative for private payments solutions. The digital euro will be a direct liability of the European Central Bank or of national central banks towards digital euro users. The co-legislators have not reached a final agreement yet. We will carefully assess the impact of the project, particularly regarding liquidity outflows and fee structure. The European Central Bank is advancing its work on the introduction of the digital euro with a possible start of the pilot digital euro in 2027 together with interested payment service providers and plans the potential issuance in 2029, assuming the legal act will be adopted in 2026.

On 19 June 2024, CRR III and CRD VI (the Banking Package, a review of the CRR and CRD adopted by the European Commission on 27 October 2021) were published in the European Official Journal. CRR III applies for the most part from January 1, 2025. Member States shall implement CRD VI into their national law by January 10, 2026, with transitional rules applying for a further period of five years. The Banking Package completed the implementation of the international Basel III agreement (also known as Basel IV) in the EU, while considering the specific features of the EU's banking sector. The application of the CRR III articles that implement the Fundamental Review of the Trading Book (FRTB) into EU law was postponed until 1 January 2027. The main points of the banking package primarily consist of significant adjustments to the measurement methods for credit, market and operational risk. The key elements are:

- Introduction of an output floor, limiting the capital benefits from risk models
- Update of the standardized approach for credit risk
- Changes to the internal ratings-based (IRB) approach for credit risk
- A new operational risk framework
- Amendments to the market risk framework and the calculation of credit valuation adjustments (CVA)

On 25 June 2025, EU co-legislators reached an agreement on the key aspects of the review of the bank crisis management and deposit insurance framework (CMDI), proposing amendments to the EU Directives on Deposit Guarantee (DGSD) and Bank Recovery and Resolution (BRRD) and the EU Regulation on Single Resolution Mechanism (SRMR). The reform aims to enhance the ability of resolution authorities to manage the failure of small and medium-sized banks by broadening the scope of resolution to include these banks when it serves the public interest. The reform will also strengthen depositor protection across the European Union. The agreed text retains the current preference for the repayment of DGS-protected depositors in the first instance, and a second tier for deposits of households and SME depositors not covered by the DGS. The agreement also acknowledges the specificities of national banking sectors while ensuring that a level playing field is maintained. Publication of the amended legal acts in the European Official Journal is expected in the first half of 2026.

We will continue to proactively monitor and implement the upcoming regulatory changes on a regular basis and to consider them in our business plans accordingly. Due to its strong capital position and profitable business model, BAWAG Group considers itself well prepared for the upcoming requirements.

### Minimum requirement for own funds and eligible liabilities (MREL)

In December 2025, BAWAG Group received its new MREL decision from the Single Resolution Board (SRB), based on a single point of entry resolution strategy with BAWAG P.S.K. AG as the resolution entity. The MREL requirement, including the combined buffer requirement, was set at 27.6% of RWA at the consolidated level of BAWAG P.S.K. AG. The current decision does not include a subordination requirement. In addition, the SRB set the MREL requirement at 5.9% of LRE (leverage ratio exposure) on a consolidated basis.

As of 31 December 2025, BAWAG P.S.K. reported on consolidated level MREL-eligible instruments amounting to 34.0% of RWA and 10.2% of LRE (compared to 31.8% of RWA and 9.0% of LRE as of 31 December 2024, including interim profit and deduction of the proposed dividend), thereby exceeding the final requirements on both measures.

# FINANCIAL REVIEW

## ANALYSIS OF PROFIT OR LOSS STATEMENT AND STATEMENT OF FINANCIAL POSITION

in € million	2025	2024	Change	Change %
Net interest income	1,836.5	1,311.8	524.7	40.0
Net fee and commission income	370.6	309.9	60.7	19.6
<b>Core revenues</b>	<b>2,207.1</b>	<b>1,621.7</b>	<b>585.4</b>	<b>36.1</b>
Other income <sup>1</sup>	8.7	6.1	2.6	42.6
<b>Operating income</b>	<b>2,215.8</b>	<b>1,627.8</b>	<b>588.0</b>	<b>36.1</b>
<b>Operating expenses<sup>2</sup></b>	<b>(798.9)</b>	<b>(545.1)</b>	<b>253.8</b>	<b>(46.6)</b>
<b>Pre-provision profit</b>	<b>1,416.9</b>	<b>1,082.7</b>	<b>334.2</b>	<b>30.9</b>
Regulatory charges	(38.9)	(15.3)	23.6	<(100)
<b>Operating profit</b>	<b>1,378.0</b>	<b>1,067.4</b>	<b>310.6</b>	<b>29.1</b>
Total risk costs	(227.5)	(81.8)	145.7	<(100)
Net result of at-equity investments	6.6	4.3	2.3	53.5
<b>Profit before tax</b>	<b>1,157.1</b>	<b>989.9</b>	<b>167.2</b>	<b>16.9</b>
Income taxes	(295.2)	(229.9)	65.3	(28.4)
<b>Profit after tax</b>	<b>861.9</b>	<b>760.0</b>	<b>101.9</b>	<b>13.4</b>
Non-controlling interests	(2.0)	—	(2.0)	—
<b>Net profit</b>	<b>859.9</b>	<b>760.0</b>	<b>99.9</b>	<b>13.1</b>

<sup>1</sup> The position "Other Income" includes gains and losses on financial instruments and other operating income and expenses.

<sup>2</sup> In accordance with IFRS, the item Other operating income and expenses also includes regulatory charges in the amount of € 31.3 million for 2025 (2024: € 9.5 million).

The item Operating expenses includes regulatory charges in the amount of € 7.6 million for 2025 as well (2024: € 5.8 million). However, BAWAG's management considers regulatory charges as a separate expense. Accordingly, they are shown in a separate expense line in the Group Management Report. Within the IFRS profit or loss statement, valuation effects from cash settled share-based payments are presented as part of personnel expenses. As BAWAG's management views these valuation effects as other expenses, € 19.9 million are shown as part of Other operating income and expenses in the Group Management Report.

**BAWAG completed two strategic acquisitions since late 2024: Knab in the Netherlands, finalized in November 2024 and Barclays Consumer Bank Europe (rebranded to easybank in February 2026), completed on February 1, 2025. As a result, the financials 2025 include the full contribution of Knab and eleven months of easybank in Germany.**

**Net profit** rose by 13.1% in 2025 primarily driven by the two most recent acquisitions and the continued solid operational performance of the business. This translated in a 30.9% rise in pre-provision profit.

**Net interest income** increased by 40.0% supported by our acquisitions and the related change in asset mix as well as a stabilizing interest rate environment.

**Net fee and commission income** grew 19.6%, supported by contributions from the newly acquired businesses and sustained positive momentum across retail business lines.

**Other income**, consisting of gains and losses on financial instruments and other operating income and expenses, was at € 8.7 million compared to € 6.1 million in 2024.

The increase in **operating expenses** by 46.6% is a reflection of the cost base of the enlarged group. As the integration progressed well, operating expenses have started to decline in the second half 2025 given early synergy gains materialized.

**Higher regulatory charges** of € 38.9 million in 2025 result from the increase of the bank levy in Austria.

**Total risk costs** were € 227.5 million in 2025, an increase of € 145.7 million, compared to the previous year. The increased risk costs are a reflection of the enlarged group's business profile, while in the prior year a management overlay was released. With our focus on risk-adjusted returns, the underlying asset quality remained strong with an NPL ratio of 0.8%. As of year-end, BAWAG maintained total ECL provisions of € 202 million for the performing book and € 354 million provisions and prudential filter for the non-performing book,

corresponding to 55% cash coverage (for details see Note 56 Impairment in the risk report).

<b>Total assets</b>				
in € million	<b>2025</b>	2024	Change	Change %
Cash reserves	<b>14,093</b>	17,604	(3,511)	(19.9)
Financial assets				
Held for trading	<b>109</b>	316	(207)	(65.5)
Fair value through profit or loss	<b>517</b>	624	(107)	(17.1)
Fair value through OCI	<b>1,322</b>	1,913	(591)	(30.9)
At amortized cost	<b>54,814</b>	49,407	5,407	10.9
Customers	<b>50,749</b>	45,496	5,253	11.5
Debt instruments	<b>3,613</b>	3,081	532	17.3
Credit institutions	<b>452</b>	830	(378)	(45.5)
Valuation adjustment on interest rate risk hedged portfolios	<b>(616)</b>	(218)	(398)	>100
Hedging derivatives	<b>358</b>	331	27	8.2
Tangible non-current assets	<b>532</b>	304	228	75.0
Intangible non-current assets	<b>535</b>	532	3	0.6
Tax assets	<b>131</b>	140	(9)	(6.4)
Other assets	<b>383</b>	383	—	—
Non-current assets held for sale	<b>119</b>	5	114	>100
<b>Total assets</b>	<b>72,297</b>	<b>71,341</b>	<b>956</b>	<b>1.3</b>

Although 20% of **cash reserves** were deployed in 2025, cash continued to account for 19% of the total balance sheet, reflecting disciplined balance sheet management and the limited availability of attractive risk-return deployment opportunities.

The increase of financial assets **at amortized cost** primarily reflects the acquired credit card business in Germany.

**Non-current assets held for sale** rose following the signing of a sale agreement for a participation in 2025, which is expected to be completed in the first half 2026.

<b>Total liabilities and equity</b>				
in € million	<b>2025</b>	2024	Change	Change %
<b>Total liabilities</b>	<b>67,452</b>	<b>66,608</b>	<b>844</b>	<b>1.3</b>
Financial liabilities				
Fair value through profit or loss	55	100	(45)	(45.0)
Held for trading	450	454	(4)	(0.9)
At amortized cost	65,707	64,608	1,099	1.7
Customers	47,367	46,170	1,197	2.6
Issued securities	17,528	17,174	354	2.1
Credit institutions	812	1,264	(452)	(35.8)
Financial liabilities associated with transferred assets	—	—	—	—
Valuation adjustment on interest rate risk hedged portfolios	(299)	(220)	(79)	35.9
Hedging derivatives	91	291	(200)	(68.7)
Provisions	251	285	(34)	(11.9)
Tax liabilities for current taxes	131	145	(14)	(9.7)
Tax liabilities for deferred taxes	189	119	70	58.8
Other obligations	877	826	51	6.2
Obligations in disposal groups held for sale	—	—	—	—
<b>Total equity</b>	<b>4,845</b>	<b>4,733</b>	<b>112</b>	<b>2.4</b>
Common equity	4,340	4,025	315	7.8
AT1 capital	496	708	(212)	(29.9)
Non-controlling interests	9	—	9	—
<b>Total liabilities and equity</b>	<b>72,297</b>	<b>71,341</b>	<b>956</b>	<b>1.3</b>

**Financial liabilities at amortized cost** increased by € 1.1 billion, or 1.7% during 2025, driven by customer deposit inflows from the easybank acquisition in Germany. At the same time, higher-priced deposits from the prior higher-interest-rate environment were reduced. Issued securities increased by € 0.4 billion, or 2.1%.

**Total equity including Additional Tier 1** capital stood at € 4.8 billion as of 31 December 2025. The increase in common equity was driven by earnings accretion. Consistent with the Group's commitment to rewarding shareholders, € 607 million was distributed during 2025, consisting of a € 432 million dividend for the 2024 financial year (paid on April 11, 2025) and a € 175 million share buyback executed in the third quarter.

## CAPITAL AND LIQUIDITY POSITION

BAWAG Group set a target CET1 of 12.5%, which considers regulatory capital requirements and in addition maintains a conservative buffer above the minimum levels set by the regulator.

	<b>2026</b>	2025	2024
Pillar 1 minimum	4.5%	4.5%	4.5%
Pillar 2 requirement (CET1 requirement; total requirement 2.5% in 2024)	1.32%	1.41%	1.41%
Capital conservation buffer	2.5%	2.5%	2.5%
Systemic risk buffer	0.5%	0.5%	0.5%
O-SII buffer	0.9%	0.9%	0.9%
Sectoral systemic risk buffer	0.014%	0.007 %	n.a
Countercyclical buffer (based on year-end exposure )	0.49%	0.49%	0.56%
<b>Overall capital requirement (OCR)</b>	<b>10.23%</b>	<b>10.30%</b>	<b>10.37%</b>
Pillar 2 guidance (P2G)	0.5%	0.5%	0.5%
<b>Overall capital requirement including P2G</b>	<b>10.73%</b>	<b>10.80%</b>	<b>10.87%</b>
<b>CET1 target ratio</b>	<b>12.50%</b>	<b>12.50%</b>	<b>12.50%</b>
Management buffer to OCR (in basis points)	227	220	213
Management buffer to OCR including P2G (in basis points)	177	170	136
CET1 capital (in € million)		3,205	3,134
Risk-weighted assets (in € million)		22,594	20,627
<b>CET1 ratio (post dividend)</b>		<b>14.2%</b>	<b>15.2%</b>
<b>Tier1 ratio (post dividend)</b>		<b>16.2%</b>	<b>18.1%</b>
<b>Total capital ratio (post dividend)</b>		<b>19.3%</b>	<b>21.2%</b>

As of 31 December 2025, BAWAG Group had a CET1 ratio of 14.2% after the deduction of the 2025 dividend of € 481 million and a € 75 million share buyback for company share programs. The dividend of € 6.25 per share will be proposed to the Annual General Meeting on April 22, 2026.

Based on the ratios as of 31 December 2025, the maximum distributable amount above the regulatory requirements for 2025 (Pillar 1 minimum ratios, Pillar 2 CET1 requirement and combined buffer requirements) is € 877 million (after deducting the proposed dividend for 2025 of € 481 million and the share buyback of € 75 million). Available distributable items as defined in Art. 4.1 (128) CRR on the level of BAWAG Group AG amount to approximately € 3.5 billion as of 31 December 2025 (before deduction of the planned dividend for 2025).

In July 2025, the Management Board received the decision of the European Central Bank, pursuant to which the ECB approved a share buyback of € 175 million. The Management Board resolved to carry out a share buyback program of € 175 million, which started on July 12, 2025 and was completed on September 4, 2025 (1.56 million shares bought back). As a consequence, BAWAG canceled 1,600,000 treasury shares with

effect of September 22, 2025. This resulted in a reduction of BAWAG Group's share capital to € 77,000,000 (77,000,000 shares).

In January 2026, the Management Board decided, after receiving the necessary approval from the ECB, to implement a further share buyback program of € 75 million for share programs. This share buyback program was completed on February 2, 2026.

### Capital distribution policy

Maintaining a strong capital base with a conservative buffer above regulatory requirements is a strategic priority for BAWAG Group. At the same time, we want to offer a sustainable and balanced return to our shareholders. Since the IPO in 2017, BAWAG has distributed/earmarked € 3.7 billion of capital through € 2.6 billion in dividends and € 1.1 billion in share buybacks. This includes € 481 million dividend for the financial year 2025, which will be proposed to the Annual General Meeting on April 22, 2026. Our capital distribution framework is as follows:

**Dividend – 55% payout**

We target a dividend payout of 55% of net profit, barring unforeseen circumstances. Dividends will be distributed annually after the Annual General Meeting in line with the respective shareholders' resolution. Dividend distributions will comply with regulatory and/or corporate law restrictions and take into account recommendations made by a competent regulatory authority.

**Excess Capital Management**

Additional capital will be allocated to business growth, M&A and minority and/or platform investments.

**Excess capital distribution**

Any additional capital will be allocated to share buybacks and/or special dividends, subject to our routine annual assessment. In light of the recent acquisitions, the capital distribution threshold for the financial year 2025 was set at a CET1 ratio of 13%.

**Debt issuances**

Customer funding, defined as deposits and covered bonds (mortgages and public sector), accounts for more than 90% of total funding and is complemented by diversified capital market funding.

In 2025, BAWAG remained an active issuer in the capital markets across funding instruments. The Bank executed a total of € 1.25 billion in issuances:

- two € 500 million senior preferred benchmark transactions, one in the first quarter and another in the third quarter, both issued as green bonds under our Sustainable Finance Framework.
- on the capital side, we issued a € 250 million Tier 2 bond in the first quarter of 2025, replacing an outstanding Tier 2 instrument called in September.

Additionally, a € 175 million Additional Tier 1 instrument was called in October, having already been refinanced through a € 500 million AT1 issuance completed in 2024.

In connection with converting Knab into a branch, the issuer of Knab's covered bonds was replaced by BAWAG P.S.K. A bondholder solicitation to approve this issuer substitution was successfully passed in October with approval rates of 97% and 100% in the two votes.

The corresponding € 1.5 billion in outstanding covered bonds will be secured by a dedicated Dutch mortgage cover pool, representing BAWAG's third cover pool alongside the existing mortgage and public sector pools. No new issuances will be made under the Dutch mortgage covered bond program going forward. Dutch mortgage origination will instead be refinanced through BAWAG's € 10+ billion mortgage Pfandbrief program, which has included Dutch residential mortgages since 2020 and represents approximately 36% of the pool as of year-end 2025.

**Liquidity management**

BAWAG Group follows a conservative liquidity management strategy, reflected in a strong liquidity coverage ratio (LCR) of 204% and cash position of € 14.1 billion, representing 19.5% of total assets at year-end 2025. This significantly exceeds the regulatory LCR requirement of 100%.

## BUSINESS SEGMENTS

### RETAIL & SME

#### Strategy

The **Retail & SME** business forms the foundation of our bank, accounting for 85% of core revenues and serving as the focal point for future growth initiatives. Our strategy aims to provide simple and intuitive banking solutions through a digital-first model complemented by an advisory-focused branch network.

In 2025, we reorganized the Retail & SME business between the digital channels and branch-focused advisory business. This structure is designed to accelerate growth while capturing group-wide synergies across products, channels, brands and geographies. The new organizational set-up reflects our digital focus and the many opportunities, as well as the expanding footprint, of the Group. This will allow us to move faster, be closer to our customers, collaborate better and work with greater efficiency. Our goal is to build a customer-focused franchise that is resilient in the face of both economic cycles and technological disruption.

BAWAG Group has evolved over the past years from a leading Retail & SME financial provider in Austria into a pan-European & U.S. banking group. Our growth has been driven by both expanding our digital capabilities and entering new geographic markets. This expansion was a result of strategic acquisitions and organic initiatives, including entry into new markets such as the Netherlands, Ireland and the United States. We have also built and partnered with various platforms in Europe and the United States, focusing on housing loans, solar financing, small business lending, and online deposits. We operate with a multi-brand and multi-channel approach, tailored to the geography, product offering and market segment. Our digital capabilities touch all parts of the business - from originations and marketing to product innovation, analytics, customer onboarding, credit underwriting, fraud detection, servicing, and collections - and will continue to benefit from emerging technologies.

We have made considerable progress in our digital journey over the past decade, positioning ourselves among the most advanced institutions in the industry. However, our digital transformation is an ongoing process, and we will continue to innovate and embrace a continuous improvement mindset. Over the years, we have successfully introduced fast-track consumer lending, a seamless SME digital current account, an online trading app, and our German Ratenkauf refinancing

product. Looking ahead, we plan to build on these successes by leveraging expertise in card innovation from easybank in Germany and Knab's strong digital engagement with self-employed customers. Today, over 90% of our Group originations occur through direct and digital channels, providing a solid foundation for ongoing expansion into existing and new markets.

With emerging technologies and greater digitization, we also believe the need for personal touch and quality advisory will increase. Our physical branch network in Austria, Germany and United States is a differentiator, providing a local community presence supported by advanced digital processes to serve our customers best. As demographics shift and technology becomes ever more integrated into daily life, we expect rising demand for personalized advice and human connection. For major financial decisions, whether investing or buying a home, we plan to support, guide, and advise our customers during life's significant moments.

To that end, we will be refocusing our efforts around our advisory business in Europe, using our experienced sales force and footprint of 66 branches, as we look to better address the Austrian and German markets under the newly created advisory-focused commercial banking platform. The goal is to better serve our diverse customer base, foster deeper collaboration across our teams, build partnerships, and unlock new growth opportunities.

We continue to invest in new tools and processes to ensure consistent customer experiences and establish a scalable, efficient foundation by leveraging the strengths of our various channels to improve overall sales and service. Key initiatives include significant capital investments in our branch network, impactful campaigns and new partnerships to engage targeted markets and communities. Our marketing automation tool has enabled us to maintain highly personalized, automated customer engagement, now managing more than 500 million interactions annually. These advancements have accelerated growth in core products and positioned us to quickly adapt to new opportunities, strategies and efficiencies.

#### Business development in 2025

In 2025, our primary focus was on integrating the businesses acquired. The integrations of Knab and Barclays Consumer Bank Europe rebranded as easybank Germany in February 2026 progressed well. Throughout the year, teams across the Group worked to integrate, centralize, simplify, and standardize processes and systems, laying a strong foundation for sustainable and profitable growth as a larger banking group. In 2025, the Retail & SME segment delivered a profit before tax of € 972 million, a return on tangible common equity of 36.1% and a cost-income ratio of 35.8%.

2025 included a full year contribution of Knab as well as eleven months from easybank in Germany.

Alongside integrating the acquisitions, our teams continued to advance growth strategies across product lines, enhance the digitization of the customer journey, and execute our simplification strategy by further digitizing our product offering and improving operational efficiency. We remained disciplined on pricing and focused on risk-adjusted returns, while delivering on our commitment to provide simple, intuitive financial products.

## **Outlook**

Looking ahead, we remain committed to executing our long-term strategy, serving more than four million customers with best-in-class products and services in the most efficient and straightforward manner. Our streamlined operating model and focus on efficiency provide a competitive cost advantage, enabling us to succeed in low-risk yet highly competitive markets.

While a few strategic migrations following the acquisitions remain, we expect them to be completed in the coming year. With a solid foundation established across both acquisitions, our focus now shifts to channel development and the rollout of new products. By leveraging the Group's broader platform and leveraging synergies across the Group, we aim to better serve existing markets and expand into new ones. We stand ready to pursue M&A opportunities that align with our strategic objectives and meet our return thresholds. As we grow in our core markets, we will emphasize local sales talent while harnessing the scale of the Group for technology operations and central functions.

## Financial results

<b>Income metrics</b>			
in € million	<b>2025</b>	2024	Change %
Net interest income	1,533.6	963.6	59.2
Net fee and commission income	342.4	279.4	22.5
<b>Core revenues</b>	<b>1,876.0</b>	<b>1,243.0</b>	<b>50.9</b>
Other income <sup>1</sup>	4.3	2.9	48.3
<b>Operating income</b>	<b>1,880.3</b>	<b>1,245.9</b>	<b>50.9</b>
<b>Operating expenses</b>	<b>(673.7)</b>	<b>(423.7)</b>	<b>(59.0)</b>
<b>Pre-provision profit</b>	<b>1,206.6</b>	<b>822.2</b>	<b>46.8</b>
Regulatory charges	(19.7)	(7.8)	<(100)
Total risk costs	(214.7)	(101.6)	<(100)
Net result of at-equity investments	—	—	—
<b>Profit before tax</b>	<b>972.2</b>	<b>712.8</b>	<b>36.4</b>
Income taxes	(243.1)	(178.3)	(36.3)
<b>Profit after tax</b>	<b>729.1</b>	<b>534.6</b>	<b>36.4</b>
Non-controlling interests	—	—	—
<b>Net profit</b>	<b>729.1</b>	<b>534.6</b>	<b>36.4</b>

<b>Key ratios</b>			
	<b>2025</b>	2024	Change pts
Return on tangible common equity	36.1%	32.6%	3.5
Net interest margin	4.05%	4.04%	0.01
Cost-income ratio	35.8%	34.0%	1.8
Risk costs / interest-bearing assets	0.57%	0.43%	0.14
NPL ratio	1.2%	1.2%	—

<b>Business volumes</b>			
in € million	<b>2025</b>	2024	Change %
Interest bearing assets	38,813	34,106	13.8
Interest bearing assets (average)	37,847	23,848	58.7
Risk-weighted assets	14,813	12,424	19.2
Own issues	11,552	12,096	(4.5)
Customer deposits	44,516	40,222	10.7
Customer deposits (average)	42,682	28,629	49.1
Customer funding	56,182	52,448	7.1
Customer funding (average)	55,568	39,885	39.3

<sup>1</sup> The position "Other income" includes gains and losses on financial instruments and other operating income and expenses.

## CORPORATES, REAL ESTATE AND PUBLIC SECTOR

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The **Corporates, Real Estate & Public Sector** business complements our Retail & SME franchise by serving larger clients across the core countries with lending, deposit and payment solutions, thereby strengthening the Group's diversified business model. The strategy of this segment is anchored in disciplined risk management, prioritizing risk-adjusted returns over volume-driven growth and maintaining conservative underwriting standards. We follow a niche positioning in core markets, leveraging deep market expertise to identify selective opportunities that align with our long-term objectives. This approach allows a balanced portfolio management while safeguarding credit quality.

In the **Corporates and Real Estate** business, we primarily focus on senior secured lending to strong sponsors, targeting cash flow-generating companies and high-quality assets. Within the **Public Sector** business, BAWAG aims to maintain its leading position in Austria while complementing its footprint in Germany and other Western European countries. Our strategy is focused on delivering exceptional service to our clients, expanding our payments and cash management franchise, and pursuing selective tenders and cross-selling opportunities with existing borrowers.

### Business development in 2025

During 2025, the Corporates, Real Estate & Public Sector segment delivered a profit before tax of € 199 million, a return on tangible common equity of 27.3% and a cost-income ratio of 23.8%. Core revenues decreased by 7% in 2025, while maintaining our focus on risk-adjusted returns. Average interest bearing assets were € 13.7 billion, which is 2% higher versus the previous year.

The market stabilized in 2025 although activity was driven by refinancings and restructurings rather than acquisitions. Our risk appetite remained reduced as we generally pursued more conservative deals with lower advance rates.

## Outlook

As we remained patient in 2025 and refrained from chasing volume growth, we see a solid lending pipeline with diversified opportunities for 2026. However, competition for defensive, high-quality assets remains intense. Our focus will be maintaining our disciplined and conservative underwriting and prioritizing risk-adjusted returns over unprofitable volume growth. We anticipate that volatility will stay elevated this year depending on the interest rate developments of the central banks.

## Financial results

<b>Income metrics</b>			
in € million	<b>2025</b>	2024	Change %
Net interest income	260.4	276.9	(6.0)
Net fee and commission income	28.7	32.5	(11.7)
<b>Core revenues</b>	<b>289.1</b>	<b>309.4</b>	<b>(6.6)</b>
Other income <sup>1</sup>	2.3	1.4	64.3
<b>Operating income</b>	<b>291.4</b>	<b>310.7</b>	<b>(6.2)</b>
<b>Operating expenses</b>	<b>(69.4)</b>	<b>(78.2)</b>	<b>11.3</b>
<b>Pre-provision profit</b>	<b>222.0</b>	<b>232.5</b>	<b>(4.5)</b>
Regulatory charges	(9.2)	(3.7)	<(100)
Total risk costs	(14.1)	20.1	—
Net result of at-equity investments	—	—	—
<b>Profit before tax</b>	<b>198.7</b>	<b>248.8</b>	<b>(20.1)</b>
Income taxes	(49.7)	(62.1)	20.0
<b>Profit after tax</b>	<b>149.0</b>	<b>186.7</b>	<b>(20.2)</b>
Non-controlling interests	—	—	—
<b>Net profit</b>	<b>149.0</b>	<b>186.7</b>	<b>(20.2)</b>

## Key ratios

	<b>2025</b>	2024	Change pts
Return on tangible common equity	27.3%	29.9%	(2.6)
Net interest margin	1.90%	2.06%	(0.16)
Cost-income ratio	23.8%	25.2%	(1.4)
Risk costs / interest-bearing assets	0.10%	(0.15%)	0.25
NPL ratio	0.2%	0.7%	(0.5)

## Business volumes

in € million	<b>2025</b>	2024	Change %
Interest bearing assets	14,166	13,339	6.2
Interest bearing assets (average)	13,704	13,464	1.8
Risk-weighted assets	4,862	4,935	(1.5)
Own issues	1,329	1,331	(0.2)
Customer deposits	3,386	6,557	(48.4)
Customer deposits (average)	4,870	6,397	(23.9)
Customer funding	5,406	8,669	(37.6)
Customer funding (average)	6,890	8,369	(17.7)

<sup>1</sup> The position "Other Income" includes gains and losses on financial instruments and other operating income and expenses.

## CORPORATE CENTER AND TREASURY

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The **Corporate Center** comprises BAWAG Group's central functions. Its profit and loss statement primarily reflects the funds transfer pricing (FTP) result of the Asset & Liability Management, as well as one-off and project-related operating expenses and other exceptional items.

**Treasury** continued to execute its strategy of maintaining a balanced investment portfolio, combining long-term investments in high-quality securities with a hold-to-collect-and-sell portfolio to preserve flexibility for redeployment into customer loans or other balance sheet management activities. The portfolio composition reflects our commitment to high credit quality, short to medium duration, and strong liquidity, ensuring a balance between generating incremental net interest income and minimizing fair value volatility. Throughout 2025, we remained underinvested in securities as credit spreads were near historic lows and market volatility was subdued - particularly in cash markets - resulting in risk-adjusted return levels below our investment thresholds.

### Business development in 2025

As of December 2025, the investment portfolio amounted to € 3.1 billion and the liquidity reserve was € 13.3 billion. The investment portfolio's average maturity was 3 years, comprised nearly 100% of investment grade rated securities, of which 89% were rated in the single A category or higher. As of December 2025, the portfolio had no direct exposure to China, Russia, Ukraine or the Middle East and limited exposure to Central Eastern European countries.

### Outlook

Treasury will continue to prioritize investment opportunities that support BAWAG Group's core operations and customer needs. In 2026, key drivers for credit spreads will include the economic and fiscal performance of Eurozone countries, the pace of anticipated rate cuts by the Bank of England and the Federal Reserve and technical factors such as fund inflows. We remain committed to maintaining high credit quality across the portfolio.

## Financial results

<b>Income metrics</b>			
in € million	<b>2025</b>	2024	Change %
Net interest income	42.5	71.4	(40.5)
Net fee and commission income	(0.5)	(2.0)	(75.0)
<b>Core revenues</b>	<b>42.0</b>	<b>69.4</b>	<b>(39.5)</b>
Other income <sup>1</sup>	2.1	1.8	16.7
<b>Operating income</b>	<b>44.1</b>	<b>71.3</b>	<b>(38.1)</b>
<b>Operating expenses</b>	<b>(55.8)</b>	<b>(43.1)</b>	<b>(29.5)</b>
<b>Pre-provision profit</b>	<b>(11.7)</b>	<b>28.2</b>	—
Regulatory charges	(10.0)	(3.8)	<(100)
Total risk costs	1.3	(0.3)	—
Net result of at-equity investments	6.6	4.3	53.5
<b>Profit before tax</b>	<b>(13.8)</b>	<b>28.2</b>	—
Income taxes	(2.4)	10.5	—
<b>Profit after tax</b>	<b>(16.2)</b>	<b>38.8</b>	—
Non-controlling interests	(2.0)	0.0	—
<b>Net profit</b>	<b>(18.2)</b>	<b>38.8</b>	—

<sup>1</sup> The position "Other income" includes gains and losses on financial instruments and other operating income and expense.

## Business volumes

in € million	<b>2025</b>	2024	Change %
Assets	19,319	23,896	(19.2)
Risk-weighted assets	2,919	3,269	(10.7)
Equity	4,355	4,302	1.2
Own issues and other liabilities	6,354	5,921	7.3

<sup>1</sup> The position "Other income" includes gains and losses on financial instruments and other operating income and expense.

## OUTLOOK AND TARGETS

The macroeconomic outlook for our core markets is described in the chapter "Macroeconomic developments".

For the banking industry, key themes are expected to remain consistent heading into 2026. Interest rates in the euro area are forecasted to have reached their trough, while geopolitical tensions will persist. European banks have delivered strong earnings in recent years and their equity valuations have been rising. This could accelerate consolidation within the sector and unlock opportunities for scale, as we have seen in headlines over recent years. At the same time, structural challenges, like legacy cost bases and business models, outdated technology stacks, overleveraged balance sheets and the rapid evolution of the financial ecosystem driven by artificial intelligence, stablecoins, the digital euro and intensifying competition, will continue to accelerate in the years ahead.

For BAWAG Group, the significant progress achieved in 2025 with the integration of two strategic acquisitions has been a catalyst for our transformation into a pan-European & U.S. banking group. At the same time, we have laid a strong foundation and aligned our organizational structure to operate effectively as a larger banking group across seven countries.

In 2026, our operational focus will remain on the execution of our strategic ambitions across businesses and brands as well as the continued integration of the easybank business in Germany. Following the rebranding in the first quarter, our main efforts will center on preparing for the system migration scheduled for the first quarter of 2027.

BAWAG Group held excess capital beyond its 12.5% CET1 ratio target of € 381 million as of year-end 2025 and of € 468 million on a pro-forma basis when including the sale of a participation, which will close in the first half 2026. The capital allocation framework remains consistent, prioritizing business growth, M&A, minority investments, and platform initiatives. We maintain an active pipeline of potential targets that we believe would complement our business model. Our highly capital-accretive platform positions BAWAG to participate in both small and large transactions. However, we remain disciplined in our approach to M&A, applying the same financial criteria as our Group return requirements of an RoTCE of over 20%.

Following another record performance in 2025, we expect the franchise to continue its positive trajectory. Since 2012, the Group's strategy and the principles guiding the Bank's management have remained unchanged, built on patience, discipline, prudent stewardship of capital and a strong culture focused on continuous improvement and execution.

The resilience across cycles is underpinned by disciplined cost management and the focus on risk-adjusted returns. We remain committed to what matters most: controlling the controllable, lending with discipline, preserving a conservative risk profile, and pursuing only growth that is sustainable and value-driven.

The **outlook** and **targets** for 2026 - 2028 are as follows:

Targets				
Financial targets	2028	2027	2026	2025
<b>Net profit</b>	<b>&gt;€ 1.2 billion</b>	<b>&gt;€ 1.1 billion</b>	<b>&gt;€ 960 million</b>	€ 860 million
Return targets	<b>2026 &amp; beyond</b>			2025
<b>Return on tangible common equity</b>	<b>&gt;20%</b>			27%
Cost-Income ratio	<b>&lt;33%</b>			36%

On the back of strong customer loan growth in 2025 and the integrations delivering ahead of plan, we are updating our targets. We are targeting net profit over € 960 million in 2026, over € 1.1 billion in 2027, and over € 1.2 billion in 2028 - excluding any potential acquisitions. This translates into a net profit CAGR of ~12% from 2025 through 2028.

We will continue to build up excess capital, with over €1.1 billion projected from 2026 thru 2028, leaving us with over € 1.5 billion of excess capital by 2028, including the pro-forma 2025 excess capital of €468 million, to earmark towards M&A, capital distributions, or potential new growth opportunities above our stated plans. This excess capital is incremental to the capital underpinning the 3-year targets and post our 55% dividend payout ratio.

Given the evolving asset mix, ongoing loan growth, and the contribution from the deposit hedge, we foresee continued positive momentum in net interest income going into 2026.

In terms of capital distribution, the Management Board deducted dividends of € 481 million for the financial year 2025 from CET1 capital at the end of 2025, which will be proposed as a dividend payment of € 6.25 per share to the Annual General Meeting on April 22, 2026.

## RISK MANAGEMENT

With respect to the explanations on financial and legal risks at BAWAG as well as the goals and methods of risk management, please refer to the information in the Notes section. For policies in regards to sustainability, please refer to our website, <https://www.bawagroup.com/en/downloads>.

## INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM

The internal control system (ICS) relates to all processes designed by management and executed within BAWAG to facilitate the monitoring and control of

- the effectiveness and efficiency of its operating activities (including protecting assets against losses resulting from damages or misconduct),
- the reliability of the financial reports, and
- BAWAG's compliance with applicable material legal regulations.

The risk management system encompasses all processes used to identify, analyze, and measure risks, as well as those that define and implement appropriate actions to ensure that BAWAG can achieve its objectives even when risks materialize.

In line with the internationally recognized COSO framework for designing risk management systems and the EBA Guidelines on Internal Governance (EBA/GL/2021/05), the internal control system constitutes one component of an organization-wide risk management framework. Additional elements include the management and monitoring of risks that could affect the accuracy and reliability of financial reporting.

BAWAG's management is responsible for the overall design, implementation, and continuous enhancement of the policies, methodologies, and systems related to internal controls and risk management. This includes ensuring that these frameworks are aligned with regulatory requirements and appropriately reflect the Group strategy, business model, and other relevant economic and organizational factors.

## CHARACTERISTICS OF THE INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM WITH REGARD TO THE ACCOUNTING PROCESS

### Control environment

BAWAG's Code of Conduct outlines the Group's corporate values and applies to all employees. Our corporate culture is founded on respect and teamwork, customer focus and reputation, as well as integrity and compliance.

A proactive approach to compliance and a sustainable risk culture guide employees in managing risks within their areas of responsibility. Robust internal policies and, above all, open communication among employees are at the core of BAWAG's risk culture, to ensure a comprehensive understanding of the risks the Group faces.

The policy governing the internal control system (ICS) provides clear guidance, applies to all employees of BAWAG, and defines the ICS as the sum of all systematically designed process-related, technical, structural, and organizational principles, procedures, and control measures within the Bank. This includes the organizational framework for operational risk management as well as the defined control mechanisms and responsibilities assigned to process owners.

The Accounting division is responsible for BAWAG's accounting records. Some of the subsidiaries operate their own accounting teams, which work in close cooperation with the Accounting division. The division is primarily responsible for preparing the annual and interim financial statements as well as the annual financial statements of all domestic subsidiaries, maintaining the financial and consolidated accounts and regulatory reporting of domestic bank subsidiaries.

The Accounting division is responsible for issuing directives on all accounting matters and has the authority to ensure the consistent application of uniform standards across BAWAG. Corporate guidelines have been established to support operational implementation. This policy applies to all consolidated subsidiaries, while for non-consolidated holdings, adherence to these principles and standards is enforced and implemented to the fullest extent possible.

## Risk assessment and control measures

BAWAG's internal control and risk management systems contain instructions and processes for the workflows

- to ensure the correct and appropriate documentation of business activities, including the use of assets;
- to record all information required for the preparation of the period-end financial statements; and
- to prevent unauthorized purchases or sales that could have a material effect on the financial statements

The Accounting division is fully integrated into BAWAG's organizational, structural and operational workflows. Customer and transaction data are generally captured within the market and operating units, with additional information provided by the risk units. The accounting-relevant components of this data are typically transferred automatically into the electronic accounting systems.

Within this process, the Accounting division performs a control and monitoring function to ensure that all automatically transmitted data is processed correctly and in line with applicable accounting standards. In addition, the division completes the necessary booking entries and other steps required for the preparation of the financial statements.

The accounting records of BAWAG, including those of significant subsidiaries, are maintained in SAP New GL. The consolidated financial statements under IFRS are prepared in SAP ECCS, which receives the data from the individual financial statements of consolidated entities via interfaces. All accounting systems and upstream applications are secured through defined access permissions as well as mandatory automated and manual control procedures embedded within the process.

## Information and communication

A comprehensive report covering the balance sheet, income statement and other financial and risk metrics is submitted to the Supervisory Board at least quarterly. Highly detailed reports on these topics are also provided to the Management Board on a regular basis, monthly or more frequently as needed. Given the establishment of sustainability into the organization, regular updates on risks arising from environmental, social and governance factors are integrated in Management Board as well as Supervisory Board committees.

## Monitoring

To limit or mitigate operational risks and control deficiencies, risk identification is conducted annually through Risk Control Self-Assessments (RCSA). The Operational Risk Management function proactively monitors the implementation of risk-mitigation measures to ensure timely execution. OpRisk incidents are documented separately and reported on a regular basis. These incidents are also analyzed to identify necessary improvements to systems, processes, and associated monitoring and control measures.

BAWAG's Internal Audit division performs regular audits of the accounting systems. The results of these audits are used to drive continuous enhancements to the internal control and risk management frameworks, particularly as they relate to the accounting process.

## CAPITAL, SHARE; VOTING AND CONTROL RIGHTS

As of 31 December 2025, BAWAG Group AG's share capital amounted to € 77,000,000 and was divided into 77,000,000 non-par value bearer shares, which carry equal participation interest in the share capital of BAWAG Group AG.

BAWAG Group AG's Articles of Association contain no restrictions concerning voting rights or the transfer of shares. Based on BAWAG Group AG's information, no shareholder held, individually or jointly, more than 10% of BAWAG Group AG's share capital. No shareholder has the right to delegate one of the members of the Supervisory Board and there is no control of voting rights arising from interests held by employees. There are no holders of shares with special control rights.

Pursuant to Section 10.7 No 1 of the Articles of Association of BAWAG Group AG, the general meetings shall, unless the law mandatorily stipulates a different majority, pass their resolutions by simple majority of the votes cast, and, in cases where a majority of the capital is required, by simple majority of the share capital represented at the time the resolution is passed.

With regard to the authorization of the Management Board to issue or acquire shares, the following applies:

- Pursuant to Section 5 No 7 of the Articles of Association, the Management Board with the consent of the Supervisory Board, is authorized to increase the share capital within five years from the date of the registration of the amendment to the Articles of Association in the commercial register, also in several tranches against contributions in cash and/or contributions in kind by up to € 31,440,000 by issuing up to 31,440,000 new bearer shares with no par value and to define the issue price conditions in agreement with the Supervisory Board (Authorized Capital 2024).
- The statutory subscription right of the shareholders to the new shares issued from the Authorized Capital 2024 shall be excluded (direct exclusion of the statutory subscription right) if and to the extent that this authorization is utilized by issuing shares against cash payments in a total amount of up to 10% of the share capital in the context of the placement of new shares of BAWAG Group AG to (i) exclude from the shareholders' subscription right fractional amounts which may arise in the case of an unfavorable exchange ratio and/or (ii) to satisfy the exercise of over-allotment options (greenshoe options) granted to the issuing banks.

Furthermore, the Management Board, with the consent of the Supervisory Board, shall be authorized to exclude the statutory subscription right in the following cases:

- › to the extent necessary to service debt instruments (including participation rights) with conversion or option rights or a conversion obligation issued by BAWAG Group AG or its subsidiaries (Section 189a No 7 UGB) or yet to be issued;
  - › to issue shares to employees, senior executives and members of the Management Board of BAWAG Group AG or its subsidiaries (Section 189a No 7 UGB) for remuneration purposes;
  - › in order to increase the share capital against contributions in kind, provided that the capital increase is carried out for the purpose of (also indirectly) acquiring companies, parts of companies or participation in companies or other assets related to an acquisition project;
  - › to carry out a so-called "scrip dividend" in the course of which the shareholders are offered to contribute their dividend claim (in whole or in part) as a contribution in kind against the granting of new shares from the Authorized Capital 2024;
  - › in case of capital increases against cash contributions, provided the exercise of this authorization is objectively justified on the exercise date in accordance with the respective applicable legal requirements.
- The proportionate amount of the share capital attributable to the shares issued against cash and/or non-cash contributions with the exclusion of subscription rights may not exceed 10 % (ten percent, rounded to the second decimal place) of the company's share capital at the time the authorization is granted. This 10 %-threshold shall include the number of shares for which conversion and/or subscription rights are granted with convertible bonds issued during the term of this authorization with the exclusion of subscription rights. The Supervisory Board is authorized to adopt amendments to the Articles of Association resulting from the issue of shares from the Authorized Capital 2024.
  - Pursuant to Section 5 No 8 of the Articles of Association, the share capital shall be conditionally increased by up to € 7,860,000 by issuing up to 7,860,000 no-par value bearer shares for the purpose of issuing them to creditors of convertible bonds which the Management Board, with the consent of the Supervisory Board, may issue in the future on the basis of the authorization granted at the shareholders' meeting on 8 April 2024. The conditional capital increase may only be carried out to the extent that

creditors of convertible bonds to be issued by BAWAG Group AG or their subsidiaries make use of their conversion and/or subscription rights to shares of BAWAG Group AG. The amount to be issued and conversion ratio shall be determined in accordance with the interests of BAWAG Group AG, the existing shareholders and the subscribers of the convertible bonds within the framework of a customary market pricing procedure using recognized customary market methods and the stock exchange price of BAWAG Group AG's shares. The issue price of the new shares may not be less than the proportionate amount of the share capital. The shares to be issued as part of the conditional capital increase are entitled to dividends to the same extent as the existing shares of BAWAG Group AG.

- On 4 April 2025, the shareholders' meeting resolved to authorize the Management Board for a period of 30 months from the date of the resolution in accordance with Section 65 Para 1 No 8 and Para 1a and 1b AktG to acquire own shares. Pursuant to the authorization, the consideration to be paid per share when acquiring shares must not be lower than € 1.0 and must not be more than 50% 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. The Management Board is authorized to determine the repurchase conditions.

The Management Board may exercise the 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 BAWAG Group AG relating to shares acquired by BAWAG Group AG on account of the authorization or otherwise does not exceed 10% of the share capital at any time. Repeated exercise of the authorization is permissible. The authorization may be exercised for one or several purposes by BAWAG Group AG, by a subsidiary or by third parties acting on behalf of BAWAG Group AG.

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 another legally permissible, appropriate manner, in particular, also under exclusion of the shareholders' pro-rata rights to repurchase (reverse exclusion of subscription rights) and also by using equity capital derivatives. Trading in treasury shares is excluded as a purpose for purchase.

- On 4 April 2025, the Annual General Meeting also resolved to authorize the Management Board for a period of five years from the date of the 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 sale than through the stock exchange or a public offer and on an exclusion of pre-emption rights (subscription rights) of shareholders and determine the terms and conditions of the transfer of shares.

Pursuant to the authorization, the Management Board may, with the consent of the Supervisory Board, transfer the acquired shares without an additional resolution by the General Meeting via the stock exchange or a public offer and determine the terms of transfer. Furthermore, 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 cancellation causes a capital reduction by the portion of the share capital that is attributable to the canceled shares.

All of these authorizations can be used once or on several occasions. The authorizations also include the use of treasury shares, as well as shares in BAWAG Group AG acquired by subsidiaries or third parties for the account of BAWAG Group AG or a subsidiary pursuant to Section 66 AktG. The authorizations shall also apply to both treasury shares already held by BAWAG Group AG at the date of the resolution as well as to future treasury shares which are yet to be acquired.

No material agreements exist (or must be disclosed pursuant to Sec 243a Para 1 No 8 UGB) to which BAWAG Group AG is a party and which take effect, change or end upon a change of control in BAWAG Group AG as a result of a takeover bid.

There are no indemnification agreements between BAWAG Group AG and its Management Board and Supervisory Board members or employees that would take effect in the event of a public takeover bid.

## RESEARCH AND DEVELOPMENT

BAWAG does not engage in any research and development activities pursuant to Section 243 UGB.

## BRANCHES

BAWAG strives to maintain a lean and efficient organizational structure, even as it has expanded through both organic growth and strategic acquisitions over the years. To achieve this, previously separate entities were merged into BAWAG P.S.K., operating them as branches wherever feasible.

BAWAG has the following branches under BAWAG P.S.K.:

- **Amsterdam, Netherlands:** Opened in 2025 under the trade name of Knab following its merger into BAWAG P.S.K.
- **Hamburg, Germany:** Opened in February 2025 following the acquisition of Barclays' German retail business.
- **Stuttgart, Germany:** Established in 2020, operations began in 2021 after registering the merger with Südwestbank AG.
- **Eschborn, Germany:** Easyleasing GmbH established a branch under the business name 'BFL – easyleasing GmbH Niederlassung Deutschland,' with operations commencing after the merger of BFL Leasing GmbH on November 1, 2023.
- **Dublin, Ireland:** Established in 2023 to support BAWAG's credit and retail business.

Under BAWAG we established representative offices in the United States in 2022 and 2025, and in London (United Kingdom) in November 2014, to support our international business activities.

## CSR REPORTING

As of the financial year 2017, the Austrian Sustainability and Diversity Improvement Act extended and specified the reporting obligations for non-financial information (environmental, social and employee issues, respect for human rights and anti-corruption) in the Group Management Report by implementing EU Directive 2014/95/EU. Since the reporting for financial year 2021, the reporting requirement was enhanced by the EU Taxonomy 2020/852 and the Disclosures Delegate Act 2021/2178. The purpose of these regulations is to increase the transparency and comparability of non-financial information.

In 2025, BAWAG Group uses the statutory option provided for in Section 267a Para 6 UGB to prepare a separate consolidated non-financial report. This report can be downloaded from the BAWAG Group website under <https://www.bawaggroup.com/en/downloads>.

Vienna, 24 February 2026  
The Management Board

Anas Abuzaakouk m.p.  
Chief Executive Officer

Enver Sirucic m.p.  
Member of the Management Board

Andrew Wise m.p.  
Member of the Management Board

David O’Leary m.p.  
Member of the Management Board

Sat Shah m.p.  
Member of the Management Board

Guido Jestädt m.p.  
Member of the Management Board

## CONSOLIDATED FINANCIAL REPORT

# CONSOLIDATED FINANCIAL REPORT PREPARED IN ACCORDANCE WITH THE INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

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# CONSOLIDATED ACCOUNTS

## PROFIT OR LOSS STATEMENT

in € million	[Notes]	2025	2024
Interest income		3,356.2	3,097.3
thereof calculated using the effective interest method		2,920.2	2,439.5
Interest expense		(1,523.8)	(1,789.3)
thereof calculated using the effective interest method		(855.2)	(769.9)
Dividend income		4.1	3.8
<b>Net interest income</b>	<b>[3]</b>	<b>1,836.5</b>	<b>1,311.8</b>
Fee and commission income		542.6	419.8
Fee and commission expense		(172.0)	(109.9)
<b>Net fee and commission income</b>	<b>[4]</b>	<b>370.6</b>	<b>309.9</b>
Gains and losses on financial assets and liabilities	[5]	11.5	(23.9)
thereof gains from the derecognition of financial assets measured at amortized cost		0.1	—
thereof losses from the derecognition of financial assets measured at amortized cost		(1.6)	(7.2)
Other operating income	[6]	153.6	149.7
Other operating expenses	[6]	(167.8)	(129.2)
Operating expenses		(826.4)	(550.9)
thereof administrative expenses	[7]	(754.8)	(484.2)
thereof depreciation and amortization on tangible and intangible non-current assets	[8]	(71.6)	(66.7)
Risk costs	[9]	(227.5)	(81.8)
thereof according to IFRS 9		(209.0)	(62.9)
Share of the profit or loss of associates accounted for using the equity method	[10]	6.6	4.3
<b>Profit before tax</b>		<b>1,157.1</b>	<b>989.9</b>
Income taxes	[11]	(295.2)	(229.9)
<b>Profit after tax</b>		<b>861.9</b>	<b>760.0</b>
Thereof attributable to non-controlling interests		2.0	—
<b>Thereof attributable to owners of the parent</b>		<b>859.9</b>	<b>760.0</b>

## STATEMENT OF OTHER COMPREHENSIVE INCOME

in € million	[Notes]	2025	2024
<b>Profit after tax</b>		<b>861.9</b>	<b>760.0</b>
<b>Other comprehensive income</b>	<b>[31]</b>		
<b><i>Items that will not be reclassified to profit or loss</i></b>			
Actuarial gains (losses) on defined benefit plans		8.8	—
Fair value changes of shares and other equity investments at fair value through other comprehensive income		1.6	1.4
Change in credit spread of financial liabilities		(0.7)	(1.7)
Share of other comprehensive income of associates accounted for using the equity method		4.4	—
Deferred income tax on items that will not be reclassified		(3.4)	(0.1)
<b>Total items that will not be reclassified to profit or loss</b>		<b>10.7</b>	<b>(0.4)</b>
<b><i>Items that may be reclassified subsequently to profit or loss</i></b>			
Foreign exchange differences		(25.3)	9.9
Hedge of net investment in foreign operations		22.3	(8.8)
Cash flow hedge reserve		71.0	(57.0)
thereof transferred to profit (-) or loss (+) <sup>1</sup>		3.2	10.8
Fair value changes of debt instruments at fair value through other comprehensive income		(9.4)	11.8
thereof transferred to profit (-) or loss (+)		(14.0)	47.4
Deferred income tax on items that will not be reclassified		(14.2)	17.3
<b>Total items that may be reclassified subsequently to profit or loss</b>		<b>44.4</b>	<b>(26.8)</b>
<b>Other comprehensive income</b>		<b>55.1</b>	<b>(27.2)</b>
<b>Total comprehensive income, net of tax</b>		<b>917.0</b>	<b>732.8</b>
Thereof attributable to non-controlling interests		1.7	—
<b>Thereof attributable to owners of the parent</b>		<b>915.3</b>	<b>732.8</b>

<sup>1</sup> To net interest income

## STATEMENT OF FINANCIAL POSITION

<b>Total assets</b>			
in € million	[Notes]	<b>31.12.2025</b>	31.12.2024
Cash reserves	[12]	14,093	17,604
Financial assets at fair value through profit or loss	[13]	517	624
Financial assets at fair value through other comprehensive income	[14]	1,322	1,913
Financial assets held for trading	[15]	109	316
Financial assets measured at amortized cost	[16]	54,814	49,407
Customers		50,749	45,496
Credit institutions		452	830
Securities		3,613	3,081
Valuation adjustment on interest rate risk hedged portfolios		(616)	(218)
Hedging derivatives	[30]	358	331
Property, plant and equipment	[18]	300	254
Investment properties	[18]	232	50
Goodwill	[19]	117	119
Brand names and customer relationships	[19]	223	233
Software and other intangible assets	[19]	195	180
Tax assets for current taxes		23	19
Tax assets for deferred taxes	[20]	108	121
Associates recognized at equity	[52]	106	101
Other assets	[21]	277	282
Non-current assets and disposal groups held for sale	[22]	119	5
<b>Total assets</b>		<b>72,297</b>	<b>71,341</b>

<b>Total liabilities and equity</b>			
in € million	[Notes]	<b>31.12.2025</b>	31.12.2024
<b>Total liabilities</b>		<b>67,452</b>	<b>66,608</b>
Financial liabilities designated at fair value through profit or loss	[23]	55	100
Financial liabilities held for trading	[24]	450	454
Financial liabilities at amortized cost	[25]	65,707	64,608
Customers		47,367	46,170
Issued bonds and supplementary capital		17,528	17,174
Credit institutions		812	1,264
Valuation adjustment on interest rate risk hedged portfolios		(299)	(220)
Hedging derivatives	[30]	91	291
Provisions	[28]	251	285
Tax liabilities for current taxes		131	145
Tax liabilities for deferred taxes	[20]	189	119
Other obligations	[29]	877	826
<b>Total equity</b>	<b>[31]</b>	<b>4,845</b>	<b>4,733</b>
Equity attributable to the owners of the parent (ex AT1 capital)		4,340	4,025
AT1 capital		496	708
Non-controlling interests		9	—
<b>Total liabilities and equity</b>		<b>72,297</b>	<b>71,341</b>

## STATEMENTS OF CHANGES IN EQUITY

in € million	Subscribed capital	Capital reserves	Other equity instruments issued	Retained earnings reserve	Cash flow hedge reserve net of tax	Actuarial gains/losses net of tax	Debt instruments at fair value through other comprehensive income net of tax
<b>Balance as of 01.01.2024</b>	<b>79</b>	<b>1,167</b>	<b>471</b>	<b>2,603</b>	<b>(24)</b>	<b>(78)</b>	<b>14</b>
Transfer from other comprehensive income	—	—	—	(6)	—	—	5
Transactions with owners	—	6	—	(393)	—	—	—
Share-based payment	—	6	—	—	—	—	—
Dividends	—	—	—	(393)	—	—	—
Buyback of shares	—	—	—	—	—	—	—
AT1 capital	—	—	237	(2)	—	—	—
AT1 issue	—	—	500	—	—	—	—
AT1 redemption	—	—	(262)	—	—	—	—
AT1 coupon	—	—	—	(22)	—	—	—
Change in scope of consolidation	—	—	—	—	—	—	4
Total comprehensive income	—	—	—	760	(44) <sup>1</sup>	—	16 <sup>2</sup>
<b>Balance as of 31.12.2024</b>	<b>79</b>	<b>1,173</b>	<b>708</b>	<b>2,940</b>	<b>(68)</b>	<b>(78)</b>	<b>39</b>
<b>Balance as of 01.01.2025</b>	<b>79</b>	<b>1,173</b>	<b>708</b>	<b>2,940</b>	<b>(68)</b>	<b>(78)</b>	<b>39</b>
Transfer from other comprehensive income	—	—	—	(4)	—	—	—
Transactions with owners	(2)	54	—	(605)	—	—	—
Share-based payment	—	54	—	—	—	—	—
Dividends	—	—	—	(432)	—	—	—
Buyback of shares	(2)	—	—	(173)	—	—	—
AT1 capital	—	—	(212)	(2)	—	—	—
AT1 issue	—	—	—	—	—	—	—
AT1 redemption	—	—	(212)	(2)	—	—	—
AT1 coupon	—	—	—	(46)	—	—	—
Change in scope of consolidation	—	1	—	—	—	—	—
Total comprehensive income	—	—	—	860	55 <sup>1</sup>	7	(8) <sup>2</sup>
<b>Balance as of 31.12.2025</b>	<b>77</b>	<b>1,228</b>	<b>496</b>	<b>3,143</b>	<b>(13)</b>	<b>(71)</b>	<b>31</b>

<sup>1</sup> Thereof transferred to profit or loss: plus € 2 million (2024: plus € 8 million).

<sup>2</sup> Thereof transferred to profit or loss: minus € 11 million (2024: plus € 36 million).

in € million	Equity investments at fair value through other comprehensive income net of tax	Change in credit spread of financial liabilities net of tax	Hedge of net investment in foreign operations net of tax	Foreign exchange differences	Equity attributable to the owners of the parent	Non-controlling interests	Equity including non-controlling interests
<b>Balance as of 01.01.2024</b>	<b>(8)</b>	<b>(52)</b>	<b>(1)</b>	<b>(1)</b>	<b>4,170</b>	<b>—</b>	<b>4,170</b>
Transfer from other comprehensive income	1	—	—	—	—	—	—
Transactions with owners	—	—	—	—	(387)	—	(387)
Share-based payment	—	—	—	—	6	—	6
Dividends	—	—	—	—	(393)	—	(393)
Buyback of shares	—	—	—	—	—	—	—
AT1 capital	—	—	—	—	235	—	235
AT1 issue	—	—	—	—	500	—	500
AT1 redemption	—	—	—	—	(262)	—	(262)
AT1 coupon	—	—	—	—	(22)	—	(22)
Change in scope of consolidation	—	—	—	—	4	—	4
Total comprehensive income	1	(1)	(9)	10	733	—	733
<b>Balance as of 31.12.2024</b>	<b>(6)</b>	<b>(53)</b>	<b>(10)</b>	<b>9</b>	<b>4,733</b>	<b>—</b>	<b>4,733</b>
<b>Balance as of 01.01.2025</b>	<b>(6)</b>	<b>(53)</b>	<b>(10)</b>	<b>9</b>	<b>4,733</b>	<b>—</b>	<b>4,733</b>
Transfer from other comprehensive income	4	—	—	—	—	—	—
Transactions with owners	—	—	—	—	(553)	—	(553)
Share-based payment	—	—	—	—	54	—	54
Dividends	—	—	—	—	(432)	—	(432)
Buyback of shares	—	—	—	—	(175)	—	(175)
AT1 capital	—	—	—	—	(214)	—	(214)
AT1 issue	—	—	—	—	—	—	—
AT1 redemption	—	—	—	—	(214)	—	(214)
AT1 coupon	—	—	—	—	(46)	—	(46)
Change in scope of consolidation	—	—	—	—	1	7	8
Total comprehensive income	4	—	22	(25)	915	2	917
<b>Balance as of 31.12.2025</b>	<b>2</b>	<b>(53)</b>	<b>12</b>	<b>(16)</b>	<b>4,836</b>	<b>9</b>	<b>4,845</b>

## CASH FLOW STATEMENT

in € million	[Notes]	2025	2024
<b>I. Profit (after tax, before non-controlling interests)</b>	<b>Profit or loss statement</b>	<b>860</b>	<b>760</b>
Non-cash items included in the profit (loss) and reconciliation to net cash from operating activities			
Depreciation, amortization, impairment losses, write-ups	[8], [9]	254	137
Changes in provisions	[28]	150	169
Changes in other non-cash items		374	(314)
Result from the sale of financial investments, tangible non-current assets, intangible non-current assets and subsidiaries	[5], [6]	(14)	9
Share of profit of equity-accounted investees, net of tax	Profit or loss statement	(7)	(4)
Other adjustments (mainly interest income and interest expenses)		(1,686)	(1,205)
<b>Subtotal</b>		<b>(69)</b>	<b>(448)</b>
Change in assets and liabilities arising from operating activities after corrections for non-cash items			
Financial assets at amortized cost		(1,912)	131
Other financial assets (not including investing activities)		69	495
Other assets		356	44
Financial liabilities at amortized cost		(3,401)	(640)
Other financial liabilities (not including financing activities)		431	547
Other obligations		(25)	55
Interest receipts		3,108	3,029
Dividend receipts	Profit or loss statement	4	4
Dividends from equity-accounted investees		2	5
Interest paid		(1,583)	(1,696)
Income taxes paid		(256)	(282)
<b>II. Net cash from operating activities</b>		<b>(3,276)</b>	<b>1,244</b>
Cash receipts from sales and redemptions of			
Debt instruments at amortized cost		1,104	1,022
Debt instruments, subsidiaries and other equity instruments at fair value through other comprehensive income		846	1,816
Tangible and intangible non-current assets, investment properties		6	27
Cash paid for			
Subsidiaries and other equity instruments at fair value through other comprehensive income		(2)	—
Debt instruments at amortized cost		(748)	(399)
Debt instruments at fair value through other comprehensive income		(338)	(459)
Tangible and intangible non-current assets	[18], [19]	(96)	(51)
Cash receipts from sales of subsidiaries		—	1

in € million	[Notes]	<b>2025</b>	2024
Cash receipts from sales of associates		—	29
Cash paid for the acquisition of associates		(9)	—
Acquisition of subsidiaries, net of cash acquired	[37]	(157)	1,898
<b>III. Net cash used in investing activities</b>		<b>606</b>	<b>3,884</b>
Cash paid for treasury shares	Statement of changes in equity	(175)	—
Dividends paid	Statement of changes in equity	(432)	(393)
Issuance of subordinated liabilities (including those designated at fair value through profit or loss)		249	—
Changes in ownership interests in subsidiaries not resulting in a loss of control		6	—
Issuance of AT1 capital	Statement of changes in equity	—	500
Cash paid for the buyback of AT1 capital	Statement of changes in equity	(214)	(262)
AT1 coupon	Statement of changes in equity	(46)	(22)
Cash paid for amounts included in lease liabilities		(29)	(29)
Redemption of subordinated liabilities (including those designated at fair value through profit or loss)		(200)	(104)
<b>IV. Net cash from financing activities</b>		<b>(841)</b>	<b>(310)</b>
<b>Cash and cash equivalents at end of previous period</b>		<b>17,604</b>	<b>12,786</b>
<b>Net cash from operating activities</b>		<b>(3,276)</b>	<b>1,244</b>
<b>Net cash used in investing activities</b>		<b>606</b>	<b>3,884</b>
<b>Net cash from financing activities</b>		<b>(841)</b>	<b>(310)</b>
<b>Cash and cash equivalents at end of period</b>		<b>14,093</b>	<b>17,604</b>

# NOTES

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 1 | Accounting policies

BAWAG Group AG is the parent company of BAWAG Group. BAWAG P.S.K. Bank für Arbeit und Wirtschaft und Österreichische Postsparkasse Aktiengesellschaft (BAWAG P.S.K. AG), a subsidiary of BAWAG Group AG, is an Austrian bank operating predominantly in Austria with additional activities in selected international markets. The registered office of BAWAG Group AG is located at Wiedner Gürtel 11, 1100 Vienna.

The consolidated financial statements were prepared applying section 59a BWG in connection with section 245a UGB, according to Regulation (EC) No. 1606/2002 of the European Parliament and of the Council of 19 July 2002, and in accordance with the provisions of the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and the interpretations by the IFRS Interpretations Committee (IFRIC/SIC) as applicable on the reporting date as adopted by the EU and therefore mandatory with respect to the consolidated financial statements as of 31 December 2025.

These consolidated financial statements for BAWAG according to IFRS are based on the individual annual financial statements for all fully consolidated Group companies according to IFRS as of 31 December 2025. Associates are accounted for using the equity method. The principle of materiality is applied.

The preparation of consolidated financial statements according to IFRS requires that assumptions and estimates be made about factors that have a material influence on the Group's business operations. These assumptions are regularly reviewed and adjusted whenever needed. Such adjustments are taken into account in the current period and also for future periods when the adjustment has long-term effects.

The accounting principles used in preparing these consolidated annual financial statements are the same as those applied in the consolidated annual financial statements as of 31 December 2024.

The reporting currency is euro. Unless indicated otherwise, all figures are rounded to millions of euros. The tables in this report may contain rounding differences.

All monetary figures in foreign currencies are translated at the middle exchange rate on the reporting date.

### Scope of consolidation and consolidation principles

The scope of consolidation includes all direct and indirect material equity investments of BAWAG.

As of 31 December 2025, the consolidated financial statements included 48 (2024: 43) fully consolidated companies and 3 (2024: 2) companies that are accounted for using the equity method in Austria and abroad.

The criteria for inclusion are both the amount of an entity's assets and its relative contribution to the Group's consolidated profit. All non-consolidated subsidiaries have only a minor influence on the Group's assets, financial position and the results of its operations. Note 49 List of consolidated subsidiaries contains a list of all fully consolidated subsidiaries and associates accounted for using the equity method.

The carrying amount of the associates that are not accounted for using the equity method totaled € 0 million (2024: € 0 million) on 31 December 2025. Controlled companies with a carrying amount of € 7 million (2024: € 9 million) were not consolidated because they did not have a material effect on the Group's assets, financial position or the results of its operations.

Further details on the scope of consolidation and major changes in the Group's holdings can be found in Notes 49 and 50.

The acquisition method according to IFRS 3 is used for business combinations. Under this method, the acquisition costs for the entity in question must be compared with the value of the net assets at the time of acquisition. The value of the net assets is the fair value of all identifiable assets, liabilities and contingent liabilities assumed at the time of acquisition.

All intragroup receivables and payables, expenses, and income and intragroup profits are eliminated unless they are insignificant.

Goodwill in the amount of € 117 million (2024: € 119 million) is recognized under Goodwill on the Statement of Financial Position. In accordance with IFRS 3 in conjunction with IAS 36 and IAS 38, the recognized goodwill of all cash-generating units (CGUs) is subject to annual impairment testing in accordance with IAS 36.

Goodwill impairment testing is performed by applying the value in use for the respective entities.

Currently, the goodwill is allocated to the easybank franchise Austria (€ 59 million; 2024: € 59 million), Zahnärztekasse AG (€ 24 million; 2024: € 24 million), Idaho First Bank (€ 18 million; 2024: € 20 million), Health Coevo AG (€ 15 million; 2024: € 15 million) and brokerage business Austria (€ 1 million; 2024: € 1 million) as these are the smallest CGUs to which goodwill can be assigned. Further details on the entities accounted for using the equity method can be found in Note 36 and Note 52.

The customer business of all entities with assigned goodwill is part of the Retail & SME segment.

Also, all equity investments accounted for using the equity method, were tested for indicators of a sustained or material impairment. Impairment tests were carried out if necessary due to the indicators. Further details can be found in the respective chapter of Note 1.

All non-consolidated equity instruments are measured according to IFRS 9 and classified as fair value through OCI or fair value through profit or loss. Further details can be found in Note 50.

**Exercise of judgment and uncertainty of estimates**

The consolidated financial statements include values which are determined, as permitted, on the basis of estimates and judgments. The estimates and judgments used are based on past experience and other factors, such as planning and expectations or forecasts of future events that are considered likely as far as we know today. The estimates and judgments themselves and the underlying estimation methods and judgment factors are reviewed regularly and compared with actual results. With respect to the current geopolitical situation, please refer to the bullet point on IFRS 9.

The measurement of financial instruments and the related estimates in respect of measurement parameters, in particular the future development of interest rates, have a material effect on the results of operations. The parameter values applied by the Bank are derived largely from market conditions prevailing as of the reporting date.

The determination of the fair value for financial assets and liabilities for which there is no observable market price (Level 2, Level 3) requires the use of valuation techniques. For financial instruments that trade infrequently, calculation of fair value requires varying degrees of judgment depending on liquidity, uncertainty of market factors, pricing assumptions and other risks affecting the specific instrument. Details regarding valuation techniques and uncertainty of estimates regarding unobservable input factors are described in Note 1 Accounting policies and in Note 34 Fair value.

Assessments of the recoverability of long-term loans are based on assumptions regarding the borrower’s future cash flows and, hence, possible impairments of loans and the recognition of provisions for off-balance-sheet commitments in relation to the lending business. In light of the current geopolitical situation (conflicts in Ukraine, the Middle East and Southeast Asia, as well as the future dynamics of international climate policy in general), assessments regarding the measurement of individual financial assets, assessments regarding the transfer of financial instruments from Stage 1 to Stage 2, macroeconomic assumptions for the determination of forward-looking information in the course of the calculation of expected credit losses and assumptions for expected cash flows for impaired loans are based on the latest observations available to us. The long-term impact of the current geopolitical situation on economic development, the development of labor and other industry-specific markets may be overestimated or underestimated when applying hindsight in the future.

The Bank may also face an impact from changed climate conditions and consequently see an impact on the loan portfolio or any collaterals (e.g. through flooding). Other ESG risks may contain changes in client behavior, changes in relevant legislation etc. ESG risks may impact our planning assumptions used for impairment testing, valuation of collateral and financial instruments. The analysis and monitoring of these risks is an ongoing process. For further information on ESG risks, please refer to the Risk Report.

Assessments as to whether or not cash-generating units (CGUs) were unimpaired are based on planning calculations. These naturally reflect the management's evaluations, which are in turn subject to a degree of predictive uncertainty. Details on the impairment test and the analysis of uncertainties surrounding the estimation of goodwill are set out in Note 1 Accounting policies and Note 19 Goodwill, Brand names and customer relationships and Software and other intangible assets.

In determining the amount of deferred tax assets, the Group uses historical utilization possibilities of tax loss carryforwards and a multi-year forecast prepared by the management of the subsidiaries and the approved budget for the following year, including tax planning. The Group regularly re-evaluates its estimates related to deferred tax assets, including its assumptions about future profitability. Details regarding deferred taxes are set out in Note 1 Accounting policies and in Note 20 Net deferred tax assets and liabilities on the Statement of Financial Position.

Pension obligations are measured based on the projected unit credit method for defined benefit pension plans. In measuring such obligations, assumptions have to be made regarding long-term trends for salaries, pensions and future mortality in particular. Changes in the underlying assumptions from year to year and divergences from the actual effects each year are reported under actuarial gains and losses (see Note 1 Accounting policies).

The following items are also subject to the judgment of management:

- recoverability of intangible assets (Note 19)
- recognition of provisions for uncertain liabilities
- assessments of legal risks from legal proceedings, supreme court rulings and inspections of regulatory authorities and the recognition of provisions regarding such risks
- assessment of the lease term applied for the standard IFRS 16 Leases

- assessing which entities are structured entities, and which involvements in such entities are interests (Note 53)
- IFRS 9: Judgment may be required when assessing the SPPI criterion to ensure that financial assets are classified into the appropriate measurement category.
- fair value calculation for unquoted financial instruments where some parameters required for the valuation model are not observable in the market (Level 3).

### IFRS 9 Financial Instruments

Financial instruments are recognized and derecognized on the trade date.

#### Classification of financial assets and financial liabilities

##### *Financial assets – Debt instruments*

IFRS 9 establishes three principal classification categories for financial assets: measured at amortized cost, fair value through other comprehensive income (FVOCI) and fair value through profit or loss (FVTPL).

The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset.

A financial asset is measured at amortized cost only if the object of the entity's business model is to hold the financial asset and the contractual cash flows are solely payments of principal and interest on the principal outstanding (simple loan feature). A financial asset is measured at fair value through other comprehensive income if the asset is held in a business model in which assets are managed both in order to collect contractual cash flows and are held for a future sale and if the contractual cash flows are solely payments of principal and interest on the principal outstanding (simple loan feature). Financial assets that do not meet these criteria are measured at fair value through profit or loss.

Premiums and discounts are recognized pro rata temporis via the effective interest rate. Expenses and revenues were set off against or added to interest income from the same financial instrument.

Processing fees are deferred over the term of the loan and recognized in the net interest income after deducting the directly attributable costs.

Please see the Risk Report for information about the formation of provisions.

### *Business model assessment for financial assets*

The Group identified the following business models:

- **Hold to collect**  
Financial assets held in this business model are generally intended to be held until maturity and managed to realize cash flows by collecting principal and interest over the lifetime of the instruments. Not all of the financial assets need to be held until maturity. Under certain circumstances, sales are consistent with this business model independent of their volume and frequency, for example if the asset is sold close to the maturity of the financial asset and the proceeds approximate the collection of the remaining contractual cash flows or the asset is sold due to an increase in the asset's credit risk due to changes in tax or regulatory laws, within business combinations or reorganizations or in stress case scenarios. In addition, sales are considered as insignificant independent of their reason when sales volumes and earnings do not exceed 5% of the average book value of the respective portfolio in a year.
- **Hold to collect and sell**  
Financial assets that are held in this business model are managed both in order to collect contractual cash flows and for selling. This business model covers a portfolio of predominantly liquid investment grade bonds that can be sold, put up for an ECB tender or used in a repurchase agreement transaction if needed.
- **Other business models**  
Financial assets in this business model are held to sell.
- **Held for trading**  
This category covers financial assets and liabilities held for trading purposes. These financial instruments are recognized at their fair value. All derivatives in the banking book that are not part of a hedging transaction are assigned to this category. Financial liabilities include liabilities from derivative transactions, short positions and repurchase agreements.

Certain financial assets that do not meet the definition of trading assets are designated at fair value through profit or loss using the fair value option. BAWAG exercised the fair value option to avoid an accounting mismatch. This occurs, for example, when the risk of changes in the fair value of securities and loans has been hedged using derivatives.

*Assessment whether contractual cash flows are solely payments of principal and interest for financial assets*

To identify whether a financial asset fulfills the SPPI criteria, BAWAG analyzes its portfolio in three steps:

1. Identifying all financial assets clearly fulfilling the SPPI criteria;
2. Qualitative benchmark test;
3. Quantitative benchmark test.

A qualitative or quantitative benchmark test must be performed for financial instruments with possibly harmful conditions. A qualitative benchmark test suffices if the possibly harmful feature is clearly immaterial when comparing cash flows, e.g. certain prior fixings. In this case, a quantitative benchmark test is not necessary and the financial instrument fulfills the SPPI criteria. In all other cases, a quantitative benchmark test is required comparing the cash flow of the financial asset with the harmful feature with a cash flow of a theoretical financial instrument having the same conditions but without the harmful feature. If the cash flows deviate significantly, the financial asset does not fulfill the SPPI criteria and must be measured at FVTPL.

When comparing cash flows in the benchmark test, BAWAG defined a deviation of 5% when comparing cumulative cash flows and 1% of annual cash flows as immaterial. A portfolio of loans and bonds currently fails the SPPI test, mainly due to their interest rate indicator being non-compliant.

The Bank has granted loans that include features that change contractual cash flows based on the borrower meeting certain contractually specified ESG targets, for example a reduced interest rate if the borrower meets specific targets for reducing carbon emissions. If the ESG feature could only have a de minimis effect (+/- 5%) on the contractual cash flows of the instrument, BAWAG considers the SPPI criterion to be met.

*Financial liabilities*

In accordance with IFRS 9, financial liabilities

- not held for trading or
- designated as Financial liabilities at fair value through profit or loss

are measured at amortized cost.

Fair value changes of financial liabilities in the fair value option are generally presented as follows:

- the amount of change in the fair value that is attributable to changes in the credit risk of the liability is presented in OCI; and
- the remaining amount of change in the fair value is presented in profit or loss.

Certain financial liabilities that do not meet the definition of trading liabilities are designated at fair value through profit or loss using the fair value option. BAWAG exercised the fair value option in the following cases:

- To avoid an accounting mismatch
  - For fixed-income own issues whose fair value on the date of acquisition has been hedged with interest rate derivatives
- Presence of embedded derivatives
  - Own issues with embedded derivatives

*Reclassifications*

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Group changes its business model for managing financial assets.

*Contractual modifications*

If the contractual cash flows are changed in the course of renegotiating loans, an assessment of the significance of the change is required. In the event of a non-significant change in the contractual cash flows, the gross carrying amount of the instrument is adjusted to the present value of the new contractual cash flows, discounted at the original effective interest rate. The difference between the old gross carrying amount and the new gross carrying amount is recognized in the income statement as a modification gain or loss in Gains and losses on financial assets and liabilities.

If the cash flows differ significantly (BAWAG has chosen a significance threshold for the change in present value of 10%), the contractual rights to the cash flows from the original instruments are considered forfeited. In this case, the original instrument is derecognized, and a new financial instrument is recognized at fair value plus any eligible transaction costs.

In addition, the original asset is derecognized in case of a qualitative modification of the contract. This is the case if there is a change in the contract party or the contract currency (unless this was already agreed in the original contract) and the introduction or removal of a contractual clause that is not SPPI-compliant.

In case of modifications that do not lead to derecognition, BAWAG assesses a significant increase in credit risk through one of the stage transfer criteria and determines if the assets' loss allowance is measured at lifetime or 12-month expected loss. A significant increase in credit risk is assessed by comparing:

- the remaining lifetime PD at the reporting date based on the modified terms; and
- the remaining lifetime PD estimated at the initial recognition with the original contractual terms.

When modification of a loan that is not credit-impaired results in a derecognition, a new loan is recognized and allocated to Stage 1.

#### *Equity instruments*

IFRS 9 requires all equity instruments to be measured at fair value through profit or loss, but allows users to designate equity instruments that are not intended to be "held for trading" at fair value through OCI. This decision is made on an instrument-by-instrument basis. If the OCI option is used, all fair value changes including gains from sales will be shown in OCI. Gains and losses are not recycled to profit or loss. Only dividends are recognized in profit or loss. This designation can only be made at inception and cannot be changed afterwards.

The majority of BAWAG's equity investments are intended to be long-term investments and BAWAG is not focused on realizing short-term sales profits from these investments. Therefore, equity investments are generally classified as FVOCI, as the Group regards this presentation as giving a clearer picture of the Group's profitability. This mainly concerns non-consolidated interests in subsidiaries as well as investments in AT1 instruments (Additional Tier 1). In case BAWAG plans to sell equity investments in the medium or near term, the use of the FVOCI option is decided on a case-by-case basis.

#### **Impairment**

Please see the Risk Report for information about impairments.

#### **Cash reserves**

Cash reserves include cash on hand, balances at central banks and sight deposits with credit institutions. Cash reserves are carried at amortized cost in the Statement of Financial Position.

#### **Hedge accounting**

BAWAG chose to continue applying hedge accounting under IAS 39.

BAWAG uses fair value hedge accounting to account for hedges of interest rate risk inherent in fixed-rate financial instruments. Hedging instruments are usually interest rate swaps. The hedged items are securities in the category At fair value through other comprehensive income as well as the Group's own issues, customer deposits and loans to customers that are recognized at amortized cost. BAWAG applies cash flow hedge accounting according to IAS 39 for highly probable future cash flows from certain foreign currency portfolios. Hedging instruments are usually cross-currency swaps and FX outrights.

In line with general regulations, derivatives are classified as financial assets held for trading or financial liabilities held for trading and are recognized at fair value. The valuation result is shown in the line item Gains and losses on financial assets and liabilities as gains (losses) on financial assets and liabilities held for trading. If derivatives are used to hedge risks of non-trading transactions, BAWAG applies hedge accounting if the conditions according to IAS 39 are met.

At inception of the hedge relationship, the relationship between the hedging instrument and the hedged item, the risk management objectives and the method used for assessing hedge effectiveness are documented. Furthermore, BAWAG documents at the inception of the hedge and at least on each reporting date whether the hedge is highly effective in offsetting changes in fair values of the hedged item and the hedging instrument attributable to the hedged risk.

Interest rate risk to which the Group applies hedge accounting arises from fixed-rate issues, customer deposits, loans and fixed-rate bonds whose fair value fluctuates when benchmark interest rates change. The Group hedges interest rate risk only to the extent of benchmark interest rates because the changes in fair value of fixed-rate assets or liabilities are significantly influenced by changes in the benchmark interest rate. Hedge accounting is applied where economic hedge relationships meet the hedge accounting criteria.

The Group takes a conservative approach to market risk in general and specifically also to interest rate risk. The interest rate risk position is strategically managed at the IFRS Group level and measured, limited and managed based on the economic view and according to the IFRS accounting treatment (FVTPL, FVOCI). The Group's interest rate risk management approach has a focus on mitigating market risks, thereby using natural hedging capabilities of its balance sheet as well as derivatives for managing the risk position.

The foreign currency risk for which the Group applies cash flow hedge accounting results from future cash flows from foreign currency portfolios whose fair value fluctuates with changes in the FX exchange rate. Both FX outright and cross-currency swaps are used in the Group to hedge foreign currency risk, as their change in market value is essentially influenced by the change in the FX exchange rate.

FX risks are deemed to be low, as the Group follows a strategy to hedge any FX risks arising from notional and base rate interest cash flows. The risk position is monitored on a daily basis and managed within narrow limits. Furthermore, the Group applies cash flow hedge accounting to mitigate FX risk from future expected spread income.

By using derivative financial instruments to hedge exposures to changes in interest and FX rates, the Group also exposes itself to credit risk of the derivative counterparty, which is not offset by the hedged item. The Group minimizes counterparty credit risk in derivative instruments by entering into transactions with high-quality counterparties, requiring the counterparties to post collateral and clearing through CCPs.

BAWAG uses fair value hedge accounting for effective hedging relationships that reduce market risk.

#### Micro fair value hedge

In a micro fair value hedge, a financial asset or financial liability or a group of similar financial assets or financial liabilities is hedged against changes in its fair value. Changes in the value of the hedged item and the hedging instrument are recognized in the Profit or Loss Statement in the line item Gains and losses on financial assets and liabilities in the same period. The hedging instrument is recognized at fair value through profit or loss and the hedged item is adjusted for any changes in fair value relating to the hedged risk.

As soon as the hedging instrument is sold, exercised or comes due, or when the eligibility requirements for hedge accounting are no longer met, the hedging relationship is no longer recognized on the Statement of Financial Position.

Any accumulated changes in the value of the former hedged item during the existence of the hedge relationship are recognized through profit or loss distributed over the remainder of the term.

For other types of fair value adjustments and whenever a fair value hedged asset or liability is sold or otherwise derecognized, any basis adjustments are included in the calculation of the gain or loss on derecognition.

As the critical terms of the interest rate swap contracts and their corresponding hedged items are the same, BAWAG performs a qualitative prospective assessment of effectiveness and it is expected that the value of the interest rate swap contracts and the value of the corresponding hedged items will systematically change in opposite directions in response to movements in the underlying interest rates. The main cause of hedge ineffectiveness is due to the fact that different discounting curves are used to determine the fair value of hedges and hedged items (OIS vs. IBOR discounting).

#### Portfolio fair value hedge

BAWAG applies fair value hedge accounting for a portfolio hedge of interest rate risk. In its accounts, the Bank has identified sight deposits in euros as well as customer loans with interest caps and floors and fixed rate loans as portfolios that are to be protected against interest rate risks. These portfolios are divided into time buckets in accordance with the expected repayment and interest rate adjustment dates. BAWAG determines an amount of liabilities and/or loans from the identified portfolios to be hedged as the underlyings for the portfolio fair value hedges. Additions and reductions are initially allocated to the non-designated portion of the identified portfolios using the bottom layer approach. For this, BAWAG applies the EU carve-out for IAS 39, which allows sight deposits and similar instruments to be designated as part of a hedging relationship on the basis of the expected withdrawal and due dates. The EU carve-out for IAS 39 also allows the application of the bottom layer approach.

On the balance sheet, the changes in the value of the underlying transactions that can be attributed to the hedged risk are reported under the separate line item Valuation adjustment on interest rate risk hedged portfolios. Changes in the value of the underlying and the hedging transaction are reported on the income statement in the same period under Gains and losses on financial assets and liabilities.

In addition to the reason mentioned in the Micro fair value hedge section (OIS/IBOR basis spread), inefficiencies in portfolio fair value hedge accounting will arise if the volume of hedging transactions exceeds the actual volumes of the hedged positions.

#### Cash flow hedge

BAWAG applies cash flow hedge accounting according to IAS 39 for highly probable future cash flows from certain foreign currency portfolios.

BAWAG has identified future spread income from GBP, CHF and USD assets as underlyings that are to be protected against changes in variability in cash flows from foreign currency rates.

IAS 39 allows parts of highly probable future cash flows to be designated as a hedged item subject to cash flow hedge accounting. In each case, BAWAG designates the first cash flows for a defined period of time as a hedged item.

In other comprehensive income, the changes in the value of the hedging instruments that can be attributed to the hedged risk are reported under Cash flow hedge reserve. Therefore, in 2025 fair value gains in the amount of € 71 million (2024: losses in the amount of minus € 57 million) would have been presented in the line item Gains and losses on financial instruments in the income statement if BAWAG had not applied cash flow hedge accounting.

In addition to the reason mentioned in the Micro fair value hedge (OIS/IBOR basis spread), inefficiencies in cash flow hedge accounting will arise if the expected cash flows exceed the actual cash flows of the hedged positions.

#### Net investment hedge

BAWAG applies net investment hedge accounting according to IAS 39 for net investments in subsidiaries whose functional currency is not the euro.

Net investment hedge accounting according to IAS 39 is applied to mitigate impacts on profit or loss resulting from instruments used to hedge the foreign exchange risk. The hedged risk is defined as the foreign currency exposure arising from the functional currency of the foreign operation (currently CHF and USD) and the functional currency of the parent, which is the euro.

The hedging instrument is measured at fair value, with the effective portion of its changes recognized in other comprehensive income in a separate component of equity. Any ineffective portion of the gain or loss on the hedging instrument is recognized in profit or loss in the event that the fair value change of the hedging instrument exceeds the fair value change of the hedged item.

In other comprehensive income, the changes in the value of the hedging instruments are reported under Hedge of net investment in foreign operations. In 2025, fair value gains in the amount of € 22.3 million (2024: losses of € 8.8 million) would have been presented in the line item Gains and losses on financial instruments in the income statement if BAWAG had not applied net investment hedge accounting.

Inefficiencies in net investment hedge accounting will arise from the hedging instrument (the forward contract), which contains a foreign currency basis spread that is not present in the hedged item (the net investment). Furthermore, hedge ineffectiveness can arise when the carrying value of the net investment falls below the originally designated amount or when the hedged item and the hedging instrument are subject to different counterparty risks (e.g. OIS discounting of hedging instrument).

### Financial guarantees

Financial guarantees are contracts that require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

In the ordinary course of business, BAWAG provides financial guarantees. Financial guarantees are initially measured at fair value. Subsequent to initial recognition, the financial guarantee contract is reviewed in order to determine whether a provision according to IFRS 9 is required.

If BAWAG is the guarantee holder, a financial guarantee that is an integral part of the contract is not recognized in the balance sheet, but is taken into account as collateral when determining impairment of the guaranteed asset. BAWAG considers guarantees to be integral if they are entered into at or near the inception of the guaranteed financial asset. For details, see Note 28.

### Methods for determining the fair value of financial instruments

The assessment of an “active market” of a given security is derived from a set of defined criteria. Additionally, minimum requirements (e.g. issuance size, exchange listing etc.) apply. BAWAG uses market data (e.g. quoted volumes, frequency of quotes) to determine the liquidity and market depth of securities.

### Derivatives

To measure exchange-traded instruments such as futures and options on futures, exchange prices are used. Details are presented in Note 34. Some basic information is presented here:

The basic valuation model used for plain vanilla OTC options is the Black-Scholes option price model, which varies according to the underlying instruments and hedged items. Currency options are measured using the Garman-Kohlhagen model, and interest rate options using the Black, Hull-White or Bachelier (in the case of negative interest rates for caps, floors and swaptions) model.

The total value of an interest rate swap is derived from the present values of its fixed and variable rate legs. For cross-currency swaps (CCS), the cash value in the respective transaction currency is also calculated per leg, which is then

converted into the functional currency of the Group company and summed up.

In the case of foreign currency forwards and futures, the agreed forward rate, which depends on movements in exchange and interest rates for both currencies, is compared with the forward rate on the reporting date and the result is used to calculate the instrument’s value.

Credit default swaps (CDS) are calculated with the Duffie-Singleton model. Based on the credit spread curve, the default probability curve (hazard rate) is calculated, which is used to generate the protection leg. Hence, the total value of a CDS is the sum of the protection and premium leg.

BAWAG determines a credit (CVA) or debt value adjustment (DVA) for the credit risk of OTC derivatives. For calculation, internal probabilities of default (PD) are used and a recovery rate (RR) of 0.4 is assumed.

For the counterparties, a market value + add-on model is used to determine the EPE/ENE (expected positive/negative exposure). The add-on is calculated separately for each transaction type and currency and is generally derived from observable parameters on the market.

If a netting agreement is in force, netting effects at the customer level within transactions of the same kind and currency are also taken into account.

The CVA is determined from the discount rates, the counterparty PD and loss rate (1-REC) as well as the EPE. The DVA is determined from BAWAG’s PD and loss rate as well as the ENE.

If the risk discount rate cannot be derived from market transactions, it is estimated by the management. This applies especially to non-payment risks arising from legal uncertainty that cannot be derived from the customer’s general credit spread. Provided that BAWAG believes that the transaction is legally enforceable, the Bank still reports an asset in the amount of the positive fair value of the transaction with the counterparty even if objections have been lodged.

To value financial assets whose parameters cannot be derived from market transactions, the expected cash flow (including interest on arrears, if contractually agreed) is discounted on the day of valuation and weighted according to the probability of its occurrence. If the legal validity or enforceability of the claim is contested on the basis of possible grounds for annulment or an appeal, these legal considerations are taken into account in the valuation.

In the case of the close-out of a derivative transaction with a customer, the type of claim changes for BAWAG. Before the contract is terminated, the asset is a derivative, while after the contract is closed out, the asset is a contractual claim whose

value no longer changes depending on market parameters. For this reason, the claim no longer satisfies the definition of a derivative according to IFRS 9.

In the event of the early termination of a derivative transaction, the variability of the payment flows in terms of amount and time of occurrence are materially changed by the close-out, and the original derivative is replaced with a new asset. This new asset is recognized at its fair value according to IFRS 9.5.1.1. The fair value corresponds to the carrying amount of the derivative at the time that the agreement is terminated, including any valuation adjustments applied up to the time of termination. A claim arising from the termination of the agreement meets the criteria in IFRS 9.4.1.2 for being measured at amortized cost.

This approach was chosen following IFRS 9.3.3.2 and IFRS 9.3.2.7, since IFRS 9 contains no explicit rules for when a financial instrument first fulfills the characteristics of a derivative and then no longer exhibits these characteristics at a later time. According to IAS 8.10 to 8.12, such gaps in the standards must be closed by applying a similar provision in the IFRS and taking the framework into account.

#### Credit-linked notes

For credit-linked notes where no active markets exist, fair values are determined by applying a valuation model. Credit-linked notes (CLNs) are bonds with an embedded credit default swap (CDS) allowing the issuer to transfer a specific credit risk to investors. The valuation model for CLNs uses bond or CDS spreads of the issuer and the reference entity, as well as coupon and maturity.

Valuations by outside experts are also used when measuring complex structures. Appropriate tests and verifications are carried out.

#### Measurement for asset backed investments

Each position of the collateralized loan obligation (CLO) portfolio of BAWAG is subject to the mark-to-model valuation, which is performed on a monthly basis within the pricing functionality developed by Moody's Analytics. Specifically, the measurement is performed within the CDOnet functionality of Moody's Structured Finance solutions, where the present value technique is applied. The model uses the inputs already available in Moody's Structured Finance (e.g. cash flows, original spreads for each tranche, weighted average maturity etc.), as well as additional parameters that are derived independently by the Market Risk unit (primarily discounting spreads at the valuation date) from comparable CLO tranches with respect to credit rating, type of CLO, average subordination etc. The source for the market spread levels is the Moody's Structured Finance Portal as well as other external data sources like Wells Fargo Securities.

#### Valuation of participations

To determine the fair value of the participations, the present value of the projected dividends was calculated by using the pre-tax discount rate in the market applicable to the participation in question. These projections take into account the most recent forecasts including the observed and expected impact of the Russia-Ukraine conflict and further global risks on the relevant entity's profitability.

To determine the value in use of the single entity, the present value of the projected potential dividends was calculated using the after-tax discount rate in the market applicable to the single entity in question.

The general planning horizon used for valuation purposes is five years. The long-term growth rates used in the calculation are generally 1.0%, applying the going concern principle. To the extent necessary, proper company-specific profit retention in perpetuity was considered for the calculation of the continuing value and for the detailed planning phase.

The post-tax discount rate is composed of the risk-free rate, the local market risk premium and the beta factor. The following parameters are used as of 31 December 2025:

- The risk-free rate (3.54%) is the 30-year spot rate calculated in accordance with the Svensson method, based on the parameters published by Deutsche Bundesbank (2024: 2.59%; 30-year spot rate).
- The indicators for the country-specific market risk premium are the website of Damodaran and the recommendation of the Austrian Chamber of Chartered Public Accountants and Tax Consultants. BAWAG uses a nominal market yield of 9.5% (2024: 9.5%) to determine the discount rate. Taking into account the risk-free base rate of 3.54%, a market risk premium of 5.96% (2024: 6.91%) was chosen.
- The applied beta factor for banks and financial service companies (0.88) is the two-year weekly average beta of 10 banks listed on European stock exchanges with retail as their core business. To avoid unsustainable overemphasis of the market in the wake of one-time events or a crisis, a rolling beta factor is derived, the two-year betas of the peer group are formed over 12 quarters taking the mean value (rolling beta). Bloomberg serves as the relevant source. Banks with an  $R^2$  (coefficient of determination) of at least 0.15 and/or a value for the t-test (hypothesis test) of at least 1.98 qualify for the peer group. The applied beta factor for non-banks is 1.0 (except for stock exchanges with a beta factor of 0.82), which is a specific figure for non-banks and not a general market risk. (2024: The applied beta factor for banks and financial service companies (0.93) is the two-year weekly average beta of 10 banks listed on European stock exchanges with retail as their core business. To avoid unsustainable overemphasis of the market in the wake of one-time events or a crisis, a rolling

beta factor is derived, the two-year betas of the peer group are formed over 12 quarters taking the mean value (rolling beta). Bloomberg serves as the relevant source. Banks with an  $R^2$  (coefficient of determination) of at least 0.15 and/or a value for the t-test (hypothesis test) of at least 1.98 qualify for the peer group. The applied beta factor for non-banks is 1.0 (except for stock exchanges with a beta factor of 0.81), which is a specific figure for non-banks and not a general market risk.)

### Transfers of financial instruments

Financial assets are derecognized as soon as the Group is no longer entitled to receive the financial rewards from the instruments. This generally occurs when the rights and obligations of the financial instruments pass to a third party by exercise, sale or assignment or if the Group has lost its right of disposal or the rights have lapsed.

When financial assets are transferred and BAWAG has significant continuing rights and obligations under them, such assets are still reported on the Consolidated Statement of Financial Position.

A financial liability is derecognized when the obligation under the liability is discharged or canceled.

Repurchase agreements, also known as “repos” or “sale and repurchase agreements,” are contracts under which financial assets are transferred to a transferee (borrower) in return for a cash payment while also specifying that the financial assets must later be transferred back to the transferor (lender) for an amount of money agreed in advance. The financial assets transferred out by BAWAG under repurchase agreements remain on the Group’s Statement of Financial Position and are measured according to the rules applicable to the respective Statement of Financial Position item. The liabilities resulting from cash received under repo arrangements are recorded in liabilities held for trading or financial liabilities associated with transferred assets depending on the purpose of the contract.

Conversely, under agreements to resell (known as reverse repos), financial assets are acquired for a consideration while at the same time committing to their future resale.

In securities lending transactions, the lender transfers ownership of securities to the borrower on the condition that the borrower will retransfer, at the end of the agreed loan term, ownership of instruments of the same type, quality and quantity and will pay a fee determined by the duration of the loan. Securities lent to counterparties are accounted for in the same way as repos. They are retained in the Group’s financial statements and are measured in accordance with IFRS 9. Securities lending and borrowing transactions are generally collateralized. Collateral furnished by the securities borrower continues to be recorded in the borrower’s financial statements.

### Intangible non-current assets, property, plant and equipment

Intangible non-current assets consist mainly of acquired goodwill and intangible assets such as brand names and customer relationships as well as other acquired and self-developed intangible assets (in particular software) recognized in accordance with IAS 38.

Intangible non-current assets with an indefinite useful life are recognized at cost less impairments and plus reversals of impairments. Brands are not amortized as they are assumed to have an indefinite useful life. An intangible asset has an indefinite useful life if there are no legal, contractual, regulatory or other factors limiting that useful life. Intangible assets and property, plant and equipment with limited useful lives are recognized at cost less straight-line amortization or depreciation and impairments and plus reversals of impairments. Buildings are depreciated at an annual rate of between 2.0% and 14.3% (2024: between 2.0% and 14.3%), other furniture and equipment is depreciated at annual rates between 5.0% and 33.3% (2024: between 2.0% and 50.0%), while IFRS 16 right-of-use assets are depreciated at annual rates between 5.0% and 60.0% (2024: between 5.0% and 36.4%). Purchased and self-produced software and other intangible assets and rights (other than goodwill and brand names) are amortized at annual rates between 2.8% and 33.3% (2024: between 2.8% and 33.3%). Customer relationships are amortized over approximately 8–30 years (2024: approximately 8–30 years) using a linear amortization rate. The amortization method and period are reviewed annually according to IAS 38. For details, please refer to Note 19.

When circumstances change, the useful life is adjusted considering the remaining economic life.

Development costs for internally generated software are capitalized when the development is technically feasible, there is the intention to complete the software, economic benefits will be generated and costs incurred can be measured reliably. Expenses for pre-studies (research costs) are not capitalized.

#### Government grants

Government grants are recognized in BAWAG's consolidated financial statements when there is reasonable assurance that they will be received and that BAWAG will comply with the conditions attached to them. These grants relate to the acquisition of assets, are presented as deductions from the acquisition costs of the related asset and are recognized in profit or loss over the periods and in the proportions in which depreciation and amortization on those assets are recognized.

The total amount of government grants recognized amounts to € 0.3 million as of 31 December 2025 (2024: € 0.4 million). This amount relates to an investment program in Austria ("Investitionsprämie") offered to support the economy in the COVID-19 crisis by supporting the acquisition of property, plant and equipment and intangible assets.

#### Investment properties

Investment properties include the real estate that meets the criteria for designation as investment property within the meaning of IAS 40.5. These properties are primarily held to earn rental revenue. To a limited degree, the Group also uses some of these properties itself. However, because these portions cannot be sold separately and are insignificant for the purposes of IAS 40.10, the entirety of such properties is included in Investment properties. Investment properties are measured at fair value in accordance with IFRS. Fair value is the price that would be obtained for an asset in an orderly transaction between market participants at the measurement date. The measurement is therefore market-based, not company-specific. For real estate, this means that the value is determined from the perspective of typical market participants, taking into account current market conditions. For commercial real estate, fair value is determined on the basis of valuation reports prepared by qualified experts. The value is assessed by discounting the expected future cash flows in various scenarios, taking into account external observed market data (such as rental prices, sales prices, and cap rates of comparable real estate [location, size, condition]).

#### Impairment testing

The fair value of the brand names is calculated using a modified relief from royalty method (the Brand Equity Method). In order to derive the brand share that can be associated with the income before taxes of the relevant profit centers, both the brand relevance and the brand strength are taken into consideration. After having derived the brand-related income, the cash flows are discounted with the specific

discount rate. The fair value of the brand name equals the present value of all brand-related cash flows.

The cash flow projections are based on the annual profits planned by the management of the company for the next five years and a perpetual growth rate (depending on the business model 0.5% to 1.0%) thereafter. The sustainable growth rate was determined on the basis of the estimated long-term annual profit growth rate, which matches the assumption that a market participant would make. The after-tax discount rate was set at 7.34% for Zahnärztekasse AG, 9.15% for Idaho First Bank and 8.75% for all other entities (2024: 6.97% for Zahnärztekasse AG, 9.02% for Idaho First Bank and 9.02% for other entities). The planning assumptions for the period 2026–2030 are based on the ECB's economic assumptions and adequate estimates for risk costs. The planning input is based on the business strategy, which envisages organic growth in the core market and continuous improvement of our product range.

In addition, intangible and tangible assets are tested at the reporting date to determine whether or not there is evidence that they are impaired. If there is evidence for impairment, the recoverable amount is calculated for the asset. This is the higher of the value in use or the net selling price. If the recoverable amount is lower than the carrying amount, an impairment loss in the amount of the difference is recognized according to IAS 36. Details regarding impairment charges and appreciation are provided in Note 9.

In accordance with IFRS 3 in conjunction with IAS 36 and IAS 38, the recognized goodwill and brand names of all cash-generating units (CGUs) is subject to annual impairment testing in accordance with IAS 36 or when an impairment trigger exists based on the current business plan.

## IFRS 16 Leases

### Definition of a lease

At the inception of a contract, BAWAG assesses whether the contract is a lease according to IFRS 16. This is the case if the leased asset is an identified asset, the lessee substantially obtains all of the economic benefits from the use and the lessee has the right to control the asset.

The lease term starts at the commencement date of the lease contract, which is the date the lessor makes the underlying asset available for use by the lessee. It includes the non-cancelable period as well as periods where it is reasonably certain that the lessee exercises any extension option or does not exercise any termination option. BAWAG also considers all relevant circumstances that provide an economic incentive for the execution of such options. Examples are:

- importance of the leased asset for the Bank's business
- scope and costs of leasehold improvements
- costs of termination

A lessee considers all fixed, essentially fixed (i.e. variable but unavoidable) and variable lease payments depending on an index or rate. Other variable payments, such as those based on a percentage of sale or usage and maintenance costs, are not included, but recognized in profit or loss.

BAWAG has fixed-term (with and without an extension option) and open-ended leases. The lease term is generally determined at the beginning of the lease. Fixed-term leases without an extension option are recognized with a term until their contractual end date. The lease term for fixed-term leases with an extension option and open-ended leases is estimated in accordance with BAWAG's investment cycle.

### BAWAG as lessor

A lease is classified as a finance lease if it substantially transfers all the risks and rewards incidental to ownership to the lessee. By contrast, leases that do not substantially transfer all of the risks and rewards to the lessee are classified as operating leases.

For finance leases, the rights of claims against the lessee are recognized in the amount of the present value of the contractually agreed payments, taking any residual value into account, and reported under receivables from customers.

By contrast, operating leases in which BAWAG retains all risks and rewards incidental to ownership of the leased asset are reported under tangible non-current assets. Each leased asset is depreciated as appropriate. Lease payments received for operating leases and interest payments for finance leases are recognized in the Profit or Loss Statement.

The operating leasing business is not material for BAWAG.

### BAWAG as lessee

At the commencement of a lease, a right-of-use asset as well as a lease liability are recognized. The lease liability is measured at the present value of the lease payments. For discounting lease payments for the majority of leasing contracts, BAWAG uses the incremental borrowing rate because the implicit interest rate cannot be determined. The incremental borrowing rate corresponds to the interest rate at which BAWAG can refinance itself on the market. It is assumed that the refinancing has a term and collateral comparable to that of the leasing contract. Since the share of leasing contracts not denominated in euros is insignificant, only refinancing in euros is considered. The right-of-use asset is recognized in the same amount as the corresponding lease liability, adjusted by initial direct costs.

For the subsequent measurement, the lease liability is increased by interest expense on the outstanding amount and reduced by lease payments made. The right-of-use asset is reduced by the accumulated depreciation on a straight-line basis.

BAWAG applies two recognition exemptions for lessees as permitted by the standard:

- short-term leases for contracts with a lease term of 12 months or less at the commencement date
- leases of low-value assets

In applying these exemptions, the lessee does not recognize the lease payments as a right-of-use asset and lease liability, but as rental expenses on a straight-line basis over the lease term in profit or loss.

Existing lease contracts are subject to a regular assessment for the purpose of considering significant events that have an impact on the lease payment or the lease term, e.g. an adjustment of the lease payments to a current index or rate. In such cases, the lease liability is re-measured to reflect the changes. Accordingly, the revised carrying amount is recognized either as an increase or decrease of the existing lease liability. The right-of-use asset is generally adjusted by the same amount.

**Income taxes and deferred taxes**

According to IAS 12, income taxes must be computed and reported using the liability method. The computation is based on the local tax rates that are legally binding at the time the consolidated financial statements are prepared.

Deferred tax assets and liabilities result from different methods used to measure assets and obligations on the Statement of Financial Position under IFRS and the respective tax code. This generally leads to positive or negative differences in the income tax to be paid for future periods (temporary differences). A deferred tax asset is recognized for the carryforward of unused tax losses when it is probable that future taxable profit will be generated by the same taxable unit. Deferred tax assets and liabilities are not discounted.

Tax expenses allocable to the taxable profit were recognized in the Profit or Loss Statement under Income taxes and broken down into current and deferred income taxes. Other taxes that are not attributable to profit are recognized under Other operating income and expenses.

A tax group pursuant to section 9 KStG was parented by BAWAG Group AG in the financial year. On 31 December 2025, the tax group consisted of the group parent and 22 members, both consolidated and non-consolidated in these financial statements (2024: group parent and 23 members).

In 2017, a tax compensation agreement effective 1 January 2018 was concluded between the group parent and each tax group member. The tax compensation payments shall be calculated using the standalone method. This method simulates that each group member is an independent taxpayer. Group members are obligated to make a tax compensation payment amounting to their taxable profit multiplied by the enacted tax rate. The compensation payment is independent from the taxable result of the group. An internal tax loss carryforward for tax losses transferred to the tax group parent is sustained and taken into account. As far as the tax group parent only has to pay the minimum corporate tax, no tax compensation payment will be charged. A final settlement for uncredited tax losses must be effected upon dissolution of the tax group or when a member entity leaves the group.

In addition, the new tax group and tax compensation agreement stipulates that the tax group parent abstains from subsequently charging tax compensation payments for periods prior to 1 January 2018. Internal tax loss carryforwards for periods prior to 1 January 2018 will be sustained.

As of 31 December 2025, the exit of BAWAG Group AG from the tax group and the exit of all other group members, with the exception of the new members in 2024 and 2025, would not result in a corporate income tax back payment as of 31 December 2025 because the minimum period of three years as required by section 9 paragraph 10 KStG was already fulfilled. The new group members who entered the tax group in 2024 and 2025 would incur a corporate income tax back payment in the amount of € 0 million (2024: € 0 million).

BAWAG has determined that the global minimum top-up tax is an income tax in the scope of IAS 12. The Group has applied a temporary mandatory relief from deferred tax accounting for the impacts of the top-up tax and accounts for it as a current tax when it is incurred.

**Provisions for employee benefits**

According to IAS 19, provisions for post-employment and termination benefits and for jubilee benefits are calculated using the projected unit credit method. The present values of obligations outstanding as of the measurement date are calculated on the basis of actuarial assumptions applying an appropriate discount rate and taking into account the expected rates of increase in salaries and post-employment benefits. They are recognized as a provision in the Consolidated Statement of Financial Position. Actuarial gains and losses relating to provisions for post-employment and termination benefits are recognized in full in other comprehensive income in the year in which they are incurred.

The principal parameters underlying the actuarial calculations are:

<b>Parameters for post-employment pension obligations</b>		
	<b>2025</b>	2024
Interest rate EUR	4.00% p.a.	3.40% p.a.
Interest rate CHF	1.15% p.a.	0.95% p.a.
Wage growth	1.0%–2.0% p.a.	1.0%–2.0% p.a.
Fluctuation discount	0%–13.73% p.a.	0%–15.0% p.a.

**Parameters for severance payments and anniversary bonuses**

	<b>2025</b>	2024
Interest rate	4.00% p.a.	3.40% p.a.
Wage growth severance payments	2.75% p.a.	2.75% p.a.
Wage growth anniversary bonuses	2.50% p.a.	2.50% p.a.
Fluctuation discount severance payments	0%–0.78% p.a.	0%–0.34% p.a.
Fluctuation discount anniversary bonuses	0% p.a.	0%–7.10% p.a.
Retirement age	60–65 years <sup>1</sup>	60–65 years <sup>1</sup>

<sup>1</sup> The earliest possible individual retirement age according to the legal requirements (excluding corridor pension) was assumed.

An interest rate of 4.00% was used in 2025 (2024: 3.40%).

Post-employment benefit plans in BAWAG that qualify as defined benefit obligations are financed entirely through provisions. The allocated assets disclosed by the pension fund set up for certain beneficiaries are set off against the determined amounts of provisions for post-employment benefits.

These defined benefit plans expose BAWAG to actuarial risks such as interest rate risk and longevity risk.

The post-employment benefit rights of the majority of employees are defined contribution plans. The contributions that are made to these pension funds are recognized as expenses in the current period; there are no further obligations. Payments to pension funds for defined contribution plans amounted to € 17 million in 2025 (2024: € 9 million).

**Other provisions**

Other provisions for uncertain liabilities to third parties are measured at the best estimate (including risks and uncertainties) and formed taking into account the time value of money. For details, see Note 28.

**Share-based payments**

Employees (including senior executives) of the Group receive remuneration in the form of share-based payments, where employees render services as consideration for equity instruments (equity-settled and cash-settled transactions). Accounting is based on IFRS 2.

**Equity-settled awards**

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognized in employee benefits expense together with a corresponding increase in equity (other capital reserves) over the period in which the service and, where applicable, the performance conditions are fulfilled (the vesting period).

The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group’s best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of profit or loss for a period represents the movement in cumulative expense recognized as at the beginning and end of that period.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group’s best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award but without an associated service requirement are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognized is the grant date fair value of the unmodified award, provided the original terms of the award are met. An additional expense, measured as of the date of modification, is recognized for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee. Where an award is canceled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

### Cash-settled awards

For cash-settled awards, IFRS 2 defines that the fair value of services received is based on the fair value of the liability. Unlike the grant date model for equity-settled awards for employees, the Group remeasures the fair value of the award at each reporting date and on settlement. The ultimate cost of a cash-settled award is the cash paid to the beneficiary, which is the fair value at settlement date. Until settlement, the cash-settled award is presented as a liability and not within equity. Changes in the measurement of the liability are reflected in the statement of profit or loss.

The effect of a market condition or a non-vesting condition is reflected in the estimation of the fair value of the cash-settled share-based payments both at the grant date and subsequently. Vesting conditions (other than market conditions) are not taken into account when estimating the fair value of cash-settled share-based payments. Instead, vesting conditions (other than market conditions) are taken into account in the measurement of the liability incurred by adjusting the number of awards that are expected to vest. Such an estimate is revised when the liability is remeasured at each reporting date and until the vesting date. On a cumulative basis, no expense is recognized if the awards granted do not vest because of failure to satisfy a vesting condition or a non-vesting condition.

If an employee is not required to provide a service, expense and liability are recognized immediately upon the grant date. If the employee is required to provide services over a specified period, expense and liability are spread over the vesting period, while reconsidering the likelihood of achieving vesting conditions and remeasuring the fair value of the liability at the end of each reporting period.

### Modifications from equity-settled to cash-settled and vice versa

In case of modifications of a program from equity-settled to cash-settled share-based payment, a liability to settle in cash is recognized at the modification date based on the fair value of the shares at the modification date to the extent to which the specified services have been received.

If the amount of the liability recognized on the modification date is less than the amount previously recognized as an increase in equity, then no gain is recognized for the difference between the amount recognized to date in equity and the amount reclassified for the fair value of the liability; that difference remains in equity. Subsequent to the modification, the Group continues to recognize the grant-date fair value of equity instruments granted as the cost of the share-based payment. Any subsequent remeasurement of the liability (from the date of modification until the settlement date) is recognized in profit or loss.

In case of modifications of a program from cash-settled to equity-settled share-based payment, the outstanding liability

is revalued with the current share price on the date of modification with fair value movements recognized in profit or loss. Afterwards, the liability is released against equity and no further fair value movements are recognized.

### Accounting for cancellations

If a grant of equity instruments (equity-settled share-based payment) is canceled or settled during the period between granting and vesting, the cancellation or settlement is accounted for as an acceleration of vesting, and the amount that otherwise would have been recognized for services received over the remainder of the vesting period is immediately recognized in profit or loss. Any payment made to the employee on the cancellation or settlement of the grant is accounted for as a deduction from equity. If the payment exceeds the fair value of the equity instruments granted, measured at the repurchase date, the exceeding amount is recognized as an expense.

### Contingent liabilities and unused lines of credit

For the most part, contingent liabilities are guarantees and unused lines of credit. Guarantees are used when BAWAG guarantees payment to the creditor to fulfill the obligation of a third party. Unused lines of credit are commitments from which a credit risk may occur. Loan loss provisions for contingent liabilities and unused lines of credit are reported under provisions for anticipated losses on pending business. For details, see Note 44.

### Equity

Equity is the capital provided by the Bank's owners (issued capital and capital reserves), AT1 capital and the capital generated by the Bank (retained earnings, reserves from currency translation, FVOCI reserve, cash flow hedge reserve, net investment hedge reserve, actuarial gains and losses, profit brought forward and the profit for the period). Details are provided in Note 31.

### Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the entity and the revenue can be reliably measured.

**IFRS 15 Revenue from Contracts with Customers**

IFRS 15 establishes a framework for determining whether, how much and when revenue is recognized. Accordingly, revenues coming from fees and commissions are recognized when control of goods and services is transferred and hence the contractual performance obligation to the customer has been satisfied.

BAWAG receives fee and commission income from various services provided to customers. These are presented in net commission income in the Statement of Profit or Loss.

Fees and commissions for services performed over a certain period of time are collected over the period in which the service is performed. This includes commissions from lending and current account business, liability commissions and other management and custody fees. In cases where an associated financial instrument exists, fees that are an integral part of the effective interest rate of this financial instrument are reported as part of interest income.

Fees associated with providing a particular service or the occurrence of a certain event (transaction-related services) are recognized when the service has been provided in full or the significant event has occurred. Commissions from the performance of transaction-related services include securities transactions, the brokerage of insurance policies and building society savings contracts as well as foreign exchange transactions.

Expenses that are directly and incrementally related to the generation of commission income are shown under commission expenses. Fee and commission income is measured based on consideration specified in a legally enforceable contract with a customer, excluding amounts such as taxes collected on behalf of third parties. Consideration received is allocated to the separately identifiable performance obligations in a contract. Consideration can include both fixed and variable amounts. Variable consideration includes refunds, discounts, performance bonuses and other amounts that are contingent on the occurrence or non-occurrence of a future event. Variable consideration that is contingent on an uncertain event is only recognized to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue for a contract will not occur.

Note 4 shows a breakdown of commission income and expenses by business segment.

**Description of profit or loss items****Interest income and interest expense**

Interest income consists primarily of interest income from loans and receivables, fixed-income securities, variable-rate securities and assets held for trading. Furthermore, regular income from equity investments, shares as well as fees and commissions similar to interest income are shown in this item. Interest income and interest expense also include premiums and discounts on securities and loans using the effective interest rate method and the amortization of day one gains or losses. Also, the interest portion of interest-bearing derivatives, separated into income and expenses, is recognized in interest income and expense. Income from negative interest liabilities is also included.

Interest expense consists mainly of interest for liabilities to credit institutions and customers, issued bonds, subordinated capital and supplementary capital. Expenses from negative interest assets are also included.

Interest income and expenses from hedging derivatives used to hedge interest rate risks and forming part of a hedging relationship in accordance with IAS 39 are reported in the line in which the interest income and expenses of the hedged underlying transactions are presented. In cases where the underlying transaction generates interest income (interest expense), the interest contribution of the hedging derivatives is reported under interest income (interest expense), even if it is a negative amount (positive amount).

Interest income and interest expense are recognized on an accrual basis.

Details concerning the net interest income can be found in Note 3.

**Fee and commission income and expense**

This item consists mainly of income from and expenses for payment transfers, securities and custody business and lending. Income and expenses are recognized on an accrual basis. For details, see Note 4.

**Gains and losses on financial assets and liabilities**

This item consists mainly of the valuation and sales gains or losses of the Group's investments, sales gains and losses from non-performing loans and issued securities, and the result from trading in securities and derivatives. Moreover, hedging inefficiencies and foreign exchange differences are shown within this position. The gains and losses from the derecognition of financial assets measured at amortized cost result from sales of financial instruments to third parties. This item also includes modification gains and losses. For details, see Note 5.

**Other operating income and expenses**

The other operating result reflects all other income and expenses not directly attributable to ordinary activities, such as results on the sale of property. In addition, the other operating result encompasses expenses for other taxes and regulatory charges (bank levy, the contributions to the deposit guarantee scheme and to the bank resolution fund), income from the release of other provisions and the reimbursement of expenses to customers as well as consolidation results from business combinations and related expenses. The annual IAS 40 valuation result is recognized in other operating income for appreciation or in other operating expenses for impairment. For details, see Note 6.

**Administrative expenses**

General administrative expenses represent personnel and other administrative expenses accrued in the reporting period. Details are explained in Note 7.

**Risk costs**

This item includes allocations to and releases of specific and portfolio risk provisions for loans and advances and for contingent liabilities bearing credit risk as well as changes in expected credit losses. Also reported in this item are direct write-offs of loans and advances as well as recoveries on written-off loans removed from the balance sheet. Furthermore, this line item includes all losses resulting from operational risk events.

In addition, this line item includes impairment losses or reversals of impairment losses on property and equipment and other intangible assets as well as impairment losses on goodwill. For details, see Note 9.

**Net gains or losses on financial instruments**

Net gains or losses on financial instruments include fair value measurements recognized in the income statement, impairments, impairment reversals, gains realized on disposal and subsequent recoveries on written-down financial instruments classified in the respective IFRS 9 categories. The components are detailed for each IFRS 9 category in the notes on net interest income, gains and losses on financial assets and liabilities, and risk costs.

**Cash Flow Statement**

The Cash Flow Statement provides information about the current state and development of the Group's cash and cash equivalents as of the reporting date. It shows inflows and outflows of cash broken down by operational activities, investing activities and financing activities. The amount of cash and cash equivalents reported comprises cash on hand, balances at central banks and sight deposits with credit institutions.

Financial investments include debt instruments recognized at amortized cost or at fair value through other comprehensive income.

The Cash Flow Statement is of low relevance for BAWAG. It is not a substitute for liquidity or financial planning and is not used as a management tool.

**Effects of adopting amended and new standards**

The following standards, amendments and interpretations to existing standards were mandatory for the first time for the 2025 consolidated financial statements:

Standards/Amendments/Interpretation	First-time application	Adopted by the EU	Impact on BAWAG
Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability (issued on 15 August 2023)	1 January 2025	12 November 2024	None

The following standards, amendments and interpretations to existing standards were approved by the International Accounting Standards Board (IASB) and endorsed by the EU but are not yet mandatory for the preparation of IFRS financial statements for the period ended 31 December 2025. BAWAG does not plan an early application of endorsed but not yet effective standards:

Standards/Amendments/Interpretation	First-time application	Adopted by the EU	Expected impact on BAWAG
Amendments to IFRS 9 and IFRS 7: Amendments to the Classification and Measurement of Financial Instruments (issued on 30 May 2024)	1 January 2026	27 May 2025	Immaterial
Annual Improvements Volume 11 (issued on 18 July 2024)	1 January 2026	9 July 2025	Immaterial
Amendments to IFRS 9 and IFRS 7: Contracts Referencing Nature-dependent Electricity (issued on 18 December 2024)	1 January 2026	30 June 2025	None

The following standards and amendments approved by the International Accounting Standards Board (IASB) have not yet been endorsed by the European Union. BAWAG does not plan early application:

Standard/Interpretation/Amendment	Expected impact on BAWAG
IFRS 18 Presentation and Disclosure in Financial Statements (issued on 9 April 2024)	Material
IFRS 19 Subsidiaries without Public Accountability: Disclosures (issued on 9 May 2024)	None
Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Translation to a Hyperinflationary Presentation Currency (issued on 13 November 2025)	None
Amendments to IFRS 19 Subsidiaries without Public Accountability: Disclosures (issued on 21 August 2025)	None

IFRS 18, which will replace IAS 1 Presentation of Financial Statements, contains new guidance on how to structure the Income Statement as well as disclosure requirements for Management-defined Performance Measures (MPMs). The

new standard is effective for annual periods beginning on or after 1 January 2027. BAWAG is currently assessing the impact of IFRS 18 on the presentation of its consolidated financial statements, but expects a material impact.

## DETAILS OF THE CONSOLIDATED PROFIT OR LOSS STATEMENT

### 2 | Earnings per share

#### Earnings per share pursuant to IAS 33

	2025	2024
Net result attributable to owners of the parent (in € million)	859.9	760.0
AT1 coupon (in € million)	(46.2)	(22.0)
<b>Net result attributable to owners of the parent after deduction of AT1 coupon (in € million)</b>	<b>813.7</b>	<b>738.0</b>
Weighted average number of outstanding shares	77,862,166	78,508,997
<b>Basic earnings per share (in €)</b>	<b>10.45</b>	<b>9.40</b>
Weighted average diluted number of outstanding shares	79,138,830	79,144,012
<b>Diluted earnings per share (in €)</b>	<b>10.28</b>	<b>9.32</b>

#### Supplemental information on after-tax earnings per share according to BAWAG's internal definition (before deduction of AT1 coupon; not in accordance with IAS 33)

	2025	2024
Net result attributable to owners of the parent (in € million)	859.9	760.0
Weighted average diluted number of outstanding shares	79,138,830	79,144,012
<b>After-tax earnings per share in (€) – BAWAG definition</b>	<b>10.87</b>	<b>9.60</b>

#### Changes in number of outstanding shares

	2025	2024
Shares outstanding at the beginning of the period	78,524,046	78,507,604
Shares outstanding at the end of the period	76,976,955	78,524,046
Weighted average number of outstanding shares	77,862,166	78,508,997
Weighted average diluted number of outstanding shares	79,138,830	79,144,012

Earnings per share represent the net result attributable to ordinary equity holders divided by the weighted average number of ordinary shares outstanding during the reporting period. As part of our long-term incentive program, shares will be awarded to employees after fulfillment of certain conditions. For these shares, a potential dilutive effect is calculated.

### 3 | Net interest income

in € million	2025	2024
<b>Interest income</b>	<b>3,356.2</b>	<b>3,097.3</b>
Financial assets at fair value through profit or loss	20.6	29.3
Financial assets at fair value through other comprehensive income	62.0	97.0
Financial assets held for trading	517.4	605.8
Financial assets at amortized cost	2,858.2	2,340.9
Derivatives – Hedge accounting, interest rate risk	(102.6)	21.9
Interest income from financial liabilities	—	1.6
Other assets	0.6	0.8
<b>Interest expense</b>	<b>(1,523.8)</b>	<b>(1,789.3)</b>
Financial liabilities designated at fair value through profit or loss	(2.0)	(3.3)
Financial liabilities held for trading	(536.1)	(624.0)
Financial liabilities measured at amortized cost	(855.0)	(769.1)
Derivatives – Hedge accounting, interest rate risk	(120.1)	(381.5)
Provisions for social capital	(7.5)	(7.9)
Interest expense from IFRS 16 lease liabilities	(2.9)	(2.7)
Interest expense from financial assets	(0.2)	(0.8)
<b>Dividend income</b>	<b>4.1</b>	<b>3.8</b>
Financial assets mandatorily at fair value through profit or loss	3.2	—
Financial assets at fair value through other comprehensive income	0.9	3.8
<b>Net interest income</b>	<b>1,836.5</b>	<b>1,311.8</b>

Interest income on impaired receivables during 2025 amounted to € 28.9 million (2024: € 16.0 million). Interest income from financial assets at fair value through other comprehensive income and financial assets at amortized cost is calculated using the effective interest method. As in the previous year, dividend income from financial assets at fair value through other comprehensive income is related to investments held at the end of the reporting period.

## 4 | Net fee and commission income

Net fee and commission income can be broken down by BAWAG's segments as follows:

<b>2025</b>					
in € million	Retail & SME	Corporates, Real Estate & Public Sector	Treasury	Corporate Center	BAWAG
<b>Fee and commission income</b>	<b>508.7</b>	<b>32.7</b>	<b>0.1</b>	<b>1.1</b>	<b>542.6</b>
Transactional	305.8	32.7	—	—	338.5
Advisory	133.8	—	—	0.7	134.5
Securities	113.3	—	—	0.7	114.0
Insurance	20.5	—	—	—	20.5
Lending and others	69.1	—	0.1	0.4	69.6
Lending	39.1	—	—	—	39.1
Factoring	19.7	—	—	—	19.7
Others	10.3	—	0.1	0.4	10.8
<b>Fee and commission expense</b>	<b>(166.3)</b>	<b>(4.0)</b>	<b>(0.5)</b>	<b>(1.2)</b>	<b>(172.0)</b>
Transactional	(105.2)	(4.0)	—	—	(109.2)
Advisory	(13.1)	—	—	(0.1)	(13.2)
Securities	(13.1)	—	—	(0.1)	(13.2)
Insurance	—	—	—	—	—
Lending and others	(48.0)	—	(0.5)	(1.1)	(49.6)
Lending	(46.1)	—	—	—	(46.1)
Factoring	(1.6)	—	—	—	(1.6)
Others	(0.3)	—	(0.5)	(1.1)	(1.9)
<b>Net fee and commission income</b>	<b>342.4</b>	<b>28.7</b>	<b>(0.4)</b>	<b>(0.1)</b>	<b>370.6</b>

**2024**

in € million	Retail & SME	Corporates, Real Estate & Public Sector	Treasury	Corporate Center	BAWAG
<b>Fee and commission income</b>	<b>381.9</b>	<b>37.0</b>	<b>0.1</b>	<b>0.8</b>	<b>419.8</b>
Transactional	209.3	37.0	—	—	246.3
Advisory	116.6	—	—	0.8	117.4
Securities	100.0	—	—	0.8	100.8
Insurance	16.6	—	—	—	16.6
Lending and others	56.0	—	0.1	—	56.1
Lending	31.7	—	—	—	31.7
Factoring	19.4	—	—	—	19.4
Others	4.9	—	0.1	—	5.0
<b>Fee and commission expense</b>	<b>(102.5)</b>	<b>(4.5)</b>	<b>(0.5)</b>	<b>(2.4)</b>	<b>(109.9)</b>
Transactional	(62.7)	(4.5)	—	—	(67.2)
Advisory	(12.8)	—	—	(0.2)	(13.0)
Securities	(12.8)	—	—	(0.2)	(13.0)
Insurance	—	—	—	—	—
Lending and others	(27.0)	—	(0.5)	(2.2)	(29.7)
Lending	(25.2)	—	—	—	(25.2)
Factoring	(1.6)	—	—	—	(1.6)
Others	(0.2)	—	(0.5)	(2.2)	(2.9)
<b>Net fee and commission income</b>	<b>279.4</b>	<b>32.5</b>	<b>(0.4)</b>	<b>(1.6)</b>	<b>309.9</b>

Net fee and commission income includes an amount of € 1.6 million (2024: € 1.6 million) for fiduciary transactions. Income from payment transfers and securities and custody business is recognized mainly at a point in time. Income from lending is recognized mainly over time. Other income is recognized using a mix of point in time and over time.

## 5 | Gains and losses on financial assets and liabilities

in € million	2025	2024
<b>Realized gains and losses on financial assets and liabilities not measured at fair value through profit or loss, net</b>	<b>14.3</b>	<b>(2.8)</b>
Financial assets at fair value through other comprehensive income	15.9	(6.5)
Financial assets measured at amortized cost	(1.5)	(7.2)
thereof gains from the derecognition of financial assets measured at amortized cost	0.1	—
thereof losses from the derecognition of financial assets measured at amortized cost	(1.6)	(7.2)
Deconsolidation	—	4.0
Financial liabilities measured at amortized cost	—	6.7
Net gain or loss from modification	(0.1)	0.1
Other result	—	0.1
<b>Gains (losses) on financial assets and liabilities held for trading, net</b>	<b>(2.8)</b>	<b>32.4</b>
<b>Gains (losses) on financial assets and liabilities measured at fair value through profit or loss, net</b>	<b>34.5</b>	<b>5.1</b>
<b>Gains (losses) from fair value hedge accounting</b>	<b>(29.2)</b>	<b>(58.6)</b>
Fair value adjustment of hedged item	(471.3)	(255.4)
Fair value adjustment of hedging instrument	442.1	196.8
<b>Exchange differences, net</b>	<b>(5.3)</b>	<b>—</b>
<b>Gains and losses on financial assets and liabilities</b>	<b>11.5</b>	<b>(23.9)</b>

The item Gains and losses on financial assets and liabilities was influenced primarily by the valuation and sale of the Group's investments and the valuation of issued securities and derivatives.

## 6 | Other operating income and expenses

in € million	2025	2024
<b>Other operating income</b>	<b>153.6</b>	<b>149.7</b>
Income from investment properties	72.2	6.6
Consolidation result relating to the acquisition of Knab	—	73.7
Consolidation result relating to the acquisition of Barclays Consumer Bank Europe	18.4	—
Lease objects maintenance costs charged to the lessees	23.4	25.3
Other income	39.6	44.1
<b>Other operating expenses</b>	<b>(167.8)</b>	<b>(129.2)</b>
Expenses relating to investment properties	(25.2)	(5.7)
Restructuring and other expenses relating to the acquisition of Knab	—	(30.1)
Restructuring and other expenses relating to the acquisition of Barclays Consumer Bank Europe	(34.6)	—
Losses from the sale and derecognition of property, plant and equipment and intangible assets	(0.8)	(6.6)
Regulatory charges	(31.3)	(9.5)
Lease objects maintenance costs	(23.6)	(25.5)
Other expenses	(52.3)	(51.8)
<b>Other operating income and expenses</b>	<b>(14.2)</b>	<b>20.5</b>

Income from investment properties includes rental income of € 24.0 million (2024: € 6.6 million) and net positive valuation results of € 47.4 million (2024: € 0.0 million).

Expenses relating to investment properties include operating costs of € 22.0 million and negative net valuation results of minus € 3.2 million (2024: operating costs of € 4.7 million and net negative valuation results of minus € 1.1 million).

The line item Regulatory charges includes the bank levy and the contributions to the deposit guarantee scheme and to the bank resolution fund. The bank levy included in this item amounts to € 29.1 million for 2025 (2024: € 8.1 million).

BAWAG contributed to the Single Resolution Fund (SRF) in cash and in the form of irrevocable payment commitments.

Total contributions made in the years 2016 to 2025 in the form of irrevocable payment commitments amounted to € 11 million. In 2025, BAWAG did not make use of the option to contribute in form of a payment commitment. BAWAG values the payments made on the basis of the irrevocable payment obligation at zero. No asset is recognized, all amounts contributed in form of payment commitments were fully expensed in the year of payment.

Other income includes rental income from subleased premises of € 13 million (2024: € 22 million), corresponding expenses of € 11 million (2024: € 15 million) have been recognized in other expenses. Further, other expenses include allocations to provisions for legal cases of € 23 million (2024: € 20 million), which were partly offset by a repayment of € 10 million recognized in other income).

## 7 | Administrative expenses

in € million	2025	2024
<b>Staff costs</b>	<b>(472.6)</b>	<b>(344.6)</b>
Wages and salaries	(362.4)	(262.8)
Statutory social security contributions	(76.6)	(58.7)
Long-term employee benefits	(22.9)	(14.0)
Other staff costs	(10.7)	(9.1)
<b>Other administrative expenses</b>	<b>(282.2)</b>	<b>(139.6)</b>
IT, data, communication	(148.9)	(68.6)
Real estate, utility, maintenance expenses	(16.2)	(11.8)
Advertising	(30.6)	(10.7)
Legal, consulting, outsourcing	(36.2)	(16.4)
Postage fees and logistics	(20.1)	(14.5)
Regulatory and audit fees	(18.2)	(14.5)
Other general expenses	(12.0)	(3.1)
<b>Administrative expenses</b>	<b>(754.8)</b>	<b>(484.2)</b>

## 8 | Depreciation and amortization on tangible and intangible non-current assets

in € million	2025	2024
Depreciation and amortization		
Customer relationships	(9.7)	(10.0)
Software and other intangible assets	(32.9)	(33.3)
Property, plant and equipment	(29.0)	(23.4)
thereof depreciation of right-of-use assets	(15.4)	(12.8)
<b>Depreciation and amortization</b>	<b>(71.6)</b>	<b>(66.7)</b>

## 9 | Risk costs

in € million	2025	2024
Changes in provisions for financial assets at amortized cost	(203.0)	(59.7)
Stage 1	(34.9)	(17.6)
Stage 2	(8.3)	57.3
Stage 3	(245.1)	(110.0)
POCI loans	85.3	10.6
Changes in provisions for off-balance credit risk	(6.1)	(3.8)
Stage 1	(10.2)	1.4
Stage 2	(3.1)	(0.4)
Stage 3	7.2	(4.8)
Change in provisions for financial assets at fair value through other comprehensive income	0.1	0.6
Stage 1	0.1	0.6
<b>Subtotal – risk costs according to IFRS 9</b>	<b>(209.0)</b>	<b>(62.9)</b>
Provisions and expenses for operational risk	(4.3)	(4.3)
Impairment losses on non-financial assets	—	—
Securitization costs	(14.2)	(14.6)
<b>Risk costs</b>	<b>(227.5)</b>	<b>(81.8)</b>

### Impairment losses on non-financial assets

in € million	2025	2024
Software and other intangible assets	—	—
thereof brand name	—	—
<b>Impairment and appreciation of non-current assets</b>	<b>—</b>	<b>—</b>

For further details regarding impairment losses on non-financial assets, please refer to Note 19.

## 10 | Share of the profit or loss of associates accounted for using the equity method

In 2025, the associates accounted for using the equity method are Best Egg Inc. (stake of 32.41%), PCT Nominee Owner LLP (stake of 26.05%) and PSA Payment Services Austria GmbH (stake of 20.82%). In 2024, the associates accounted for using the equity method were PCT Nominee Owner LLP (stake of 24.90%) and PSA Payment Services Austria GmbH (stake of 20.82%). For further details, please refer to Note 36 Related parties.

The result reported for 2025 of € 6.6 million (2024: € 4.3 million) contains the proportionate shares in Best Egg Inc. and PSA Payment Services Austria GmbH of € 6.6 million in total (2024: PSA Payment Services Austria GmbH of € 4.3 million in total).

Currently, there are no unrecognized shares of the losses of entities that were accounted for using the equity method according to IFRS 12.22 (c).

The following table shows key financial indicators for the Group's associates accounted for using the equity method (2025 excluding Best Egg Inc. due to its IFRS 5 held for sale status):

### Associates accounted for using the equity method

in € million	2025	2024
Cumulated assets	380	312
Cumulated liabilities	121	111
Cumulated equity	259	201
Rental income	31	13
Fee and commission income	404	372
Cumulated net profit	35	23

## 11 | Income taxes

in € million	2025	2024
Current tax expense	(222.9)	(221.8)
Deferred tax expense/income	(72.3)	(8.1)
<b>Income taxes</b>	<b>(295.2)</b>	<b>(229.9)</b>

The following reconciliation shows the relationship between computed tax expenses and reported tax expenses:

in € million	2025	2024
Profit before tax	1,157.1	989.9
Tax rate	23%	23%
<b>Computed tax expenses</b>	<b>(266.1)</b>	<b>(227.7)</b>
<b>Reductions in tax</b>		
Due to tax-exempt income from equity investments	1.8	2.8
Due to first-time consolidation / deconsolidation	7.2	14.7
Due to tax-deductible dividends	10.5	7.1
Due to foreign exchange differences	2.5	—
Due to differing foreign tax rates	—	—
Due to other tax effects	0.8	2.5
<b>Increases in tax</b>		
Due to gains and losses from the valuation of equity investments	(0.1)	(0.4)
Due to unrecognized deferred taxes on tax loss carryforwards	(2.3)	(0.8)
Due to non-tax deductible expenses	(30.2)	(17.4)
Due to foreign exchange differences	—	(1.2)
Due to differing foreign tax rates	(20.2)	(3.9)
Due to other tax effects	(4.7)	(1.0)
<b>Income tax in the period</b>	<b>(300.9)</b>	<b>(225.4)</b>
Out-of-period income tax	5.7	(4.5)
<b>Reported income tax (expense)</b>	<b>(295.2)</b>	<b>(229.9)</b>

The Group's assets included deferred tax assets recognized for benefits arising from as-yet-unused tax losses in the amount of € 6 million (2024: € 6 million). The tax losses can be carried forward for an unlimited period.

According to IAS 12.34, a deferred tax asset is recognized for tax loss carryforwards if it is probable that future taxable profit will be available against which the unused tax losses can be utilized. As of 31 December 2025, unused tax losses amounted to € 0 million (2024: € 0 million) at the level of BAWAG Group AG, € 1 million (2024: € 2 million) at the level of members of the tax group included in the consolidated financial statements and € 0 million (2024: € 0 million) at the level of other Austrian companies included in the consolidated financial statements, hence a total of € 1 million (2024: € 2 million).

Furthermore, foreign subsidiaries had tax loss carryforwards of € 22 million as of 31 December 2025 (2024: € 22 million), of which € 22 million (2024: € 22 million) are expected to be utilized for tax purposes.

The utilizability of unused tax losses and deferred tax assets by BAWAG was tested on the basis of the Group's long-term plan (planning period: five years). The expected utilization of unused tax losses is projected to amount to € 22 million (2024: € 23 million). In total, deferred tax assets for tax loss carryforwards in the amount of approximately € 6 million (2024: € 6 million) are recognized within BAWAG. If the forecasted taxable results varied by 10% compared to management estimates, deferred tax assets would remain unchanged (2024: would remain unchanged) if results improve and would remain unchanged (2024: would remain unchanged) if forecasted results turn out to be lower than expected. The current geopolitical situation has no effect on the utilizability of unused tax losses of BAWAG.

The Group is subject to the global minimum top-up tax under Pillar Two tax legislation. The top-up tax relates to the Group's operations in Switzerland, where the statutory rate is below 15%. The respective amount of € 0.1 million has been accrued in current tax expense.

## DETAILS OF THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

### 12 | Cash reserves

in € million	31.12.2025	31.12.2024
Cash on hand	154	102
Balances at central banks	13,711	17,110
Demand deposits	228	392
<b>Cash reserves</b>	<b>14,093</b>	<b>17,604</b>

### 13 | Financial assets at fair value through profit or loss

in € million	31.12.2025	31.12.2024
<b>Financial assets designated at fair value through profit or loss</b>	<b>38</b>	<b>45</b>
Receivables from customers	38	45
<b>Financial assets mandatorily at fair value through profit or loss</b>	<b>479</b>	<b>579</b>
Bonds and other securities	220	335
Receivables from customers	149	162
Subsidiaries and other equity investments	110	82
<b>Financial assets at fair value through profit or loss</b>	<b>517</b>	<b>624</b>

The category Financial assets designated at fair value through profit or loss contains all financial instruments that are carried at their fair value through profit or loss because the fair value option defined in IFRS 9 has been exercised for them.

Further information on the fair value option can be found in Note 1. The maximum credit risk of loans and advances to customers equals book value.

### 14 | Financial assets at fair value through other comprehensive income

in € million	31.12.2025	31.12.2024
<b>Debt instruments</b>	<b>1,275</b>	<b>1,769</b>
Bonds and other fixed-income securities	1,275	1,769
Bonds of other issuers	1,100	1,522
Public sector debt instruments	175	247
<b>Subsidiaries and other equity investments</b>	<b>47</b>	<b>144</b>
AT1 capital	—	28
Investments in non-consolidated subsidiaries	5	7
Other shareholdings	42	109
<b>Financial assets at fair value through other comprehensive income</b>	<b>1,322</b>	<b>1,913</b>

In 2025, 12-month ECL Stage 1 for financial assets at fair value through other comprehensive income was released in the amount of € 0.2 million (2024: € 0.6 million released).

The item AT1 capital comprises investments in AT1 issues by credit institutions.

Other investments mainly include investments in financial institutions and relate to listed shares in the amount of € 0 million and unlisted shares in the amount of € 42 million (2024: listed shares in the amount of € 0 million and unlisted shares in the amount of € 109 million).

In 2025, fair value valuations of non-consolidated participations at fair value through other comprehensive income amounted to plus € 1.4 million (2024: plus € 2.6 million) of which plus € 0.0 million relate to listed shares and plus € 1.4 million relate to non-listed shares (2024: plus € 3.6 million related to listed shares and minus € 1.0 million related to non-listed shares). Dividends received from equity investments recognized at fair value through other comprehensive income amounted to € 0.9 million (2024: € 3.9 million).

## 15 | Financial assets held for trading

in € million	31.12.2025	31.12.2024
<b>Derivatives in banking book</b>	<b>109</b>	<b>316</b>
Foreign currency derivatives	15	11
Interest rate derivatives	94	305
<b>Financial assets held for trading</b>	<b>109</b>	<b>316</b>

## 16 | Financial assets measured at amortized cost

The following breakdown depicts the composition of the item Financial assets at amortized cost of the Group.

31.12.2025 in € million	Total gross carrying amount	Impairments Stage 1	Impairments Stage 2	Impairments Stage 3	POCI	Total net carrying amount
Receivables from customers	51,223	(84)	(95)	(304)	9	50,749
Securities	3,613	—	—	—	—	3,613
Public sector debt instruments	263	—	—	—	—	263
Debt instruments of other issuers	3,350	—	—	—	—	3,350
Receivables from credit institutions	452	—	—	—	—	452
<b>Total</b>	<b>55,288</b>	<b>(84)</b>	<b>(95)</b>	<b>(304)</b>	<b>9</b>	<b>54,814</b>

31.12.2024 in € million	Total gross carrying amount	Impairments Stage 1	Impairments Stage 2	Impairments Stage 3	POCI	Total net carrying amount
Receivables from customers	45,845	(48)	(59)	(233)	(9)	45,496
Securities	3,082	(1)	—	—	—	3,081
Public sector debt instruments	135	—	—	—	—	135
Debt instruments of other issuers	2,947	(1)	—	—	—	2,946
Receivables from credit institutions	830	—	—	—	—	830
<b>Total</b>	<b>49,757</b>	<b>(49)</b>	<b>(59)</b>	<b>(233)</b>	<b>(9)</b>	<b>49,407</b>

The following table depicts the breakdown of receivables from customers by credit type:

in € million	31.12.2025	31.12.2024
Loans	44,079	42,191
Current accounts	4,306	981
Finance leases	2,075	2,084
Cash advances	209	163
Money market	80	77
<b>Receivables from customers</b>	<b>50,749</b>	<b>45,496</b>

Financial instruments that have been modified but not derecognized during the reporting period and that were allocated to Stage 2 or Stage 3 at the time of modification:

31.12.2025 in € million	Lifetime ECL – not impaired	Lifetime ECL – impaired	Purchased / originated credit impaired
Amortized cost before modification in the current reporting period	227	9	—
Net gain or loss from modification	—	—	—

31.12.2024 in € million	Lifetime ECL – not impaired	Lifetime ECL – impaired	Purchased / originated credit impaired
Amortized cost before modification in the current reporting period	189	11	—
Net gain or loss from modification	—	—	—

Modified financial assets whose risk provision was allocated to Stage 2 or Stage 3 at the time of modification and that have been reallocated to Stage 1 during the reporting period had a gross book value as of 31 December 2025 of € 121 million (2024: € 89 million).

The following breakdown depicts the composition of the item  
At amortized cost according to the Group's segments:

31.12.2025 in € million	Total gross carrying amount	Impairments Stage 1	Impairments Stage 2	Impairments Stage 3	POCI	Total net carrying amount
Retail & SME	39,124	(74)	(91)	(291)	12	38,680
Corporates, Real Estate & Public Sector	13,968	(10)	(4)	(13)	(3)	13,938
Treasury	2,653	—	—	—	—	2,653
Corporate Center	(457)	—	—	—	—	(457)
<b>Total</b>	<b>55,288</b>	<b>(84)</b>	<b>(95)</b>	<b>(304)</b>	<b>9</b>	<b>54,814</b>

31.12.2024 in € million	Total gross carrying amount	Impairments Stage 1	Impairments Stage 2	Impairments Stage 3	POCI	Total net carrying amount
Retail & SME	34,263	(41)	(57)	(212)	(6)	33,947
Corporates, Real Estate & Public Sector	13,286	(8)	(2)	(21)	(3)	13,252
Treasury	2,553	—	—	—	—	2,553
Corporate Center	(345)	—	—	—	—	(345)
<b>Total</b>	<b>49,757</b>	<b>(49)</b>	<b>(59)</b>	<b>(233)</b>	<b>(9)</b>	<b>49,407</b>

## 17 | Asset maturities

The following table contains a breakdown of financial assets (excluding subsidiaries and other equity investments and derivatives) by remaining period to maturity.

Financial assets – breakdown by remaining period to maturity 2025						
31.12.2025 in € million	Repayable on demand	Up to 3 months	3 months up to 1 year	1–5 years	Over 5 years	Total
<b>Financial assets designated at fair value through profit or loss</b>						
Receivables from customers	—	—	—	7	31	38
<b>Financial assets mandatorily at fair value through profit or loss</b>						
Receivables from customers	—	1	17	83	48	149
Bonds and other securities	2	—	—	196	22	220
<b>Financial assets at fair value through other comprehensive income</b>						
Bonds and other fixed-income securities	—	74	45	847	309	1,275
<b>At amortized cost</b>						
Receivables from customers	808	4,090	2,542	8,729	34,580	50,749
Receivables from credit institutions	1	398	4	29	20	452
Bonds and other fixed-income securities	—	137	784	732	1,960	3,613
<b>Total</b>	<b>811</b>	<b>4,700</b>	<b>3,392</b>	<b>10,623</b>	<b>36,970</b>	<b>56,496</b>

Financial assets – breakdown by remaining period to maturity 2024						
31.12.2024 in € million	Repayable on demand	Up to 3 months	3 months up to 1 year	1–5 years	Over 5 years	Total
<b>Financial assets designated at fair value through profit or loss</b>						
Receivables from customers	—	1	1	6	37	45
<b>Financial assets mandatorily at fair value through profit or loss</b>						
Receivables from customers	—	—	3	112	47	162
Bonds and other securities	—	1	176	79	79	335
<b>Financial assets at fair value through other comprehensive income</b>						
Bonds and other fixed-income securities	1	237	73	882	576	1,769
<b>At amortized cost</b>						
Receivables from customers	1,187	800	1,122	9,346	33,041	45,496
Receivables from credit institutions	—	771	1	9	49	830
Bonds and other fixed-income securities	2	50	143	804	2,082	3,081
<b>Total</b>	<b>1,190</b>	<b>1,860</b>	<b>1,519</b>	<b>11,238</b>	<b>35,911</b>	<b>51,718</b>

## 18 | Property, plant and equipment, Investment properties

### Changes in property, plant and equipment 2025

in € million	Carrying amount 31.12.2024	Acquisition cost 01.01.2025	Change in foreign exchange differences	Additions
<b>Property, plant and equipment</b>	<b>254</b>	<b>500</b>	<b>(1)</b>	<b>98</b>
Land and buildings used by the enterprise for its own operations	21	35	(1)	—
Office furniture and equipment	69	177	—	72
Plant under construction	2	2	—	2
Right-of-use assets IFRS 16	162	286	—	24

### (Continued) Changes in property, plant and equipment 2025

in € million	Disposals	Reallocations	Write-downs cumulative	Carrying amount 31.12.2025	Depreciation (-), impairments (-) and reversal of impairments (+) Financial year
<b>Property, plant and equipment</b>	<b>(104)</b>	<b>—</b>	<b>(193)</b>	<b>300</b>	<b>(42)</b>
Land and buildings used by the enterprise for its own operations	(2)	—	(13)	19	(1)
Office furniture and equipment	(46)	2	(79)	126	(16)
Plant under construction	—	(2)	—	2	—
Right-of-use assets IFRS 16	(56)	—	(101)	153	(25)

The carrying amount of Office furniture and equipment includes assets subject to operating leases in the amount of € 37 million

### Changes in property, plant and equipment 2024

in € million	Carrying amount 31.12.2023	Acquisition cost 01.01.2024	Change in foreign exchange differences	Additions
<b>Property, plant and equipment</b>	<b>259</b>	<b>482</b>	<b>—</b>	<b>30</b>
Land and buildings used by the enterprise for its own operations	21	35	—	—
Office furniture and equipment	70	176	—	10
Plant under construction	—	—	—	2
Right-of-use assets IFRS 16	168	271	—	18

### (Continued) Changes in property, plant and equipment 2024

in € million	Disposals	Reallocations	Write-downs cumulative	Carrying amount 31.12.2024	Depreciation (-), impairments (-) and reversal of impairments (+) Financial year
<b>Property, plant and equipment</b>	<b>(12)</b>	<b>—</b>	<b>(246)</b>	<b>254</b>	<b>(35)</b>
Land and buildings used by the enterprise for its own operations	—	—	(14)	21	(1)
Office furniture and equipment	(9)	—	(108)	69	(10)
Plant under construction	—	—	—	2	—
Right-of-use assets IFRS 16	(3)	—	(124)	162	(24)

Changes in investment properties as of 31.12.2025

in € million	Carrying amount 31.12.2024	Change in scope of consolidation	Change in foreign exchange differences	Changes in fair value valuation in accordance with IAS 40
<b>Investment properties</b>	<b>50</b>	<b>155</b>	<b>(10)</b>	<b>42</b>

(Continued) Changes in investment properties as of 31.12.2025

in € million	Additions	Disposals	Reclassification to/from non- current assets held for sale	Carrying amount 31.12.2025
<b>Investment properties</b>	<b>—</b>	<b>(5)</b>	<b>—</b>	<b>232</b>

Changes in investment properties as of 31.12.2024

in € million	Carrying amount 31.12.2023	Change in scope of consolidation	Change in foreign exchange differences	Changes in fair value valuation in accordance with IAS 40
<b>Investment properties</b>	<b>75</b>	<b>(3)</b>	<b>3</b>	<b>(9)</b>

(Continued) Changes in investment properties as of 31.12.2024

in € million	Additions	Disposals	Reclassification to/from non- current assets held for sale	Carrying amount 31.12.2024
<b>Investment properties</b>	<b>—</b>	<b>(16)</b>	<b>—</b>	<b>50</b>

## 19 | Goodwill, Brand names and customer relationships and Software and other intangible assets

The brand name “BAWAG P.S.K.” with a book value of € 114 million (2024: € 114 million), customer relationships of Group companies with a total book value of € 92 million (2024: € 102 million) and software and other intangible assets with a total book value of € 196 million (2024: € 180 million) are the Bank’s most important intangible non-current assets. The book value of the customer relationships is amortized on a straight-line pro rata temporis basis.

The line items Goodwill, Brand names and customer relationships, and Software and other intangible assets are shown under the line item Intangible non-current assets in Note 34.

**Changes in Goodwill, Brand names and customer relationships, Software and other intangible assets 2025**

in € million	Carrying amount 31.12.2024	Acquisition cost 01.01.2025	Change in scope of consolidation Acquisition cost	Change in foreign exchange differences	Additions
<b>Goodwill</b>	<b>119</b>	<b>683</b>	—	<b>(2)</b>	—
<b>Brand names and customer relationships</b>	<b>233</b>	<b>488</b>	—	—	—
<b>Software and other intangible assets</b>	<b>180</b>	<b>668</b>	—	—	<b>48</b>
Software and other intangible non-current assets	173	652	—	—	32
Thereof purchased	69	447	—	—	6
Thereof internally generated	104	205	—	—	26
Intangible non-current assets in development	7	8	—	—	16
Thereof purchased	3	3	—	—	1
Thereof internally generated	4	5	—	—	15
Rights and compensation payments	—	8	—	—	—

**(Continued) Changes in Goodwill, Brand names and customer relationships, Software and other intangible assets 2025**

in € million	Disposals	Reallocations	Write-downs cumulative	<b>Carrying amount 31.12.2025</b>	Amortization (-), impairments (-) and reversal of impairments (+) Financial year
<b>Goodwill</b>	—	—	<b>(564)</b>	<b>117</b>	—
<b>Brand names and customer relationships</b>	<b>(11)</b>	—	<b>(254)</b>	<b>223</b>	<b>(10)</b>
<b>Software and other intangible assets</b>	<b>(1)</b>	—	<b>(520)</b>	<b>195</b>	<b>(33)</b>
Software and other intangible non-current assets	(1)	5	(512)	<b>176</b>	(33)
Thereof purchased	(1)	1	(389)	<b>64</b>	(12)
Thereof internally generated	—	4	(123)	<b>112</b>	(21)
Intangible non-current assets in development	—	(5)	—	<b>19</b>	—
Thereof purchased	—	(1)	—	<b>3</b>	—
Thereof internally generated	—	(4)	—	<b>16</b>	—
Rights and compensation payments	—	—	(8)	—	—

**Changes in Goodwill, Brand names and customer relationships, Software and other intangible assets 2024**

in € million	Carrying amount 31.12.2023	Acquisition cost 01.01.2024	Change in scope of consolidation Acquisition cost	Change in foreign exchange differences
<b>Goodwill</b>	<b>118</b>	<b>682</b>	—	<b>1</b>
<b>Brand names and customer relationships</b>	<b>238</b>	<b>492</b>	<b>9</b>	—
<b>Software and other intangible assets</b>	<b>177</b>	<b>643</b>	—	—
Software and other intangible non-current assets	174	632	—	—
Thereof purchased	76	452	—	—
Thereof internally generated	98	180	—	—
Intangible non-current assets in development	3	3	—	—
Thereof purchased	1	1	—	—
Thereof internally generated	2	2	—	—
Rights and compensation payments	—	8	—	—

**(Continued) Changes in Goodwill, Brand names and customer relationships, Software and other intangible assets 2024**

in € million	Additions	Disposals	Reallocations	Write-downs cumulative	Carrying amount 31.12.2024
<b>Goodwill</b>	—	—	—	<b>(564)</b>	<b>119</b>
<b>Brand names and customer relationships</b>	—	<b>(14)</b>	—	<b>(245)</b>	<b>233</b>
<b>Software and other intangible assets</b>	<b>38</b>	<b>(13)</b>	—	<b>(487)</b>	<b>180</b>
Software and other intangible non-current assets	32	(13)	1	(479)	173
Thereof purchased	7	(12)	—	(378)	69
Thereof internally generated	25	(1)	1	(101)	104
Intangible non-current assets in development	6	—	(1)	—	7
Thereof purchased	2	—	—	—	3
Thereof internally generated	4	—	(1)	—	4
Rights and compensation payments	—	—	—	(8)	—

**(Continued) Changes in Goodwill, Brand names and customer relationships, Software and other intangible assets 2024**

in € million	Amortization (-), impairments (-) and reversal of impairments (+) Financial year
<b>Goodwill</b>	—
<b>Brand names and customer relationships</b>	<b>(10)</b>
<b>Software and other intangible assets</b>	<b>(33)</b>
Software and other intangible non-current assets	(33)
Thereof purchased	(13)
Thereof internally generated	(20)
Intangible non-current assets in development	—
Thereof purchased	—
Thereof internally generated	—
Rights and compensation payments	—

The following table shows the material intangible assets with their respective book value and their remaining useful life:

Intangible assets	<b>Book value as of 31.12.2025 in € million</b>	Remaining useful life	Book value as of 31.12.2024 in € million
<b>Total goodwill</b>	<b>117</b>		<b>119</b>
thereof: goodwill easybank franchise Austria	59	Indefinite	59
thereof: goodwill Zahnärztekasse	24	Indefinite	24
thereof: goodwill Idaho First Bank	18	Indefinite	20
thereof: goodwill Health Coevo	15	Indefinite	15
thereof: goodwill brokerage business Austria	1	Indefinite	1
<b>Total brand names</b>	<b>130</b>		<b>130</b>
thereof: brand name BAWAG P.S.K.	114	Indefinite	114
thereof: brand name Zahnärztekasse AG	7	Indefinite	7
thereof: brand name Knab	7	Indefinite	7
thereof: brand name Health Coevo AG	2	Indefinite	2
<b>Total customer relationships</b>	<b>92</b>		<b>102</b>
thereof: customer relationships BAWAG P.S.K.	72	5–14 years	77
thereof: customer relationships brokerage business Austria	9	6–12 years	11
thereof: customer relationships Idaho First Bank	4	8 years	5
thereof: customer relationships start:bausparkasse Austria	3	11 years	3
thereof: customer relationships Knab	2	9 years	2
thereof: customer relationships Zahnärztekasse AG	2	2 years	2
thereof: customer relationships Health Coevo	—	1 years	1
thereof: customer relationships Paylife	—	—	1
<b>Total other intangibles</b>	<b>196</b>		<b>180</b>
thereof: core banking system for Austrian operations (Allegro)	35	15 years	35

Brand names have an indefinite useful life and are therefore tested for impairment at the end of each financial year or when an impairment trigger exists based on the current business plan and other external and internal indicators.

If the carrying amount of the brand name is higher than the recoverable amount, an impairment loss will be recognized. The recoverable amount is calculated using a modified relief from royalty method. BAWAG uses the brand's fair value less cost of disposal as its recoverable amount, utilizing Level 2 and Level 3 input parameters. Major parameters are brand-specific core income and the brand's royalty rate. The cash flow projections are based on the annual profits planned by the management of the company for the next five years and a perpetual growth rate (depending on the business model 0.5% to 1.0%) thereafter (2024: 0.5% to 1.0%). The after-tax discount rate was set at 7.34% for Zahnärztekasse AG, 9.15% for Idaho First Bank and 8.75% for all other entities (2024: 6.97% for Zahnärztekasse AG, 9.02% for Idaho First Bank and 9.02% for other entities). Additionally, asset-specific premiums between 1% and 2% are added to the discount rate (2024: between 1% and 2%).

As of 31 December 2025, based on the analyses and results of the impairment tests, there were no impairments (2024: derecognition of € 1 million).

Customer relationships were reviewed for impairment in the event that there was objective evidence of an impairment trigger (such as customer development differing from the initial plans). The fair value or value in use was calculated for all customer relationships taking into account current experience on customer retention, current cash flow forecasts and discount rates. Fair value was calculated using either the value in use or fair value less cost of disposal valuations, using the multi-period excess earnings method, utilizing Level 2 and Level 3 input parameters. Major input parameters used in customer relationships valuation were customer-specific income, churn rate and asset charge. Fair value less costs of disposal represents the recoverable amount from the sale in an arm's length transaction. The value in use is determined by discounting the cash flows at a rate that contains present market rates and the specific risks of the entity.

The planning projections take into account impacts due to the current geopolitical situation. As of 31 December 2025, based

on the analyses and results of the impairment tests, there were no impairments (2024: derecognitions of € 3 million). All customer relationships are part of the Corporate Center segment. The original valuation was performed by an external advisor; the impairment test was carried out internally.

**Impairment testing for cash-generating units with goodwill**

For the purposes of impairment testing, goodwill is assigned to the following cash-generating units (CGU) as follows:

in € million	31.12.2025	31.12.2024
easybank franchise Austria	59	59
Zahnärztekasse AG	24	24
Idaho First Bank	18	20
Health Coevo AG	15	15
Brokerage business Austria	1	1
<b>Goodwill</b>	<b>117</b>	<b>119</b>

The material assumptions made in estimating the recoverable amount (value in use) are explained below. Material assumptions are based on assessments of future developments in the relevant sectors and are based on information obtained from external and internal sources.

The forecast is subject to greater uncertainty due to the current geopolitical situation, which has been reflected in the current cash flow projections. These projections take into account the most recent forecasts including the observed and expected impact of the current geopolitical situation on the relevant CGU’s profitability. The planning assumptions for the period 2026–2030 are based on the ECB’s economic assumptions and adequate estimates for risk costs. The planning input is based on the business strategy, which envisages organic growth in the core market and continuous improvement of our product range.

in %	2025	2024
Pre-tax discount rate easybank franchise Austria	11.3%	11.4%
Pre-tax discount rate Zahnärztekasse AG	8.5%	8.1%
Pre-tax discount rate Health Coevo AG	13.4%	13.2%
Pre-tax discount rate brokerage business Austria	—%	—%
Pre-tax discount rate Idaho First Bank	12.6%	12.5%
Planned profit growth rate (average for the next five years) easybank franchise Austria	0.8%	10.5%
Planned profit growth rate (average for the next five years) Zahnärztekasse AG	—%	0.7%
Planned profit growth rate (average for the next five years) Health Coevo AG	1.3%	6.5%
Planned profit growth rate (average for the next five years) brokerage business Austria	—%	—%
Planned profit growth rate (average for the next five years) Idaho First Bank	2.4%	18.6%
Sustainable growth rate easybank franchise Austria	0.5%	0.5%
Sustainable growth rate Zahnärztekasse AG	—%	0.5%
Sustainable growth rate Health Coevo AG	0.5%	0.5%
Sustainable growth rate brokerage business Austria	—%	—%
Sustainable growth rate Idaho First Bank	0.5%	0.5%

The discount rate of Zahnärztekasse AG is based on CHF (2024: CHF), that of Idaho First Bank on USD (2024: USD).

The cash flow projections are based on the annual profits planned by the management for the next five years and a perpetual growth rate thereafter. The sustainable growth rate was determined on the basis of the estimated long-term annual profit growth rate, which matches the assumption that a market participant would make. In order to keep growth properly equity backed, profit retentions have been considered in the valuation, both in the planned period and in the calculation of the continuing value.

**Sensitivity analysis as of 31.12.2025**

A sensitivity analysis was used to test the robustness of the impairment test for goodwill, which was based on the assumptions outlined above. A change in the discount rate and a change in growth were chosen as the relevant parameters. The table below shows to what extent an increase in the discount rate or a decline in growth after 2026 could occur without the fair value of the cash-generating unit falling below the carrying value (equity plus goodwill).

	Change in discount rate (in percentage pts)	Change in growth after 2026 (in %)
easybank franchise Austria	20.09	(14.79%)
Zahnärztekasse AG	1.37	(5.00%)
Health Coevo AG	2.68	(6.32%)
Idaho First Bank	2.86	(7.83%)

in € million	Discount rate increase by 1%	Decrease of net profit by 10% in the period 2026–2028
<b>Fully consolidated</b>		
easybank franchise Austria	no impairment	no impairment
Zahnärztekasse AG	no impairment	no impairment
Health Coevo AG	no impairment	no impairment
Idaho First Bank	no impairment	no impairment

**Sensitivity analysis as of 31.12.2024**

	Change in discount rate (in percentage pts)	Change in growth after 2025 (in %)
easybank franchise Austria	24.01	(19.46%)
Zahnärztekasse AG	0.54	(2.04%)
Health Coevo AG	7.07	(12.97%)
Idaho First Bank	27.99	<-20%

in € million	Discount rate increase by 1%	Decrease of net profit by 10% in the period 2025–2027
<b>Fully consolidated</b>		
easybank franchise Austria	no impairment	no impairment
Zahnärztekasse AG	(3.5)	no impairment
Health Coevo AG	no impairment	no impairment
Idaho First Bank	no impairment	no impairment

**Sensitivity analysis as of 31.12.2025 for brand name BAWAG P.S.K.**

A sensitivity analysis was used to test the robustness of the impairment test for the brand name BAWAG P.S.K., which was based on the assumptions outlined above. A change in the discount rate and a change in growth were chosen as the relevant parameters. The table below shows to what extent an increase in the discount rate or a decline in growth after 2026 could occur without the value-in-use of the brand name falling below the carrying value.

	Change in discount rate (in percentage pts)	Change in growth after 2026 (in %)
Brand name BAWAG P.S.K.	>20	<(20)%

in € million	Discount rate increase by 1%	Decrease of net profit by 10% in the period 2026–2028
Brand name BAWAG P.S.K.	no impairment	no impairment

**Sensitivity analysis as of 31.12.2024 for brand name BAWAG P.S.K.**

A sensitivity analysis was used to test the robustness of the impairment test for the brand name BAWAG P.S.K., which was based on the assumptions outlined above. A change in the discount rate and a change in growth were chosen as the relevant parameters. The table below shows to what extent an increase in the discount rate or a decline in growth after 2025 could occur without the value-in-use of the brand name falling below the carrying value.

	Change in discount rate (in percentage pts)	Change in growth after 2025 (in %)
Brand name BAWAG P.S.K.	>20	<(20)%

in € million	Discount rate increase by 1%	Decrease of net profit by 10% in the period 2025–2027
Brand name BAWAG P.S.K.	no impairment	no impairment

**20 | Net deferred tax assets and liabilities on Statement of Financial Position**

The deferred tax assets and liabilities reported on the Statement of Financial Position are the result of temporary differences between the carrying amounts pursuant to IFRS and the valuations of the following items according to the tax requirements:

in € million	31.12.2025	31.12.2024
Financial liabilities designated at fair value through profit or loss	44	41
Financial liabilities at amortized cost	445	401
Financial assets at fair value through other comprehensive income	4	4
Provisions	8	12
Liabilities held for trading	59	57
Hedging derivatives	—	22
Tax loss carryforwards	6	6
Other	10	9
<b>Deferred tax assets</b>	<b>576</b>	<b>552</b>
Deferred tax assets netted with deferred tax liabilities	(468)	(431)
<b>Deferred tax assets reported on the balance sheet<sup>1</sup></b>	<b>108</b>	<b>121</b>
Financial assets at fair value through profit or loss	22	13
Financial assets at amortized cost	517	466
Hedging derivatives	42	—
Internally generated intangible assets	27	23
Other intangible assets	49	48
<b>Deferred tax liabilities</b>	<b>657</b>	<b>550</b>
Deferred tax liabilities netted with deferred tax assets	(468)	(431)
<b>Deferred tax liabilities reported on the balance sheet</b>	<b>189</b>	<b>119</b>

<sup>1</sup> Representing deferred tax assets of companies that were not part of the tax group.

For each group member, the deferred tax assets and liabilities pertaining to the same local tax authority were offset against each other and reported under Tax assets or Tax liabilities.

Temporary differences for which no deferred tax liabilities were recognized, as permitted by IAS 12.39, came to € 1,254 million (2024: € 1,021 million). IAS 12.39 stipulates that in the

case of temporary differences associated with investments in subsidiaries, deferred tax liabilities do not have to be recognized if the parent is able to control the timing of the reversal of the temporary difference and it is not probable that the temporary difference will be reversed in the foreseeable future.

Deferred tax assets and deferred tax liabilities have a remaining maturity of more than one year.

As of 31 December 2025, deferred tax assets on tax loss carryforwards of BAWAG amount to € 6 million (31 December 2024: € 6 million). The risk that the current geopolitical situation will have an impact on the recoverability of tax loss carryforwards that have not yet been utilized is therefore considered to be low. As can be seen in the table above, the Statement of Financial Position shows a net deferred tax liability of € 82 million (31 December 2024: asset of € 2 million). There is no increased risk that deferred tax assets cannot be used for future taxable profits.

## 21 | Other assets

in € million	31.12.2025	31.12.2024
Accruals	34	42
Other tax receivables	34	25
Other items	209	215
<b>Other assets</b>	<b>277</b>	<b>282</b>

The other items include accounts relating to payment and miscellaneous other assets. As of 31 December 2025, other assets in the amount of € 62 million (31 December 2024: € 82 million) have a maturity of more than one year.

## 22 | Disclosures in compliance with IFRS 5 – Non-current assets and disposal groups held for sale and Liabilities in disposal groups held for sale

According to IFRS 5, disposal groups consisting of assets and liabilities are to be classified as held for sale when the associated carrying amount stems primarily from a sale transaction and not from continued usage, and the sale is expected to be effected within twelve months.

In October 2025 BAWAG agreed to sell its share in Best Egg Inc., Wilmington, to Barclays Bank Delaware. Completion of the transaction is subject to required regulatory approvals and other conditions and is expected to take place in the second quarter of 2026. The investment in Best Egg Inc., which is accounted for using the equity method, is therefore reported under the item Non-current assets and disposal groups held for sale on the Consolidated Statement of Financial Position as of 31 December 2025 (€ 114 million). Best Egg Inc. is reported in the Corporate Center segment.

The remaining book value of investment properties classified as non-current assets held for sale amounted to € 5 million as of 31 December 2025 (31 December 2024: € 5 million). These non-current assets held for sale are reported in the segment Corporate Center.

## 23 | Financial liabilities designated at fair value through profit or loss

in € million	31.12.2025	31.12.2024
<b>Issued bonds, subordinated and supplementary capital</b>	<b>55</b>	<b>100</b>
Issued debt securities and other securitized liabilities	23	63
Subordinated capital	14	14
Short-term notes and non-listed private placements	18	23
<b>Financial liabilities designated at fair value through profit or loss</b>	<b>55</b>	<b>100</b>

The issued bonds are listed securities. Financial liabilities designated at fair value through profit or loss include issues of the former P.S.K. that are guaranteed by the Republic of Austria.

The carrying amount of the securities issued by BAWAG and recognized at their fair value as of 31 December 2025 was € 3.9 million above their repayment amount (2024: € 0.2 million below the repayment amount).

## 24 | Financial liabilities held for trading

in € million	31.12.2025	31.12.2024
<b>Derivatives banking book</b>	<b>450</b>	<b>454</b>
Foreign currency derivatives	12	44
Interest rate derivatives	432	405
Credit derivatives	6	5
<b>Financial liabilities held for trading</b>	<b>450</b>	<b>454</b>

## 25 | Financial liabilities measured at amortized cost

in € million	31.12.2025	31.12.2024
<b>Deposits from credit institutions</b>	<b>812</b>	<b>1,264</b>
<b>Deposits from customers</b>	<b>47,367</b>	<b>46,170</b>
Current accounts	20,027	19,450
Retail & SME	17,360	16,154
Corporates, Real Estate & Public Sector	2,663	3,278
Treasury	—	4
Corporate Center	4	14
Deposits	27,340	26,720
Daily deposits	20,412	16,847
Retail & SME	20,052	16,517
Corporates, Real Estate & Public Sector	155	281
Treasury	148	5
Corporate Center	57	44
Term deposits	6,928	9,873
Retail & SME	6,421	6,997
Corporates, Real Estate & Public Sector	431	2,808
Treasury	76	68
Corporate Center	—	—
<b>Issued bonds and supplementary capital</b>	<b>17,528</b>	<b>17,174</b>
Issued debt securities	15,713	15,280
Supplementary capital	685	630
Other obligations evidenced by paper	1,130	1,264
<b>Financial liabilities at amortized cost</b>	<b>65,707</b>	<b>64,608</b>

The issued bonds are mainly listed securities.

As of 31 December 2025 and as of 31 December 2024, BAWAG utilized no funding under the ECB's TLTRO III facility.

There was no interest expense from the TLTRO III program in 2025 (2024: interest expense amounting to € 5.8 million; reported under interest expense).

## 26 | Issued bonds, subordinated and supplementary capital

Issued bonds, subordinated and supplementary capital are shown in the category Financial liabilities designated at fair value through profit or loss and in the category Financial liabilities measured at amortized cost. The total volume amounts to (IFRS book values):

in € million	Recognized at fair value		Recognized at amortized cost		Total	
	2025	2024	2025	2024	2025	2024
Issued bonds (own issues)	23	63	15,713	15,280	15,736	15,343
Subordinated capital	14	14	—	—	14	14
Supplementary capital	—	—	685	630	685	630
Short-term notes and unlisted private placements	18	23	1,130	1,264	1,148	1,287
<b>Total</b>	<b>55</b>	<b>100</b>	<b>17,528</b>	<b>17,174</b>	<b>17,583</b>	<b>17,274</b>

The following table shows the main conditions of issued bonds exceeding a nominal value of € 200 million:

ISIN	Type	Currency	Nominal value in EUR million	Type of interest payment	Coupon	Maturity date
XS2523326853	Covered	EUR	1,250	Fixed	2.000%	25.08.2032
XS2570759154	Covered	EUR	850	Fixed	3.130%	12.01.2029
XS2234573710	Covered	EUR	750	Fixed	0.010%	23.09.2030
XS2468221747	Covered	EUR	750	Fixed	1.125%	31.07.2028
XS2487770104	Covered	EUR	750	Fixed	1.750%	08.03.2030
XS2556232143	Covered	EUR	750	Fixed	3.000%	17.05.2027
XS2618704014	Covered	EUR	750	Fixed	3.380%	04.05.2026
XS2773068676	Covered	EUR	750	Fixed	3.125%	27.02.2031
XS1551294926	Covered	EUR	500	Fixed	0.750%	18.01.2027
XS1637329639	Covered	EUR	500	Fixed	0.010%	27.06.2027
XS2013520023	Covered	EUR	500	Fixed	0.625%	19.06.2034
XS2049584084	Senior unsecured	EUR	500	Fixed	0.375%	03.09.2027
XS2058855441	Covered	EUR	500	Fixed	0.010%	02.10.2029
XS2259776230	Covered	EUR	500	Fixed	0.010%	19.11.2035
XS2106563161	Covered	EUR	500	Fixed	0.010%	21.01.2028
XS2320539765	Covered	EUR	500	Fixed	0.375%	25.03.2041
XS2340854848	Covered	EUR	500	Fixed	0.100%	12.05.2031
XS2351073098	Covered	EUR	500	Fixed	0.038%	06.09.2036
XS2380748439	Covered	EUR	500	Fixed	0.010%	03.09.2029
XS2429205540	Covered	EUR	500	Fixed	0.250%	12.01.2032
XS2531479462	Senior unsecured	EUR	500	Fixed	4.130%	18.01.2027
XS2642546399	Covered	EUR	500	Fixed	0.034%	28.06.2030
XS2851605886	Senior unsecured	EUR	500	Fixed	3.125%	10.03.2029
XS2981978989	Senior unsecured	EUR	500	Fixed	3.500%	21.01.2032
XS3170898723	Senior unsecured	EUR	500	Fixed	3.375%	09.02.2033
XS2707629056	Tier II	EUR	400	Fixed	6.750%	24.02.2034
XS2997361485	Tier II	EUR	250	Fixed	4.125%	07.05.2035
AT0000A31L43	Senior unsecured	EUR	200 <sup>1</sup>	Fixed	3.750%	10.02.2026

<sup>1</sup> Thereof € 6 million bought back.

## 27 | Liabilities maturities

The following tables depict a breakdown of the financial liabilities (excluding derivatives) by legal maturity.

<b>Financial liabilities – breakdown by remaining period to maturity 2025</b>						
31.12.2025 in € million	Repayable on demand	Up to 3 months	3 months up to 1 year	1–5 years	Over 5 years	<b>Total</b>
<b>Liabilities designated at fair value through profit or loss</b>						
Bonds	—	—	—	—	23	23
Subordinated capital	—	—	—	14	—	14
Short-term notes and non-listed private placements	—	—	—	18	—	18
<b>Liabilities at amortized cost</b>						
Deposits from customers	40,399	1,800	2,293	1,108	1,767	47,367
Deposits from credit institutions	65	106	4	374	263	812
Bonds	—	14	1,042	8,709	5,948	15,713
Supplementary capital	—	—	—	431	254	685
Short-term notes and non-listed private placements	—	305	96	259	470	1,130
<b>Total</b>	<b>40,464</b>	<b>2,225</b>	<b>3,435</b>	<b>10,913</b>	<b>8,725</b>	<b>65,762</b>

<b>Financial liabilities – breakdown by remaining period to maturity 2024</b>						
31.12.2024 in € million	Repayable on demand	Up to 3 months	3 months up to 1 year	1–5 years	Over 5 years	<b>Total</b>
<b>Liabilities designated at fair value through profit or loss</b>						
Bonds	—	10	31	—	22	63
Subordinated capital	—	—	—	14	—	14
Short-term notes and non-listed private placements	—	7	—	16	—	23
<b>Liabilities at amortized cost</b>						
Deposits from customers	36,156	3,555	3,528	1,152	1,779	46,170
Deposits from credit institutions	59	506	11	47	641	1,264
Bonds	—	266	645	7,704	6,665	15,280
Supplementary capital	—	—	201	422	8	631
Short-term notes and non-listed private placements	—	220	73	493	478	1,264
<b>Total</b>	<b>36,215</b>	<b>4,564</b>	<b>4,489</b>	<b>9,848</b>	<b>9,593</b>	<b>64,709</b>

## 28 | Provisions

in € million	31.12.2025	31.12.2024
Provisions for social capital	215	234
Thereof for severance payments	58	64
Thereof for pension provisions	156	169
Thereof for jubilee benefits	1	1
Anticipated losses from pending business	26	16
Credit promises and guarantees	26	16
Other items including legal risks	10	35
<b>Provisions</b>	<b>251</b>	<b>285</b>

Provisions for social capital are long-term liabilities. Provisions for anticipated losses from pending business in the amount of € 26 million (2024: € 16 million) and other risks including legal risks in the amount of € 10 million (2024: € 5 million) are expected to be used after more than 12 months. In the financial year 2024 a provision in the amount of € 5 million relating to the interbank exemption pursuant to Art 6 section 1 subsection 28 (2nd sentence) Austrian VAT Act was allocated. This exemption might be classified by the European Court of Justice or the EU Commission as aid that is not compatible with EU law and might therefore have to be refunded.

Other items include provisions of € 5 million (2024: € 25 million) for legal, integration and litigation risk that have been recognized as part of the purchase price allocation for Knab.

### Changes in social capital

in € million	Provisions for pensions	Provisions for severance payments
<b>Defined benefit obligation as of 01.01.2025</b>	<b>182</b>	<b>64</b>
Service cost	—	2
Interest cost	6	2
Actuarial gain/loss		
from financial assumptions	(8)	(3)
due to other reasons, mainly experience results	4	(1)
Other		
Payments	(14)	(6)
<b>Defined benefit obligation as of 31.12.2025</b>	<b>170</b>	<b>58</b>
Fair value of plan assets	(14)	—
<b>Provision as of 31.12.2025</b>	<b>156</b>	<b>58</b>

in € million	Provisions for pensions	Provisions for severance payments
<b>Defined benefit obligation as of 01.01.2024</b>	<b>190</b>	<b>65</b>
Service cost	—	3
Interest cost	6	2
Actuarial gain/loss		
from financial assumptions	(6)	(3)
due to other reasons, mainly experience results	6	3
Other		
Payments	(14)	(6)
<b>Defined benefit obligation as of 31.12.2024</b>	<b>182</b>	<b>64</b>
Fair value of plan assets	(13)	—
<b>Provision as of 31.12.2024</b>	<b>169</b>	<b>64</b>

On 31 December 2025, the weighted average duration was 8.34 years (2024: 8.95 years) for defined benefit obligations relating to Austrian pension plans, 9.79 years for German pension plans (2024: 10.65 years), 12.00 years for Swiss pension plans (2024: 12.30 years) and 8.42 years (2024: 9.33 years) for obligations arising from entitlement to severance payments.

### Assignable unit-linked pension fund assets

in € million	2025	2024
<b>Pension fund assets as of 01.01.</b>	<b>13</b>	<b>13</b>
Foreign exchange differences	—	—
Additions	1	1
Payments	—	(1)
Fair value changes	(1)	—
Returns on plan assets	1	—
<b>Pension fund assets as of 31.12.</b>	<b>14</b>	<b>13</b>

The fair value changes contain expected returns on plan assets, actuarial gains and losses, contributions by the employer, contributions by plan participants and benefits paid.

The pension fund assets consist of:

	2025	2024
Bonds	35%	42%
Equities	32%	28%
Real estate	17%	16%
Cash and cash equivalents	2%	1%
Alternative investments	4%	3%
Other	10%	10%

Bonds issued by BAWAG P.S.K. amount to 0.053% of plan assets.

All equity securities and fixed-income bonds have quoted prices in active markets. All fixed-income investments are mainly issued by European entities and have an average rating of A-.

The strategic investment policy of the pension funds can be summarized as follows:

→ a strategic asset mix comprising 35% bonds, 32% equities, 17% real estate and 16% other investments;

→ the weighting of the investment classes may vary from the long-term strategic asset allocation within a defined range: bonds: 25%–100%, equities: 10%–18%, other investments: 0%–37%;

→ interest rate risk is monitored and managed through active duration risk management of all fixed-income assets;

→ currency risk is managed with the objective of reducing the risk to a maximum of 20%.

BAWAG expects that payments in the amount of € 0.2 million will have to be made to the pension fund in 2026 (2025: € 0.2 million) for asset purchases.

### Sensitivity analysis

Reasonably possible changes to one of the relevant actuarial assumptions on the reporting date, holding other assumptions constant, would have resulted in the following defined benefit obligation for pension and severance payments. The basis for the calculation is the present value of the defined benefit obligations as of 31 December 2025 in the amount of € 228 million (2024: € 246 million):

#### Sensitivity analysis as of 31 December 2025

in € million	Provisions for post-employment benefits and severance payments	
	Increase of variable	Decrease of variable
Discount rate – 1 percentage point movement	198	236
Future salary growth – 1 percentage point movement	233	200
Attrition – 1 percentage point movement	210	217
Future mortality – 1 percentage point movement (post-employment benefits only)	156	157

#### Sensitivity analysis as of 31 December 2024

in € million	Provisions for post-employment benefits and severance payments	
	Increase of variable	Decrease of variable
Discount rate – 1 percentage point movement	216	262
Future salary growth – 1 percentage point movement	259	217
Attrition – 1 percentage point movement	231	237
Future mortality – 1 percentage point movement (post-employment benefits only)	174	174

**Changes in other provisions**

in € million	Balance 01.01.2025	Added	Used	Released	Other adjustments	Balance 31.12.2025
<b>Other provisions</b>	<b>51</b>	<b>15</b>	<b>(26)</b>	<b>(4)</b>	—	<b>36</b>
Anticipated losses from pending business	16	15	(1)	(4)	—	26
Other items	35	—	(25)	—	—	10

in € million	Balance 01.01.2024	Added	Used	Released	Other adjustments	Balance 31.12.2024
<b>Other provisions</b>	<b>14</b>	<b>42</b>	<b>(2)</b>	<b>(3)</b>	—	<b>51</b>
Anticipated losses from pending business	14	7	(2)	(3)	—	16
Other items	—	35	—	—	—	35

**29 | Other obligations**

in € million	31.12.2025	31.12.2024
Accounts relating to payment transactions	223	254
Lease liabilities IFRS 16	162	172
Liabilities resulting from restructuring	50	28
Other liabilities	404	332
Accruals	38	40
<b>Other obligations</b>	<b>877</b>	<b>826</b>

According to IFRS 16, a lease liability is recognized at the commencement of a lease. The lease liability is measured at the present value of the lease payments. As of 31 December 2025, other obligations in the amount of € 304 million (31 December 2024: € 302 million) have a maturity of more than one year.

**30 | Hedging derivatives**

in € million	31.12.2025	31.12.2024
Hedging derivatives in fair value hedges		
Positive market values	257	315
Negative market values	52	56
Hedging derivatives in cash flow hedges		
Positive market values	100	16
Negative market values	40	226
Hedging derivatives in net investment hedge		
Positive market values	1	—
Negative market values	(1)	9

**Fair value hedge**

in € million	Notional of hedged items		Net book value of hedging instruments		Net result of hedged item and hedging instrument recognized in the financial year	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024	31.12.2025	31.12.2024
<b>Financial assets at fair value through other comprehensive income</b>	<b>1,068</b>	1,340	—	—	<b>1</b>	1
Securities	1,068	1,340	—	—	1	1
<b>Financial instruments recognized at amortized cost</b>	<b>42,772</b>	41,641	<b>223</b>	259	<b>(37)</b>	(75)
Securities	1,312	1,056	1	(1)	5	2
Own issues	9,137	11,876	9	1	(59)	(13)
Loans to customers	13,474	14,296	235	281	(15)	(66)
Liabilities to customers	18,849	14,413	(22)	(22)	32	2
<b>Total</b>	<b>43,840</b>	<b>42,981</b>	<b>223</b>	<b>259</b>	<b>(36)</b>	<b>(74)</b>

The valuation of hedged items and hedging instruments is recognized in profit or loss in the line item Gains and losses on financial assets and liabilities (Note 5).

**Cash flow hedge**

The time periods in which the hedged cash flows are expected to occur and affect profit or loss are:

31.12.2025 in € million	Within 1 year	1 to 5 years	Over 5 years	<b>Total</b>
	787	4,612	3,274	<b>8,673</b>

31.12.2024 in € million	Within 1 year	1 to 5 years	Over 5 years	<b>Total</b>
	1,427	5,133	2,988	<b>9,548</b>

**Profile of the timing of the nominal amount of the hedging instrument:**

31.12.2025 in € million	Within 1 year	1 to 5 years	Over 5 years	<b>Total</b>
	340	3,221	2,966	<b>6,527</b>

31.12.2024 in € million	Within 1 year	1 to 5 years	Over 5 years	<b>Total</b>
	1,200	4,448	2,725	<b>8,373</b>

Disclosure according to IFRS 7.24B a)

31.12.2025 in € million	Micro hedges	Hedge adjustments on micro hedges		Macro hedges
	Carrying amount	Hedge adjustments included in the carrying amount of assets/liabilities	Remaining adjustments for discontinued micro hedges including hedges of net positions	Hedged items in portfolio hedge of interest rate risk
<b>ASSETS</b>				
Financial assets measured at fair value through other comprehensive income				
Interest rate related	1,097	(4)	20	—
Financial assets measured at amortized cost				
Interest rate related	2,119	(378)	(94)	12,470
<b>LIABILITIES</b>				
Financial liabilities measured at amortized cost				
Interest rate related	9,053	(455)	(181)	18,575

31.12.2024 in € million	Micro hedges	Hedge adjustments on micro hedges		Macro hedges
	Carrying amount	Hedge adjustments included in the carrying amount of assets/liabilities	Remaining adjustments for discontinued micro hedges including hedges of net positions	Hedged items in portfolio hedge of interest rate risk
<b>ASSETS</b>				
Financial assets measured at fair value through other comprehensive income				
Interest rate related	1,371	(6)	28	—
Financial assets measured at amortized cost				
Interest rate related	2,057	(265)	(17)	13,128
<b>LIABILITIES</b>				
Financial liabilities measured at amortized cost				
Interest rate related	11,836	(534)	(121)	14,031

**Hedged items in cash flow hedges**

31.12.2025 in € million	Change in FV for the period used for calculating hedge ineffectiveness	Cash flow hedge reserve for continuing hedges	Cash flow hedge reserve for terminated hedges
Foreign exchange risk	55	(13)	—

31.12.2024 in € million	Change in FV for the period used for calculating hedge ineffectiveness	Cash flow hedge reserve for continuing hedges	Cash flow hedge reserve for terminated hedges
Foreign exchange risk	(44)	(68)	—

**Hedged items in net investment hedges**

31.12.2025 in € million	Change in FV for the period used for calculating hedge ineffectiveness	Net investment hedge reserve for continuing hedges	Net investment hedge reserve for terminated hedges
Foreign exchange risk	22	12	—

31.12.2024 in € million	Change in FV for the period used for calculating hedge ineffectiveness	Net investment hedge reserve for continuing hedges	Net investment hedge reserve for terminated hedges
Foreign exchange risk	(9)	(10)	—

conditions in agreement with the Supervisory Board (Authorized Capital 2024).

**Conditional capital**

In accordance with section 159 paragraph 2 no. 1 AktG, the share capital shall be conditionally increased by up to € 7.86 million by issuing up to 7,860,000 no-par value bearer shares for the purpose of issuing them to creditors of convertible bonds which the Management Board, with the consent of the Supervisory Board, may issue in the future on the basis of the authorization granted at the Annual General Meeting on 8 April 2024. The conditional capital increase may only be carried out to the extent that creditors of convertible bonds to be issued make use of their conversion and/or subscription rights to shares of BAWAG Group AG. The amount to be issued and the conversion ratio shall be determined in accordance with the interests of BAWAG Group AG, the existing shareholders and the subscribers of the convertible bonds within the framework of a customary market pricing procedure using recognized customary market methods and the stock exchange price of BAWAG Group AG’s shares. The issue price of the new shares may not be less than the proportionate amount of the share capital. The shares to be issued as part of the conditional capital increase are entitled to dividends to the same extent as the existing shares.

**Capital reserves and retained earnings**

Capital reserves include contributions from shareholders that do not represent subscribed capital. Retained earnings and other reserves represent accumulated net profit brought forward as well as income and expense recognized in other comprehensive income.

**31 | Equity**

**Share capital**

The fully paid-in share capital of BAWAG Group AG amounts to € 77.0 million (2024: € 78.6 million) divided into 77,000,000 bearer shares (2024: 78,600,000 bearer shares). The decrease is due to the cancellation of 1.6 million shares following the completion of a share buyback program. BAWAG Group AG holds 23,045 treasury shares (2024: 75,954 treasury shares), thus the share capital amounts to € 77.0 million for accounting purposes (2024: € 78.5 million). The number of bearer shares excluding own shares is 76,976,955 (2024: 78,524,046).

**Authorized capital**

Pursuant to Section 5 No 7 of the Articles of Association of BAWAG Group AG, the Management Board shall be authorized, with the consent of the Supervisory Board, to increase the share capital within five years from the date of the registration of the amendment to the Articles of Association in the commercial register, also in several tranches against contributions in cash and/or contributions in kind, by up to € 31.44 million by issuing up to 31,440,000 new bearer shares with no par value and to determine the issue price

**AT1 capital**

In April 2018, BAWAG Group AG issued Additional Tier 1 capital in the amount of € 300 million. Based on the contractual framework, the issue is classified as equity in accordance with IAS 32. Expenses and tax effects directly related to the issuance are subtracted from equity. Coupon payments are recognized as dividends directly in equity. In 2024, an amount of € 262.2 million was bought back. As of 31 December 2024, the remaining volume amounted to € 37.8 million. In 2025, the remaining amount of € 37.8 million was bought back.

In September 2020, BAWAG Group AG issued Additional Tier 1 capital in the amount of € 175 million. Based on the contractual framework, the issue is classified as equity in accordance with IAS 32. Expenses and tax effects directly related to the issuance are subtracted from equity. Coupon payments are recognized as dividends directly in equity. In 2025, the whole amount of € 175 million was bought back.

In September 2024, BAWAG Group AG issued Additional Tier 1 capital in the amount of € 500 million. Based on the contractual framework, the issue is classified as equity in accordance with IAS 32. Expenses and tax effects directly related to the issuance are subtracted from equity. Coupon payments are recognized as dividends directly in equity.

**Dividends**

Subject to the approval of shareholders, BAWAG Group has proposed a dividend of € 6.25 per share (up to € 481 million based on the maximum number of shares outstanding at the time of distribution) for 2025, which will be submitted for approval at the Annual General Meeting on 22 April 2026.

Dividends of € 432 million (€ 5.50 per share) were distributed in 2025.

**Non-controlling interests**

As of 31 December 2025, non-controlling interests amount to € 8.5 million (2024: € 0.0 million).

**Liability reserve (Haftrücklage)**

Credit institutions are required to allocate a liability reserve (Haftrücklage) according to section 57 paragraph 5 BWG. The liability reserve may be reversed only insofar as this is required to meet obligations pursuant to section 93 BWG or to cover other losses to be reported in the annual financial statements.

Changes in other comprehensive income

in € million	Retained earnings reserve	Cash flow hedge reserve net of tax	Actuarial gains/losses net of tax	Debt instruments at fair value through other comprehensive income net of tax	Equity investments at fair value through other comprehensive income net of tax	Change in credit spread of financial liabilities net of tax
<b>Total comprehensive income 2025</b>	<b>859.9</b>	<b>54.7</b>	<b>6.8</b>	<b>(7.3)</b>	<b>1.0</b>	<b>(0.5)</b>
Consolidated profit/loss	859.9	—	—	—	—	—
<b>Income and expenses recognized directly in equity</b>	<b>—</b>	<b>54.7</b>	<b>6.8</b>	<b>(7.3)</b>	<b>1.0</b>	<b>(0.5)</b>
Change in cash flow hedge reserve	—	71.0	—	—	—	—
Change in debt securities at fair value through other comprehensive income	—	—	—	(9.4)	—	—
Share of other comprehensive income of associates accounted for using the equity method	—	—	—	—	—	—
Actuarial gains (losses) on defined benefit pension plans	—	—	8.8	—	—	—
Fair value changes of shares and other equity investments at fair value through other comprehensive income	—	—	—	—	1.6	—
Change in credit spread of financial liabilities	—	—	—	—	—	(0.7)
Hedge of net investment in foreign operations	—	—	—	—	—	—
Foreign exchange differences	—	—	—	—	—	—
Income taxes	—	(16.3)	(2.0)	2.1	(0.6)	0.2

**(Continued) Changes in other comprehensive income**

in € million	Share of other comprehensive income of associates accounted for using the equity method	Hedge of net investment in foreign opera- tions net of tax	Foreign exchange differences	Equity attributable to the owners of the parent	Non-control- ling interests	Equity including non- controlling interests
<b>Total comprehensive income 2025</b>	<b>3.4</b>	<b>22.3</b>	<b>(25.0)</b>	<b>915.3</b>	<b>1.7</b>	<b>917.0</b>
Consolidated profit/loss	—	—	—	859.9	2.0	861.9
<b>Income and expenses recognized directly in equity</b>	<b>3.4</b>	<b>22.3</b>	<b>(25.0)</b>	<b>55.4</b>	<b>(0.3)</b>	<b>55.1</b>
Change in cash flow hedge reserve	—	—	—	71.0	—	71.0
Change in debt securities at fair value through other comprehensive income	—	—	—	(9.4)	—	(9.4)
Share of other comprehensive income of associates accounted for using the equity method	4.4	—	—	4.4	—	4.4
Actuarial gains (losses) on defined benefit pension plans	—	—	—	8.8	—	8.8
Fair value changes of shares and other equity investments at fair value through other comprehensive income	—	—	—	1.6	—	1.6
Change in credit spread of financial liabilities	—	—	—	(0.7)	—	(0.7)
Hedge of net investment in foreign operations	—	22.3	—	22.3	—	22.3
Foreign exchange differences	—	—	(25.0)	(25.0)	(0.3)	(25.3)
Income taxes	(1.0)	—	—	(17.6)	—	(17.6)

## Changes in other comprehensive income

in € million	Retained earnings reserve	Cash flow hedge reserve net of tax	Actuarial gains/losses net of tax	Debt instruments at fair value through other comprehensive income net of tax	Equity investments at fair value through other comprehensive income net of tax	Change in credit spread of financial liabilities net of tax	Hedge of net investment in foreign operations net of tax	Foreign exchange differences	Equity attributable to the owners of the parent	Non-controlling interests	Equity including non-controlling interests
<b>Total comprehensive income 2024</b>	<b>760.0</b>	<b>(43.9)</b>	<b>0.1</b>	<b>16.0</b>	<b>0.8</b>	<b>(1.3)</b>	<b>(8.8)</b>	<b>9.9</b>	<b>732.8</b>	<b>—</b>	<b>732.8</b>
Consolidated profit/loss	760.0	—	—	—	—	—	—	—	760.0	—	760.0
<b>Income and expenses recognized directly in equity</b>	<b>—</b>	<b>(43.9)</b>	<b>0.1</b>	<b>16.0</b>	<b>0.8</b>	<b>(1.3)</b>	<b>(8.8)</b>	<b>9.9</b>	<b>(27.2)</b>	<b>—</b>	<b>(27.2)</b>
Change in cash flow hedge reserve	—	(57.0)	—	—	—	—	—	—	(57.0)	—	(57.0)
Change in debt securities at fair value through other comprehensive income	—	—	—	11.8	—	—	—	—	11.8	—	11.8
Share of other comprehensive income of associates accounted for using the equity method	—	—	—	—	—	—	—	—	—	—	—
Actuarial gains (losses) on defined benefit pension plans	—	—	—	—	—	—	—	—	—	—	—
Fair value changes of shares and other equity investments at fair value through other comprehensive income	—	—	—	—	1.4	—	—	—	1.4	—	1.4
Change in credit spread of financial liabilities	—	—	—	—	—	(1.7)	—	—	(1.7)	—	(1.7)
Hedge of net investment in foreign operations	—	—	—	—	—	—	(8.8)	—	(8.8)	—	(8.8)
Foreign exchange differences	—	—	—	—	—	—	—	9.9	9.9	—	9.9
Income taxes	—	13.1	0.1	4.2	(0.6)	0.4	—	—	17.2	—	17.2

**Deferred income taxes recognized in other comprehensive income**

	Before taxes	Income taxes	After taxes
<b>01.01.–31.12.2025</b>			
<i>in € million</i>			
Cash flow hedge reserve	71.0	(16.3)	54.7
Actuarial gains (losses) on defined benefit pension plans	8.8	(2.0)	6.8
Debt instruments at fair value through other comprehensive income net of tax	(9.4)	2.1	(7.3)
Equity instruments at fair value through other comprehensive income net of tax from equity associates	4.4	(1.0)	3.4
Equity investments at fair value through other comprehensive income net of tax	1.6	(0.6)	1.0
Change in credit spread of financial liabilities net of tax	(0.7)	0.2	(0.5)
Hedge of net investment in foreign operations net of tax	22.3	—	22.3
Foreign exchange differences	(25.0)	—	(25.0)
<b>Income and expenses recognized directly in equity</b>	<b>73.0</b>	<b>(17.6)</b>	<b>55.4</b>

	Before taxes	Income taxes	After taxes
<b>01.01.–31.12.2024</b>			
<i>in € million</i>			
Cash flow hedge reserve	(57.0)	13.1	(43.9)
Actuarial gains (losses) on defined benefit pension plans	—	0.1	0.1
Debt instruments at fair value through other comprehensive income net of tax	11.8	4.2	16.0
Equity instruments at fair value through other comprehensive income net of tax from equity associates	—	—	—
Equity investments at fair value through other comprehensive income net of tax	1.4	(0.6)	0.8
Change in credit spread of financial liabilities net of tax	(1.7)	0.4	(1.3)
Hedge of net investment in foreign operations net of tax	(8.8)	—	(8.8)
Foreign exchange differences	9.9	—	9.9
<b>Income and expenses recognized directly in equity</b>	<b>(44.4)</b>	<b>17.2</b>	<b>(27.2)</b>

## SEGMENT REPORTING

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The segment reporting, based on the Group structure as of year-end 2025, reflects the contribution of the operating business segments to BAWAG Group's results in accordance with IFRS 8 Operating Segments, which follows the management-approach principle. The segment information is prepared on the basis of the internal reports used by the Management Board to assess segment performance and to make decisions regarding resource allocation.

The breakdown of the net interest income and its allocation to the segments in the management report is based on the principles of the market interest rate method, also taking into account allocated liquidity costs and premiums. According to this method, it is assumed that asset and liability items are refinanced by means of money and capital market transactions with corresponding maturities, and that there is therefore no interest rate risk. The interest rate risk is managed actively through asset and liability management, and the related results are reported in the Corporate Center. The remaining earnings components and the directly allocable costs are assigned to the respective business units based on where they are incurred. The overhead costs and planned depreciations are assigned to the individual segments according to an allocation factor. Regulatory charges and corporate tax are allocated based on relevant input parameters.

BAWAG Group is managed in accordance with the following four business and reporting segments:

→ **Retail & SME** – includes savings, payment, card and lending activities, investment and insurance services for our private customers, small business lending, factoring and leasing business and our social housing activities as well as own issues covered with retail assets and Wohnbaubank bonds. The segment services its domestic and international private and small business customers through a centrally managed branch network focused on high-touch and high-quality advisory and complementary online, mobile and partnership (broker, dealers) channels providing 24/7 customer access and driving asset origination. Our online product offering, for example, covers savings, payments, securities, card and lending activities for private and small business customers while the platform business provides auto, mobile and real estate leasing as well as consumer and mortgage loans. It also includes lending portfolios and platform business with our international retail borrowers in Western Europe and the United States. While driving our cross-border multi-brand and multi-channel strategy, we are committed to conservative lending, strongly supported by our platform business in Austria, Germany and the Netherlands, which primarily offers secured mortgage lending.

→ **Corporates, Real Estate & Public Sector** – includes lending activities to international corporates as well as international real estate financing activities, especially in the US. It also includes our corporate, mid-cap and public sector lending business and other fee-driven financial services for mainly Austrian and German customers, expanding to the broader Western European market. Own issues covered with corporate or public sector assets are included in this segment as well.

→ **Treasury** – includes any treasury activities associated with providing trading and investment services such as dedicated asset-liability management transactions (including secured and unsecured funding) and the investment results of the portfolio of financial securities of BAWAG Group.

→ **Corporate Center** – provides central functions for the entire Group such as legal services, risk management and Group asset-liability management and includes unallocated items related to these support functions, accounting positions (e.g. market values of derivatives), the company's equity, real estate and fixed assets, non-interest bearing assets and liabilities as well as selected results related to subsidiary and participation holdings and reconciliation positions.

Our segments are fully aligned with our business strategy as well as our objective of providing transparent reporting of our business units and Bank-wide results while minimizing the financial result in the Corporate Center.

**The segments in detail:**

2025 in € million	Retail & SME	Corporates, Real Estate & Public Sector	Treasury	Corporate Center	Total
Net interest income	1,533.6	260.4	31.4	11.1	1,836.5
Net fee and commission income	342.4	28.7	(0.4)	(0.1)	370.6
<b>Core revenues</b>	<b>1,876.0</b>	<b>289.1</b>	<b>31.0</b>	<b>11.0</b>	<b>2,207.1</b>
Other income <sup>1</sup>	4.3	2.3	10.8	(8.7)	8.7
<b>Operating income</b>	<b>1,880.3</b>	<b>291.4</b>	<b>41.8</b>	<b>2.3</b>	<b>2,215.8</b>
<b>Operating expenses</b>	<b>(673.7)</b>	<b>(69.4)</b>	<b>(17.8)</b>	<b>(38.0)</b>	<b>(798.9)</b>
<b>Pre-provision profit</b>	<b>1,206.6</b>	<b>222.0</b>	<b>24.0</b>	<b>(35.7)</b>	<b>1,416.9</b>
Regulatory charges	(19.7)	(9.2)	(9.0)	(1.0)	(38.9)
<b>Operating profit</b>	<b>1,186.9</b>	<b>212.8</b>	<b>15.0</b>	<b>(36.7)</b>	<b>1,378.0</b>
Total risk costs	(214.7)	(14.1)	—	1.3	(227.5)
Net result of at-equity investments	—	—	—	6.6	6.6
<b>Profit before tax</b>	<b>972.2</b>	<b>198.7</b>	<b>15.0</b>	<b>(28.8)</b>	<b>1,157.1</b>
Income taxes	(243.1)	(49.7)	(3.8)	1.4	(295.2)
<b>Profit after tax</b>	<b>729.1</b>	<b>149.0</b>	<b>11.2</b>	<b>(27.4)</b>	<b>861.9</b>
Non-controlling interests	—	—	—	(2.0)	(2.0)
<b>Net profit</b>	<b>729.1</b>	<b>149.0</b>	<b>11.2</b>	<b>(29.4)</b>	<b>859.9</b>
<b>Business volumes</b>					
Assets	38,813	14,166	17,942	1,376	72,297
Liabilities & Equity	56,182	5,406	4,612	6,097	72,297
Risk-weighted assets	14,813	4,862	799	2,120	22,594

<sup>1</sup> The position "Other income" includes gains and losses on financial instruments and other operating income and expenses.

**The segments in detail:**

2024 in € million	Retail & SME	Corporates, Real Estate & Public Sector	Treasury	Corporate Center	Total
Net interest income	963.6	276.9	56.2	15.2	1,311.8
Net fee and commission income	279.4	32.5	(0.4)	(1.6)	309.9
<b>Core revenues</b>	<b>1,243.0</b>	<b>309.4</b>	<b>55.8</b>	<b>13.6</b>	<b>1,621.7</b>
Other income <sup>1</sup>	2.9	1.4	10.6	(8.8)	6.1
<b>Operating income</b>	<b>1,245.9</b>	<b>310.7</b>	<b>66.4</b>	<b>4.9</b>	<b>1,627.8</b>
<b>Operating expenses</b>	<b>(423.7)</b>	<b>(78.2)</b>	<b>(23.7)</b>	<b>(19.4)</b>	<b>(545.1)</b>
<b>Pre-provision profit</b>	<b>822.2</b>	<b>232.5</b>	<b>42.6</b>	<b>(14.4)</b>	<b>1,082.7</b>
Regulatory charges	(7.8)	(3.7)	(3.3)	(0.5)	(15.3)
<b>Operating profit</b>	<b>814.4</b>	<b>228.8</b>	<b>39.3</b>	<b>(14.9)</b>	<b>1,067.4</b>
Total risk costs	(101.6)	20.1	0.9	(1.2)	(81.8)
Net result of at-equity investments	—	—	—	4.3	4.3
<b>Profit before tax</b>	<b>712.8</b>	<b>248.8</b>	<b>40.1</b>	<b>(11.9)</b>	<b>989.9</b>
Income taxes	(178.3)	(62.1)	(10.0)	20.5	(229.9)
<b>Profit after tax</b>	<b>534.6</b>	<b>186.7</b>	<b>30.2</b>	<b>8.6</b>	<b>760.0</b>
Non-controlling interests	—	—	—	—	—
<b>Net profit</b>	<b>534.6</b>	<b>186.7</b>	<b>30.2</b>	<b>8.6</b>	<b>760.0</b>
<b>Business volumes</b>					
Assets	34,106	13,339	21,882	2,014	71,341
Liabilities & Equity	52,448	8,669	4,239	5,985	71,341
Risk-weighted assets	12,424	4,935	1,063	2,205	20,627

<sup>1</sup> The position "Other income" includes gains and losses on financial instruments and other operating income and expenses.

As the internal and external reporting of BAWAG Group is fully harmonized, the total of reportable segments' measures of profit or loss do not differ from the Bank's profit or loss. Therefore, no separate reconciliation column is shown in the segment tables.

In 2025, the funds transfer pricing methodology (FTP) was slightly updated using more appropriate parameters to better reflect the segmentation after the two major M&A deals in October 2024 and February 2025 were closed. For better comparison, the FTP was also changed retroactively for the year 2024, leading to an increase of the net interest income in the segments Retail & SME (€ 29.8 million) and Corporate, Real Estate & Public Sector (€ 1.1 million). On the other hand, the net interest income of the segment Corporate Center was

reduced by € (30.9) million in the year 2024. These adjustments had no impact on the total net interest income at Group level.

### Geographical split

The tables below reflect the geographical split of the business segments based on the risk-related assignment of individual customers to a country. Customer groups are not aggregated and assigned to a single country (i.e. the country of the parent company) but allocated to their respective countries on a single entity level.

The composition of core revenues by segment and geographic region is as follows:

2025 in € million	Retail & SME	Corporates, Real Estate & Public Sector	Treasury	Corporate Center	Total
Euro Countries	1,745.7	168.0	22.8	1.0	1,937.5
thereof Austria	925.0	93.3	1.0	1.2	1,020.5
thereof Germany	461.3	25.2	3.9	0.1	490.5
thereof Netherlands	354.4	3.3	0.1	(2.8)	355.0
Non-Euro Countries	130.3	121.1	8.2	10.0	269.6
<b>Total</b>	<b>1,876.0</b>	<b>289.1</b>	<b>31.0</b>	<b>11.0</b>	<b>2,207.1</b>

2024 in € million	Retail & SME	Corporates, Real Estate & Public Sector	Treasury	Corporate Center	Total
Euro Countries	1,138.7	191.3	39.9	(2.3)	1,367.6
thereof Austria	934.7	111.3	9.7	(6.5)	1,049.2
thereof Germany	123.4	22.0	6.8	1.7	153.9
thereof Netherlands	77.3	2.9	0.7	(0.1)	80.8
Non-Euro Countries	104.3	118.1	15.9	15.9	254.2
<b>Total</b>	<b>1,243.0</b>	<b>309.4</b>	<b>55.8</b>	<b>13.6</b>	<b>1,621.7</b>

The segment result can be reconciled with the Profit or Loss Statement as follows:

in € million	2025	2024
Other operating income and expenses according to segment report <sup>1</sup>	(2.8)	30.0
Valuation effects from cash settled share-based payments <sup>1</sup>	19.9	—
Regulatory charges <sup>1</sup>	(31.3)	(9.5)
<b>Other operating income and expenses according to Consolidated Profit or Loss Statement</b>	<b>(14.2)</b>	<b>20.5</b>

in € million	2025	2024
Operating expenses according to segment report <sup>1</sup>	(798.9)	(545.1)
Valuation effects from cash settled share-based payments <sup>1</sup>	(19.9)	—
Regulatory charges <sup>1</sup>	(7.6)	(5.8)
<b>Operating expenses according to Consolidated Profit or Loss Statement</b>	<b>(826.4)</b>	<b>(550.9)</b>

<sup>1</sup> In accordance with IFRS, the item Other operating income and expenses also includes regulatory charges in the amount of € 31.3 million for 2025 (2024: € 9.5 million). The item Operating expenses includes regulatory charges in the amount of € 7.6 million for 2025 as well (2024: € 5.8 million). However, BAWAG's management considers regulatory charges as a separate expense. Accordingly, they are shown in a separate expense line in the Group Management Report.

Within the IFRS Profit or Loss Statement, valuation effects from cash settled share-based payments are presented as part of personnel expenses. As BAWAG's management views these valuation effects as other expenses, € 19.9 million are shown as part of Other operating income and expenses in the Group Management Report.

## CAPITAL MANAGEMENT

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The capital management of BAWAG is based on own funds as defined by the CRR (Capital Requirements Regulation) and the corresponding national regulations (Basel 3 Pillar 1) and the economic capital management approach (Basel 3 Pillar 2) related to the Internal Capital Adequacy Assessment Process (ICAAP).

The Group employs a centralized capital management process. The main responsibilities of this function are to continuously monitor the development of the Group's business, to analyze changes in its risk-weighted assets and to reconcile those with the available regulatory own funds or the ICAAP limit and utilization for each segment.

The capital management function is fully integrated into the Group's business planning process to ensure that the regulatory requirements as well as the target capital ratio are complied with throughout the planning horizon. Besides regulatory capital management, economic capital limits aligned with the business plan are assigned to the business segments as part of the ICAAP process.

The Capital Management Team gives recommendations to the Management Board of BAWAG Group for strengthening and optimizing the own funds position when necessary and reports to the Bank's Enterprise Risk Meeting once a month.

The ICAAP is modeled taking into account the Group's business and risk profile and is an integral part of the planning and the control system. In the course of the ICAAP, the risk-bearing capacity of the Group is ensured and the efficient use of capital for risk coverage monitored. In addition, stress tests complement the steering process.

As part of the SREP, minimum regulatory capital requirements as well as a Pillar 2 capital guidance are set for BAWAG Group. In addition to the minimum capital ratios required by the regulators, BAWAG Group defines early warning and recovery levels in BAWAG Group's recovery plan and the corresponding processes. The recovery and warning levels refer to regulatory and economic capital figures. The recovery plan was prepared within the framework of the BaSAG (Bundesgesetz über die Sanierung und Abwicklung von Banken, the Austrian Banking Resolution and Recovery Act).

BAWAG Group constantly monitors its compliance with the warning and recovery levels and therefore at the same time with the stipulated own funds ratios on the basis of the notifications sent to Oesterreichische Nationalbank (the Austrian national bank) and on the basis of current business developments.

Additionally, the Capital Management Team tracks all regulatory changes in its field of responsibility, e.g. Basel IV/V. The impact of the regulatory changes is estimated and the expected effects on the capital position of the Bank are presented to the respective division heads and board members. Expected future regulatory requirements are proactively integrated into the capital management process. This is intended to ensure that the Bank adapts its capital management procedures to the new prudential requirement in time.

Regulatory reporting on a consolidated basis is performed on the level of BAWAG Group as the EU parent financial holding company of the group of credit institutions.

As part of the BAWAG's capital management,, MREL requirements are also monitored on a regular basis. In Q4 2025, BAWAG Group received its new MREL decision from the Single Resolution Board (SRB). The MREL requirement, including the combined buffer requirement, was set at 27.6% of RWA at the consolidated level of BAWAG P.S.K. AG. The current decision does not include a subordination requirement. In addition, the SRB set the MREL requirement at 5.9% of LRE (leverage ratio exposure) on a consolidated basis.

As of 31 December 2025, BAWAG P.S.K. reported on consolidated level MREL-eligible instruments amounting to 34.0% of RWA and 10.2% of LRE (compared to 31.8% of RWA and 9.0% of LRE as of 31 December 2024, including interim profit and deduction of the proposed dividend), thereby exceeding the final requirements on both measures.

In January 2026, the Management Board decided, after receiving the necessary approval from the ECB, to implement a further share buyback program of € 75 million for share programs. This share buyback program was successfully completed on February 2, 2026. In the management view, the proposed dividend in the amount of € 481 million payable subject to the respective resolution in the Annual General Meeting and the share buyback of € 75 million are deducted from own funds.

The table below shows the breakdown of own funds of BAWAG Group applying transitional rules (including interim profit and the deduction of the proposed dividend in the amount of € 481 million payable subject to the respective resolution in the Annual General Meeting) and its risk weighted assets as of 31 December 2025 and 31 December 2024 pursuant to CRR applying IFRS figures and the CRR scope of consolidation. In addition to the BAWAG Group own funds, the following tables show the breakdown of the eligible liabilities and own funds (MREL) on the consolidated level of BAWAG P.S.K. AG Group.

in € million	BAWAG Group	
	31.12.2025	31.12.2024
Share capital and reserves (including funds for general banking risk) <sup>1</sup>	3,957	3,753
Deduction of intangible assets	(472)	(415)
Other comprehensive income	(106)	(164)
IRB risk provision shortfalls	(3)	(21)
Prudent valuation, cumulative gains due to changes in own credit risk on fair value liabilities, prudential filter for unrealized gains, cash flow hedge reserve	9	62
Deferred tax assets that rely on future profitability excluding those arising from temporary differences	(1)	(1)
Securitization positions which can alternatively be subject to a 1,250% risk weight	(44)	(29)
Insufficient coverage for non-performing exposures	(22)	(10)
Additional deductions of CET 1 capital due to Article 3 CRR	(28)	(27)
<b>Common Equity Tier I</b>	<b>3,290</b>	<b>3,147</b>
Capital instruments eligible as Additional Tier 1 capital	500	675
Deduction of significant investments	(40)	(72)
<b>Additional Tier I</b>	<b>460</b>	<b>603</b>
<b>Tier I</b>	<b>3,751</b>	<b>3,750</b>
Tier II capital	685	631
Tier II capital in grandfathering	—	8
Excess IRB risk provisions	—	—
Deduction of significant investments	—	—
<b>Tier II</b>	<b>685</b>	<b>638</b>
<b>Own funds</b>	<b>4,436</b>	<b>4,388</b>

<sup>1</sup> In this item, dividends not yet paid out for the financial year 2025 in the amount of € 481,3 million were deducted (31 December 2024: € 431.9 million in dividends not yet paid out for the financial year 2024).

**Risk-weighted assets based on a transitional basis**

in € million	BAWAG Group	
	31.12.2025	31.12.2024
Credit risk	18,433	18,132
Operational risk	4,160	2,495
<b>Risk-weighted assets</b>	<b>22,594</b>	<b>20,627</b>

**Key figures according to CRR according to management view**

	BAWAG Group	
	31.12.2025	31.12.2024
Common Equity Tier 1 capital ratio based on total risk	14.2%	15.2%
Total capital ratio based on total risk	19.3%	21.2%

**Key figures according to CRR including its transitional rules**

	BAWAG Group	
	31.12.2025	31.12.2024
Common Equity Tier 1 capital ratio based on total risk	14.6%	15.3%
Total capital ratio based on total risk	19.6%	21.3%

During the financial year 2025, BAWAG Group complied with the overall capital requirement imposed by the SREP of 10.30% CET1, 12.27% Tier 1 and 14.90% total capital or 10.80%/12.77%/15.40% including Pillar 2 guidance<sup>1</sup>.

<sup>1</sup> Countercyclical buffer of 0.4895% based on exposure as of December 2025.

MREL	BAWAG P.S.K.	
	31.12.2025	31.12.2024
in € million		
Legacy MREL – Senior preferred	735	641
New senior preferred	2,223	1,363
Senior non-preferred and other subordinated liabilities	500	502
<b>Eligible liabilities</b>	<b>3,458</b>	<b>2,506</b>
<b>Own funds</b>	<b>4,080</b>	<b>3,940</b>
<b>Total MREL</b>	<b>7,538</b>	<b>6,446</b>
<b>RWA</b>	<b>22,161</b>	<b>20,265</b>
MREL ratio	34.0%	31.8%
MREL requirement	27.6%	27.3%
<b>LRE</b>	<b>73,555</b>	<b>71,471</b>
MREL ratio	10.2%	9.0%
MREL requirement	5.9%	5.9%

## FURTHER DISCLOSURES REQUIRED BY IFRS

### 32 | Changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes

Liabilities arising from financing activities are liabilities for which cash flows are classified as cash flows from financing activities in the Cash Flow Statement. At BAWAG, these are cash flows from subordinated and supplementary capital (for details regarding subordinated and supplementary capital, please refer to Note 26). Thus, the following table discloses the changes from subordinated and supplementary capital in the reporting period:

in € million	01.01.2025	Change in scope of consolidation	Fair value adjustment of hedged item from hedge accounting	Valuation of liabilities designated at fair value through profit or loss	Issuance of new bonds	Additions	Repurchase/Redemption/Cash change	Others	31.12.2025
<b>Financial liabilities designated at fair value through profit or loss</b>									
Subordinated and supplementary capital	14	—	—	—	—	—	—	—	14
<b>Financial liabilities measured at amortized cost</b>									
Subordinated and supplementary capital	631	—	—	—	249	—	(200)	5	685
<b>Other obligations</b>									
Lease liability	172	11	—	—	—	—	(29)	8	162

in € million	01.01.2024	Change in scope of consolidation	Fair value adjustment of hedged item from hedge accounting	Valuation of liabilities designated at fair value through profit or loss	Issuance of new bonds	Additions	Repurchase /Redemption/Cash change	Others	31.12.2024
<b>Financial liabilities designated at fair value through profit or loss</b>									
Subordinated and supplementary capital	29	—	—	1	—	—	(15)	—	14
<b>Financial liabilities measured at amortized cost</b>									
Subordinated and supplementary capital	693	—	—	—	—	—	(89)	27	631
<b>Other obligations</b>									
Lease liability	181	6	—	—	—	—	(29)	14	172

Regarding changes in equity due to dividends paid, please refer to the Statement of Changes in Equity.

### 33 | Cash flow from the sale of subsidiaries

In 2024, BAWAG sold its shares in start:bausparkasse AG in Germany after having received all regulatory approvals. The result from the sale is shown in the line item Gains and losses on financial assets and liabilities. There were no sales of subsidiaries in 2025.

in € million	2024
<b>Sales proceeds</b>	<b>1</b>
<b>Assets sold</b>	<b>475</b>
Financial assets	460
Other assets	15
<b>Debts sold</b>	<b>436</b>
Financial liabilities	432
Other obligations	4
Net assets sold	39
Release of accrual for expected losses from sale recognized in the financial statements as of 31 December 2023	38
<b>Result from the sale</b>	<b>—</b>
<b>Sales proceeds</b>	<b>1</b>
Cash and cash equivalents contained in the assets sold	—
<b>Proceeds from the sale</b>	<b>1</b>

## 34 | Fair value

The following tables depict a comparison of the carrying amounts and fair values for selected items on the Statement of Financial Position.

	Carrying amount	Fair value	Delta Fair value/ Carrying amount	Carrying amount	Fair value	Delta Fair value/ Carrying amount
	31.12.2025	31.12.2025	31.12.2025	31.12.2024	31.12.2024	31.12.2024
in € million						
<b>Assets</b>						
Cash reserves	14,093	14,093	—	17,604	17,604	—
Financial assets designated at fair value through profit or loss	38	38	—	45	45	—
Loans to customers	38	38	—	45	45	—
Financial assets mandatorily at fair value through profit or loss	479	479	—	579	579	—
Securities	220	220	—	335	335	—
Loans to customers	149	149	—	162	162	—
Subsidiaries and other equity investments	110	110	—	82	82	—
Financial assets at fair value through other comprehensive income	1,322	1,322	—	1,913	1,913	—
Debt instruments	1,275	1,275	—	1,769	1,769	—
Subsidiaries and other equity investments	47	47	—	144	144	—
Financial assets held for trading	109	109	—	316	316	—
At amortized cost	54,814	54,335	(479)	49,407	48,817	(590)
Customers	50,749	50,280	(469)	45,496	44,942	(554)
Credit institutions	452	448	(4)	830	826	(4)
Securities	3,613	3,607	(6)	3,081	3,049	(32)
Valuation adjustment on interest rate risk hedged portfolios	(616)	(616)	—	(218)	(218)	—
Hedging derivatives	358	358	—	331	331	—
Property, plant and equipment	300	n/a	n/a	254	n/a	n/a
Investment properties	232	232	—	50	50	—
Intangible non-current assets	535	n/a	n/a	532	n/a	n/a
Other assets	514	n/a	n/a	523	n/a	n/a
Non-current assets and disposal groups held for sale	119	n/a	n/a	5	5	—
<b>Total assets</b>	<b>72,297</b>			<b>71,341</b>		

in € million	Carrying amount	Fair value	Delta Fair value/ Carrying amount	Carrying amount	Fair value	Delta Fair value/ Carrying amount
	31.12.2025	31.12.2025	31.12.2025	31.12.2024	31.12.2024	31.12.2024
<b>Equity and liabilities</b>						
Financial liabilities designated at fair value through profit or loss	55	55	—	100	100	—
Issued debt securities and other securitized liabilities	41	41	—	86	86	—
Subordinated capital	14	14	—	14	14	—
Financial liabilities held for trading	450	450	—	454	454	—
Financial liabilities at amortized cost	65,707	65,511	(196)	64,608	64,354	(254)
Deposits from credit institutions	812	819	7	1,264	1,269	5
Deposits from customers	47,367	47,366	(1)	46,170	46,153	(17)
Issued bonds and supplementary capital	17,528	17,326	(202)	17,174	16,932	(242)
Valuation adjustment on interest rate risk hedged portfolios	(299)	(299)	—	(220)	(220)	—
Hedging derivatives	91	91	—	291	291	—
Provisions	251	n/a	n/a	285	n/a	n/a
Other obligations	1,197	n/a	n/a	1,090	n/a	n/a
Equity	4,836	n/a	n/a	4,733	n/a	n/a
Non-controlling interests	9	n/a	n/a	—	n/a	n/a
<b>Total liabilities and equity</b>	<b>72,297</b>			<b>71,341</b>		

The fair values of material investment properties are based on external and internal valuations. The carrying amount of other assets and other obligations is a reasonable approximation of their fair value. Therefore, information on the fair value of these items is not shown.

Market standard valuation methods are used to determine the fair value of assets and liabilities. With regard to Level 3 assets and liabilities for which non-observable valuation parameters are used for measurement, the current macroeconomic environment results in increased uncertainty with regard to the measurement of the fair value of these items.

Carrying amount adjustments of hedged items in a portfolio fair value hedge are presented in a separate balance sheet item Valuation adjustment on interest rate risk hedged portfolios in accordance with IFRS 9. To enable a direct comparison with the balance sheet items, fair value changes relating to the interest rate risk hedged here are also presented in a separate line.

### Fair value hierarchy

The following table depicts an analysis of the fair values of financial instruments and investment properties on the basis of the fair value hierarchy in IFRS 13. The breakdown consists of the following groups:

- **Level 1:** The value of financial instruments is measured using a quoted price without adjustment. This includes government bonds, bonds with quoted prices and exchange-traded derivatives.
- **Level 2:** If no current, liquid market values are available, generally accepted, standard state-of-the-art methods of measurement are used. This applies to the category liabilities evidenced by paper (issued by BAWAG), and, in individual cases, other current financial assets in the Bank's trading portfolio where the valuation of plain vanilla securities was performed on the basis of the yield curve plus the current credit spread. The value is measured using input factors (default rates, costs, liquidity, volatility, interest rates etc.) to derive values from quoted prices (Level 1). This pertains to prices that are calculated using internal models or using valuation methods, as well as to external price quotes for securities that are traded on markets with limited liquidity and that are demonstrably based on observable market prices.

This category includes the majority of the OTC derivative contracts, corporate bonds and other bonds for which no quoted price is available, as well as the majority of the Group's own issues that are recognized at their fair values.

For customer receivables accounted for at fair value, modeling techniques following industry standard models are applied, for example discounted cash flow analysis and standard option pricing models. Market parameters such as interest rates, FX rates or volatilities are used as inputs to the valuation models to determine fair value. The discount curves used to determine the pure time value of money contain only instruments that assume no or only low default risk, such as swap rates. Spread curves that reflect the refinancing costs of the respective borrower are either derived from outstanding funding instruments, distinguished by seniority (senior unsecured, subordinated, collateralized funding), or benchmark yield curves (e.g. indices).

Linear derivative financial instruments containing no optional components (such as interest rate swaps, currency forwards and futures) were also measured using a present value technique (discounting of future cash flows applying the current swap curve, derivatives with counterparties with a Credit Support Annex [CSA] agreement are discounted by the corresponding RFR curve [risk free rate; e.g. €STR]).

Optional instruments were measured using option price models such as Black-Scholes (swaptions, caps, floors), Bachelier (caps, floors and swaptions in currencies with negative interest rates), Garman-Kohlhagen (currency options) or the Hull-White model (swaps with multiple cancellation rights), which were implemented and applied consistently in the front office systems.

The basic parameters on which the models are based (yield curves, volatilities and exchange rates) are input into the system by the Market Risk unit independently of the Treasury departments, which ensures the separation of front office functions from back office processing and control.

For more complex derivatives that are held for hedging purposes and that are concluded back to back, external valuations are obtained by the Market Risk unit and input into the systems for correct processing.

Standard providers such as Bloomberg and Markit are used to evaluate the spreads of issued securities recognized at fair value through profit or loss. A senior unsecured spread curve and an LT2 spread curve are calculated based on the term structure of the A Europe Financial sector curve and the quotes of the international BAWAG P.S.K. issues. For covered issues, the spread curve is derived directly from the quotes of several BAWAG P.S.K. benchmark bonds. The securities prices for BAWAG P.S.K. issues are then calculated by discounting the swap curve adapted by the spread.

As of 31 December 2025, the portion of change in fair value of securities issued by BAWAG accounted for solely by changes in the Group's credit spreads was minus € 1.1 million (minus € 1.8 million as of 31 December 2024). This is defined as the product of the credit spread basis point value with the respective spread change, supplemented by the pull-to-par effect. As of 31 December 2025, the cumulative fair value change resulting from changes in the Group's credit rating amounted to € 0.0 million (plus € 1.1 million as of 31 December 2024).

A one basis point narrowing of the credit spread is expected to change their valuation by minus € 0.02 million (minus € 0.02 million as of 31 December 2024).

The cumulative fair value change of receivables recognized at fair value through profit or loss that was recognized due to changes in credit spreads amounted to € 0.1 million as of 31 December 2025 (€ 0.2 million as of 31 December 2024) and is calculated as the change in the spread between the government yield curve and the swap curve during the observed period. The respective annual fair value change amounted to € 0.0 million (€ 0.0 million as of 31 December 2024).

A one basis point narrowing of the credit spread is expected to change their valuation by plus € 0.02 million (plus € 0.02 million as of 31 December 2024).

→ **Level 3:** The measurement is based on unobservable input factors that have a material influence on the market value. This pertains primarily to illiquid funds as well as own issues of BAWAG P.S.K. Wohnbaubank. Loans and receivables and financial liabilities measured at amortized cost are valued using the discounted cash flow method using a spread-adjusted swap curve. This also pertains to stakes in non-consolidated subsidiaries that are classified as mandatorily at fair value through profit or loss or at fair value through other comprehensive income and customer liabilities accounted for at fair value through profit or loss.

The fair values of material investment properties are based on external and internal valuations.

For the determination of the credit value adjustment for the credit risk of OTC derivatives, netting effects at the customer level within transactions of the same kind and currency are taken into account.

31.12.2025 in € million	Level 1	Level 2	Level 3	Total
<b>Assets</b>				
Financial assets designated at fair value through profit or loss	—	38	—	38
Financial assets mandatorily at fair value through profit or loss	—	—	479	479
Financial assets at fair value through other comprehensive income	986	289	47	1,322
Debt instruments	986	289	—	1,275
Subsidiaries and other equity investments	—	—	47	47
Financial assets held for trading	—	109	—	109
Financial assets measured at amortized cost	644	3,542	50,149	54,335
Valuation adjustment on interest rate risk hedged portfolios	—	(616)	—	(616)
Hedging derivatives	—	358	—	358
Investment properties	—	—	232	232
<b>Total assets</b>	<b>1,630</b>	<b>3,720</b>	<b>50,907</b>	<b>56,257</b>
<b>Liabilities</b>				
Financial liabilities designated at fair value through profit or loss	—	55	—	55
Issued debt securities and other securitized liabilities	—	41	—	41
Subordinated capital	—	14	—	14
Financial liabilities held for trading	—	450	—	450
Financial liabilities at amortized cost	1,375	15,215	48,921	65,511
Valuation adjustment on interest rate risk hedged portfolios	—	(299)	—	(299)
Hedging derivatives	—	91	—	91
<b>Total liabilities</b>	<b>—</b>	<b>15,512</b>	<b>48,921</b>	<b>65,808</b>

31.12.2024 in € million	Level 1	Level 2	Level 3	Total
<b>Assets</b>				
Financial assets designated at fair value through profit or loss	—	45	—	45
Financial assets mandatorily at fair value through profit or loss	2	—	577	579
Financial assets at fair value through other comprehensive income	1,384	413	116	1,913
Debt instruments	1,375	394	—	1,769
Subsidiaries and other equity investments	9	19	116	144
Financial assets held for trading	—	316	—	316
Financial assets measured at amortized cost	876	3,369	44,572	48,817
Valuation adjustment on interest rate risk hedged portfolios	—	(218)	—	(218)
Hedging derivatives	—	331	—	331
Investment properties	—	—	50	50
<b>Total assets</b>	<b>2,262</b>	<b>4,256</b>	<b>45,315</b>	<b>51,833</b>
<b>Liabilities</b>				
Financial liabilities designated at fair value through profit or loss	—	96	4	100
Issued debt securities and other securitized liabilities	—	82	4	86
Subordinated capital	—	14	—	14
Financial liabilities held for trading	—	454	—	454
Financial liabilities at amortized cost	968	18,542	44,844	64,354
Valuation adjustment on interest rate risk hedged portfolios	—	(220)	—	(220)
Hedging derivatives	—	291	—	291
<b>Total liabilities</b>	<b>—</b>	<b>19,163</b>	<b>44,848</b>	<b>64,979</b>

BAWAG recognizes transfers between levels as of the end of the reporting period during which the transfer has occurred.

**Movements between Level 1 and Level 2**

In 2025, securities at fair value through other comprehensive income with a book value of € 30 million (2024: € 10 million) were moved from Level 1 to Level 2 due to subsequent illiquid market prices. Securities at fair value through other comprehensive income with a book value of € 46 million (2024: € 0 million) were moved from Level 2 to Level 1 due to a more liquid market.

**Movements in Level 3 financial instruments measured at fair value**

The changes in financial instruments accounted for at fair value in the Level 3 category were as follows:

in € million	Financial assets mandatorily at fair value through profit or loss	Financial assets designated at fair value through profit or loss	Financial assets at fair value through other comprehensive income		Financial liabilities
			Debt instruments	Subsidiaries and other equity investments	
<b>Opening balance as of 01.01.2025</b>	<b>577</b>	—	—	<b>116</b>	<b>4</b>
Valuation gains (losses) in profit or loss					
for assets held at the end of the period	48	—	—	—	—
for assets no longer held at the end of the period	(7)	—	—	—	—
Valuation gains (losses) in other comprehensive income					
for assets held at the end of the period	—	—	—	1	—
for assets no longer held at the end of the period	—	—	—	—	—
Purchases/Additions	59	—	—	3	—
Redemptions	(114)	—	—	(1)	(4)
Sales	(11)	—	—	—	—
Foreign exchange differences	(25)	—	—	(8)	—
Change in scope of consolidation	(48)	—	—	(64)	—
<b>Closing balance as of 31.12.2025</b>	<b>479</b>	—	—	<b>47</b>	—

in € million	Financial assets mandatorily at fair value through profit or loss	Financial assets designated at fair value through profit or loss	Financial assets at fair value through other comprehensive income		Financial liabilities
			Debt instruments	Subsidiaries and other equity investments	
<b>Opening balance as of 01.01.2024</b>	<b>514</b>	—	—	<b>115</b>	<b>24</b>
Valuation gains (losses) in profit or loss					
for assets held at the end of the period	9	—	—	—	—
for assets no longer held at the end of the period	—	—	—	—	—
Valuation gains (losses) in other comprehensive income					
for assets held at the end of the period	—	—	—	(2)	—
for assets no longer held at the end of the period	—	—	—	—	—
Purchases/Additions	73	—	—	4	—
Redemptions	(26)	—	—	(1)	(20)
Sales	(1)	—	—	(1)	—
Foreign exchange differences	8	—	—	4	—
Change in scope of consolidation	—	—	—	(3)	—
<b>Closing balance as of 31.12.2024</b>	<b>577</b>	—	—	<b>116</b>	<b>4</b>

Valuation (including the parameterization of observable input factors) is performed by a market-independent back office division within the risk group on a monthly basis. Changes that have occurred are verified, as far as possible, by comparing them to references observable on the market.

#### **Quantitative and qualitative information regarding the valuation of Level 3 financial instruments**

The main unobservable input factor for own issues of BAWAG P.S.K. Wohnbaubank and the former IMMO-BANK is the spread premium on the swap curve, which is used to determine the risk-adjusted discount curve. Subsequently, the fair value is calculated by discounting the future cash flows with the risk-adjusted discount curve. The gross spread premium for own issues of BAWAG P.S.K. Wohnbaubank depends on the maturity and is currently 67 basis points (31 December 2024: 83 basis points) for 5 years (mid). For issues of the former IMMO-BANK, the spreads depend on the seniority of the bond and the maturity.

In general, the mentioned input parameter is dependent on the general market development of credit spreads within the banking sector and in detail on the credit rating development of the housing banks, with spread increases having a positive effect.

In general, the discounted cash flow method (DCF) is used to determine the fair values of loans. Caps, floors or simple call options, if existing, are measured using the Bachelier model. The discount factor used in the DCF consists of various parameters: the funding curve (derived from a peer group of European banks with the same rating as BAWAG P.S.K.) and a customer-specific credit spread curve (derived from the CDS or Bloomberg bond sector curve, depending on availability; for retail and SME, from an internally derived default probability), which is adjusted by the respective collateral ratio.

For illiquid funds that could not be sold in time for the published net asset values, a discount is applied as an input factor which is not directly observable, taking the expected selling price into account. The fair value is subsequently calculated as the difference between the net asset values and this liquidity discount. The funds are reported under Financial assets mandatorily at fair value through profit or loss.

The fair value of non-traded investment funds is based on fair value quotes provided by the fund manager.

For real estate investment funds, the underlying investments are appraised at least annually by an independent appraiser engaged by the fund manager; net asset value (NAV) is determined at least quarterly. The net asset value of the investment fund corresponds to the excess of the value of the investment fund's assets over the value of its liabilities.

Funds investing in loan portfolios are valued by an independent external valuation agent based on a discounted cash flow methodology that uses proprietary default and prepayment models to derive expected cash flows, which are discounted at a market rate. The model utilizes credit and performance as well as macroeconomic indicators to forecast cash flows for each loan pool segmented by origination, vintage, sub-grade and term. Net asset value is calculated on a monthly basis.

The fund's financial statements are prepared according to local GAAP and an independent auditor conducts the annual audit for the funds, providing assurance on the accuracy of the above.

The dividend discount and discounted earnings method is applied to a significant part of the investments in equity instruments. A smaller portion is valued based on external price indications and pro-rata equity.

Expected dividends and earnings as well as external price indications take into account the most recent forecasts, including the observed and expected impact of the current geopolitical situation on the profitability of the companies concerned.

The fair values of customer liabilities at fair value through profit or loss are determined analogously to receivables using the discounted cash flow method and the Bachelier model.

#### **Sensitivity analysis of fair value measurement from changes in unobservable parameters**

If the value of financial instruments is dependent on unobservable input parameters, the precise level for these parameters can be drawn from a range of reasonably possible alternatives. The current geopolitical situation results in increased uncertainty with regard to unobservable input parameters and the measurement of the fair value of such items. Financial liabilities in Level 3 that are measured at fair value through profit or loss relate to own issues of BAWAG P.S.K. Wohnbaubank and the former IMMO-BANK and customer deposits in start:bausparkasse Austria.

If the credit spread used in calculating the fair value of own issues increased by 20 basis points, the accumulated valuation result as of 31 December 2025 would have increased by € 0.0 million (31 December 2024: € 0.0 million). If the credit spread used in calculating the fair value of own issues decreased by 20 basis points, the accumulated valuation result as of 31 December 2025 would have decreased by € 0.0 million (31 December 2024: € 0.0 million).

The cumulative fair value change of receivables recognized at fair value through profit or loss that was recognized due to changes in credit spreads amounted to plus € 7.1 million as of 31 December 2025 (31 December 2024: plus € 4.2 million) and is calculated as the change in the credit spread over the swap curve during the observed period. The corresponding annual fair value change amounted to plus € 2.9 million (31 December 2024: plus € 2.1 million).

A one basis point narrowing of the credit spread is expected to change their valuation by plus € 0.05 million (31 December 2024: plus € 0.06 million).

If the credit spread used in calculating the fair value of loans increased by 100 basis points, the accumulated valuation result as of 31 December 2025 would have decreased by € 4.3 million (31 December 2024: € 5.6 million). If the credit spread used in calculating the fair value of loans decreased by 100 basis points, the accumulated valuation result as of 31 December 2025 would have increased by € 4.8 million (31 December 2024: € 6.2 million).

If the liquidity discount of illiquid funds is increased by 10 percentage points, the valuation result as of 31 December 2025 would have decreased by € 0.1 million (31 December 2024: € 0.3 million). If the liquidity discount of illiquid funds is decreased by 10 percentage points, the valuation result as of 31 December 2025 would have increased by € 0.1 million (31 December 2024: € 0.3 million).

For the valuation of a part of the investments in equity instruments, the main input parameters are the discount factor, dividend income or earnings as well as (possibly) necessary capital measures. If the discount rate for investments in equity instruments is decreased by 100 basis points, the fair value would increase by € 7.7 million (thereof € 1.9 million FVTOCI and € 5.8 million FVTPL; 31 December 2024: € 3.3 million; thereof € 1.5 million FVTOCI and € 1.8 million FVTPL), whereas if the discount rate is increased by 100 basis points, the fair value would decrease by € 5.9 million (thereof € 1.4 million FVTOCI and € 4.5 million FVTPL; 31 December 2024: € 2.5 million; thereof € 1.1 million FVTOCI and € 1.4 million FVTPL). If changes in dividend income or net profit where applicable rose by 20%, the fair value of those assets would rise by € 2.0 million (thereof € 0.7 million FVTOCI and € 1.3 million FVTPL; 31 December 2024: € 0.7 million; thereof € 0.3 million FVTOCI and € 0.4 million FVTPL); if changes in dividend income or net profit where applicable declined by 20%, the fair value would decrease by € 1.9 million (thereof € 0.6 million FVTOCI and € 1.3 million FVTPL; 31 December 2024: € 0.7 million; thereof € 0.3 million FVTOCI and € 0.4 million FVTPL).

A part of the investments in equity instruments is valued based on external price indications. If these indications were 10% lower, the fair value of this portion would decrease by € 9.3 million (thereof € 2.7 million FVTOCI and € 6.6 million FVTPL; 31 December 2024: € 15.8 million, thereof € 9.5 million FVTOCI and € 6.3 million FVTPL). If these indications were 10% higher, the fair value of this portion would increase by € 9.4 million (thereof € 3.0 million FVTOCI and € 6.4 million FVTPL; 31 December 2024: € 15.8 million; thereof € 9.5 million FVTOCI and € 6.3 million FVTPL).

The smallest portion is valued based on pro-rata equity. If the equity was 10% lower, this would result in a decrease of € 1.0 million (thereof € 0.7 million FVTOCI and € 0.3 million FVTPL; 31 December 2024: € 1.3 million; thereof € 1.0 million FVTOCI and € 0.3 million FVTPL), whereas if the equity was 10% higher, there would be an increase of € 1.0 million (thereof € 0.7 million FVTOCI and € 0.3 million FVTPL; 31 December 2024: € 1.3 million; thereof € 1.0 million FVTOCI and € 0.3 million FVTPL).

The fair value of the non-traded investment funds is based on fair value quotes provided by the fund manager. Based on the current portfolio allocation, one fund has an expected interest rate sensitivity of approximately minus € 0.0 million (31 December 2024: minus € 0.1 million) if rates rise by 100 bp and a credit spread sensitivity of minus € 0.0 million (31 December 2024: minus € 0.1 million) if credit spreads widen by 100 bp (and vice versa).

For the other fund, the following applies: If the fair value indicated increased by 10%, the Group would recognize a gain of € 15.2 million in profit or loss (31 December 2024: € 17.6 million). If the fair value indicated decreased by 10%, the Group would recognize a loss of € 15.2 million in profit or loss (31 December 2024: € 17.6 million).

**Fair value changes of Level 3 assets with alternative parameterization**

To determine the potential impact, credit spreads are used for debt securities, income funds with the risk factor credit

spreads as well as loans. For these, the value range between +100 bp and (50) bp is used in the sensitivity analysis. An increase (a reduction) in spreads leads to a reduction (an increase) in the respective fair value.

31.12.2025 in € million	(50) bp	+50 bp	+100 bp
<b>Financial assets at fair value through profit or loss</b>	<b>2.3</b>	<b>(2.2)</b>	<b>(4.4)</b>
Debt securities	—	—	—
Loans to customers	2.3	(2.2)	(4.3)
Income funds	—	—	(0.1)
<b>Financial assets at fair value through other comprehensive income</b>	<b>—</b>	<b>—</b>	<b>—</b>
Debt securities	—	—	—

31.12.2024 in € million	(50) bp	+50 bp	+100 bp
<b>Financial assets at fair value through profit or loss</b>	<b>3.0</b>	<b>(2.9)</b>	<b>(5.7)</b>
Debt securities	—	—	—
Loans to customers	3.0	(2.9)	(5.6)
Income funds	—	—	(0.1)
<b>Financial assets at fair value through other comprehensive income</b>	<b>—</b>	<b>—</b>	<b>—</b>
Debt securities	—	—	—

### 35 | Treatment of day one gain

IFRS 9.B5.1.2A states that the fair value on initial recognition will normally be equal to the transaction price. If the entity determines that the fair value on initial recognition differs from the transaction price and this fair value measurement is not evidenced by a valuation technique that uses only data from observable markets, the carrying amount of the financial instrument on initial recognition is adjusted. If the fair value of a loan portfolio differs from the transaction price, the initial recognition must be based on the fair value but will be adjusted for any day one gain or loss; this will eventually lead to a book value of the loan portfolio that equals the transaction price.

In the case of the acquisition of several loan portfolios, market interest rates on the transaction date were different than when prices were negotiated. In the majority of cases, the seller wanted to exit the respective business and therefore the transaction prices did not represent the fair

value of the loans. The initial recognition is based on the fair value of the acquired loans and receivables determined using a DCF method taking into consideration market conditions on the purchase date. Because the fair value and therefore the day one gain or loss is neither evidenced by a quoted price nor based on a valuation technique that uses only data from observable markets, the day one gain or loss must not be realized on day one but must be accrued and the difference is subsequently recognized as a gain or loss only to the extent that it arises from a change in a factor (including time) that market participants would consider in setting a price. IFRS 9 does not state how to subsequently measure this difference.

IFRS does not provide guidance on the presentation of the amortization of day one gain or loss. Day one gain or loss will be amortized on a systematic basis and is presented as part of interest income for performing loans and as part of risk costs for loans classified as POCI. The following differences will be recognized in income in subsequent years:

in € million	31.12.2025	31.12.2024
Balance at the beginning of the period	22	38
New transactions	—	—
Amounts recognized in profit or loss during the period	(9)	(16)
FX effects	—	—
<b>Balance at the end of the period</b>	<b>13</b>	<b>22</b>

### 36 | Related parties

#### Owners of BAWAG Group AG

The shares of BAWAG Group AG were admitted for trading on the Vienna Stock Exchange.

#### Major non-fully consolidated subsidiaries, joint ventures and equity investments of BAWAG P.S.K.

##### PCT Nominee Owner LLC

BAWAG indirectly holds 26.05% in PCT Nominee Owner LLC, which holds a commercial real estate property in the United States. A loan was converted into an equity share in PCT Nominee Owner LLC by means of a debt/equity conversion.

##### PSA Payment Services Austria GmbH

BAWAG holds 20.82% in PSA Payment Services Austria GmbH. PSA is owned by several Austrian banks and banking groups and is engaged in the service and organization of ATM card business. PSA is accounted for using the equity method in BAWAG's accounts.

##### Best Egg Inc.

BAWAG indirectly holds 32.41% in Best Egg Inc., a leading US personal loan origination platform.

#### Other subsidiaries

Please refer to Note 50 for a list of all non-consolidated subsidiaries.

**Transactions with related parties**

The following table shows transactions with related parties (data included in Statement of Financial Position as at 31 December 2025; P&L data are for the full year 2025).

31.12.2025 in € million	Parent company	Entities with joint control of, or significant influence over, the entity	Subsidiaries, not consolidated	Associates	Joint ventures	Other companies
Receivables – customers	–	–	34	–	13	–
Unutilized credit lines	–	–	20	4	2	–
Securities	–	–	–	–	–	–
Other assets (incl. derivatives)	–	–	3	–	–	–
Financial liabilities – customers	–	–	8	–	1	–
Other liabilities (incl. derivatives)	–	–	–	–	–	–
Guarantees provided	–	–	3	–	–	–
Interest income <sup>1</sup>	–	–	1.0	–	–	–
Interest expense	–	–	0.1	–	–	–
Net fee and commission income	–	–	–	–	–	–

<sup>1</sup> Gross income; hedging costs not offset.

The following table shows transactions with related parties (data included in Statement of Financial Position as at 31 December 2024; P&L data are for the full year 2024).

31.12.2024 in € million	Parent company	Entities with joint control of, or significant influence over, the entity	Subsidiaries, not consolidated	Associates	Joint ventures	Other companies
Receivables – customers	–	–	41	–	14	–
Unutilized credit lines	–	–	18	4	29	–
Securities	–	–	–	–	–	–
Other assets (incl. derivatives)	–	–	3	–	–	–
Financial liabilities – customers	–	–	13	–	1	–
Other liabilities (incl. derivatives)	–	–	–	–	–	–
Guarantees provided	–	–	3	–	–	–
Interest income <sup>1</sup>	–	–	2.8	0.4	1.1	–
Interest expense	–	–	0.5	–	–	–
Net fee and commission income	–	–	–	–	–	–

<sup>1</sup> Gross income; hedging costs not offset.

Business relationships with these entities were subject to normal banking terms and conditions.

For loans with related parties, there were no valuation losses in the financial year 2025 (2024: no valuation losses).

Consultancy fees to entities with joint control of, or significant influence over, the entity amounted to € 0.0 million in 2025 (2024: € 0.0 million).

**Information regarding natural persons**

**Key management**

Key management of BAWAG refers to the members of the Management Board and the Supervisory Board of BAWAG Group AG and BAWAG P.S.K. AG. Total personnel expenses for the key management amount to € 48.2 million (2024: € 42.8 million).

Expenses for remuneration (including accrued and deferred bonuses and payments to the pension fund) relating to active members of the Management Board of BAWAG Group AG and BAWAG P.S.K. AG during the financial year amounted to € 46.3 million (2024: € 41.2 million). These expenses consist of short-term benefits in the amount of € 18.9 million, expenses for long-term bonus benefits in the amount of € 24.7 million (of which € 11.3 million relate to the portion of the total bonus award 2025 of € 30.3 million to be expensed in 2025 [including amounts to be deferred], € 13.4 million relate to the portion of the bonus award granted in 2024, 2023, 2022 and 2021 to be expensed in 2025) and payments to the pension fund in the amount of € 2.8 million (2024: short-term benefits in the amount of € 21.1 million, expenses for long-term bonus benefits in the amount of € 17.1 million [of which € 10.9 million relate to the portion of the total bonus award 2024 of € 18.5 million to be expensed in 2024 [including amounts to be deferred], € 6.2 million relate to the portion of the bonus award granted in 2023, 2022 and 2021 and payments to the pension fund in the amount of € 3.1 million). Expenses for remuneration in 2025 for former members of the Management Board amounted to € 0.0 million (2024: € 0.0 million).

As of 31 December 2025, contractual agreements governing the payment of contributions to pension funds were in force for all Management Board members.

In 2022, a long-term incentive program awarded 100% in shares was implemented for Management Board members and certain employees (BAWAG LTIP 2025). Remuneration from this program is not included in the above amounts and is presented in the following section on share-based payments.

As of the reporting date, there were three outstanding loans in the amount of € 20.6 million to members of the Management Board (2024: three outstanding loans in the amount of € 21.4 million). Loans, building society loans and leasing financing to members of the Supervisory Board totaled € 0.0 million (2024: € 0.0 million). Repayments of loans granted to executives and staff took place as contractually agreed.

Furthermore, Management Board and Supervisory Board members made no use of current account limits (2024: € 0.0 million) as of the reporting date. Turnover on credit cards guaranteed to third parties by the Bank that belong to Management Board members amounted to € 0.0 million in

December 2025 (2024: € 0.0 million). Turnover on guaranteed credit cards that belong to members of the Supervisory Board amounted to € 0.0 million in December 2025 (2024: € 0.0 million).

Remuneration of members of the Supervisory Board of BAWAG P.S.K. AG amounted to € 1.5 million in 2025 (2024: € 1.2 million). Works Council delegates to the Supervisory Board do not receive any incremental remuneration. Remuneration of members of the Supervisory Board of BAWAG Group AG amounted to € 0.4 million (2024: € 0.4 million).

There were no consulting expenses in 2025 or 2024.

Pension payments to former members of the Management Board and their surviving dependents came to € 1.1 million (2024: € 1.1 million).

Expenditures for severance pay for former members of the Management Board came to € 0.0 million (2024: € 0.0 million).

**Share-based payments**

BAWAG Group incentive plans include share-based payments to employees and board members.

In January 2022, the Nomination and Remuneration Committee of BAWAG established a new long-term incentive program (BAWAG LTIP 2025). The purpose of the BAWAG LTIP 2025 is to retain key personnel (retention aspect) and to effectively align the interests of participants with the long-term performance of BAWAG by considering BAWAG's externally communicated multi-year performance targets until 2025 (interest alignment aspect). The awards under the BAWAG LTIP 2025 will, subject to its conditions, be delivered in the form of ordinary shares of BAWAG Group AG (no phantom shares).

88% of the BAWAG LTIP 2025 award will vest in early 2026 and 12% of the BAWAG LTIP 2025 award will vest in early 2027.

In addition, with respect to the annual bonus award for the financial year 2022, a number of employees were granted an annual bonus award which will be partially delivered in the form of ordinary shares of BAWAG Group AG (no phantom shares) subject to the employee continuing his employment with BAWAG up to and including 29 February 2028. No performance condition applies to this plan. Subject to the vesting conditions as outlined above, the award will be delivered in early 2028.

From the financial year 2025 onwards, BAWAG has adopted a new Group Combined Plan (GCP) which applies to the annual bonus of its Management Board members. This new Group Combined Plan introduces the following key changes to

BAWAG Group’s incentive system: The annual variable remuneration scheme has been redesigned to incorporate two separate components into the Group Combined Plan, i.e. a short-term incentive (STI) and a long-term incentive (LTI). The award of both such components, either in full or partially, is contingent upon meeting performance condition thresholds which are defined at the beginning of the respective period. The STI component, which entails 50% of the award, will be determined by the performance of various financial and non-financial indicators, subject to an annual measurement period. The LTI component, which entails 50% of the overall bonus award, is deferred and remains subject to additional long-term performance conditions. The LTI performance criteria are determined by specific objectives established at the Group level, covering a three-year assessment period. The STI component will be paid out 50% in cash and 50% in ordinary BAWAG Group shares, while the LTI component will be fully paid in ordinary BAWAG Group shares.

Share-based annual bonus awards are granted to material risk-takers (identified staff) of BAWAG if the relevant bonus exceeds a certain threshold. In such case, 50% of the bonus is

paid in cash and 50% in form of instruments. For payouts relating to the financial year 2026 and onward, BAWAG Group AG common shares will be used (for payouts up to and including 2025: phantom shares)

Bonus programs include entitlements to phantom dividends, provided that the transfer of the underlying common shares takes place after the expiry of the regulatory holding periods.

**Accounting**

These programs represent share-based payment transactions that are accounted for in compliance with IFRS 2. As of 31 December 2025, only share-based payments settled in equity instruments existed; the existing entitlements from cash-settled share-based payments were converted into share-based payments settled in equity instruments during the 2025 financial year. Entitlements to phantom dividends associated with the programs are not covered by IFRS 2 and are accounted for in accordance with IAS 19.

The following awards have been granted within the BAWAG LTIP 2025 program:

	Number of shares	Fair value in € million	Fair value per share at the grant date
Granted as of 31.12.2025	675,123	24.6	36.47

The following table shows an overview of the shares awarded per group of beneficiaries:

Group of beneficiaries	Number of shares awarded	Maximum number of shares to be actually allocated	Minimum number of shares to be actually allocated	Number of shares actually allocated on grant date
<b>Members of the Management Board</b>				
Anas Abuzaakouk	104,333	104,333	—	—
Sat Shah	78,250	78,250	—	—
Andrew Wise	72,231	72,231	—	—
Enver Sirucic	70,224	70,224	—	—
David O’Leary	62,199	62,199	—	—
Guido Jestädt	25,080	25,080	—	—
<b>Members of the Senior Leadership Team</b>	262,806	262,806	—	—
<b>Total</b>	<b>675,123</b>	<b>675,123</b>	—	—

As described above, the following other awards were granted in the financial year 2022:

	Number of shares	Fair value in € million	Fair value per share on the grant date
Granted as of 31.12.2025	177,189	5.8	33.00

The following table shows an overview of the shares awarded per group of beneficiaries:

Group of beneficiaries	Number of shares awarded	Maximum number of shares to be actually allocated	Minimum number of shares to be actually allocated	Number of shares actually allocated on grant date
Members of the Senior Leadership Team	177,189	177,189	—	—
<b>Total</b>	<b>177,189</b>	<b>177,189</b>	—	—

The following shares were allocated as part of the annual bonus programs in previous financial years:

	Number of shares	Fair value in € million	Fair value per share at the modification date
Granted as of 31.12.2025	351,834	39.9	113.50

The following table shows an overview of the shares awarded per group of beneficiaries as part of the annual bonus programs in previous financial years:

Group of beneficiaries	Number of shares awarded	Maximum number of shares to be actually allocated	Minimum number of shares to be actually allocated	Number of shares actually allocated on grant date
Members of the Management Board				
Anas Abuzaakouk	54,531	54,531	—	—
Enver Sirucic	42,603	42,603	—	—
Sat Shah	42,402	42,402	—	—
Andrew Wise	39,248	39,248	—	—
David O’Leary	26,585	26,585	—	—
Sat Shah	16,354	16,354	—	—
Members of the Senior Leadership Team	130,111	130,111	—	—
<b>Total</b>	<b>351,834</b>	<b>351,834</b>	—	—

The following shares will be allocated as part of the bonus program for the current financial year:

	Number of shares	Fair value in € million	Weighted fair value per share at the grant date
To be granted as of 31.12.2025	310,824	34.2	109.87

The following table shows an overview of the shares to be awarded per group of beneficiaries:

Group of beneficiaries	Number of shares to be awarded	Maximum number of shares to be actually allocated	Minimum number of shares to be actually allocated	Number of shares actually allocated on grant date
<b>Members of the Management Board</b>				
Anas Abuzaakouk	46,737	46,737	—	—
Enver Sirucic	35,051	35,051	—	—
Sat Shah	35,051	35,051	—	—
Andrew Wise	32,715	32,715	—	—
David O'Leary	14,265	14,265	—	—
Guido Jestädt	7,245	7,245	—	—
<b>Members of the Senior Leadership Team</b>	139,760	139,760	—	—
<b>Total</b>	<b>310,824</b>	<b>310,824</b>	—	—

**Valuation**

BAWAG used the fair value of the equity instruments granted to measure the fair value of the services received from its employees. The fair value of the equity instruments on the grant date is based on the observable market price of BAWAG Group AG shares as of the grant date. An adjustment for expected dividends is incorporated into the measurement of fair value. For the existing programs, no market and non-vesting conditions were defined.

Non-market performance conditions (including service conditions and non-market financial performance conditions) are not taken into account when measuring the grant date fair value of equity instruments. Instead, those are taken into account by adjusting the number of equity instruments included in the measurement of the transaction.

**Amounts recognized in the consolidated financial statements**

The services received in an equity-settled share-based payment transaction are recognized as the services are received, with a corresponding increase in equity. The following amounts have been recognized in the Profit or Loss Statement (staff costs) for the period:

in € million	2025	2024
Expenses for equity-settled share-based payments	18.2	4.6
Thereof relating to		
Members of the Management Board	11.3	2.1
Members of the Senior Leadership Team	6.9	2.5

The services received in a cash-settled share-based payment transaction are recognized as the services are received, with a corresponding increase in liabilities. The following amounts have been recognized in the Profit or Loss Statement (staff costs) for the period:

in € million	2025	2024
Expenses for cash-settled share-based payments	14.8	21.1
Thereof relating to		
Members of the Management Board	9.5	14.8
Members of the Senior Leadership Team	5.3	6.3

### Employee participation

In the fourth quarter of 2023, BAWAG introduced its BAWAG Employee Participation Program 2023. Under this program, all entitled employees of BAWAG receive shares of BAWAG Group AG.

In 2024, an additional employee stock participation plan in the form of a matching program was adopted (BAWAG 3+1 Matching Program). Under this program, all entitled employees of BAWAG can receive one share of BAWAG Group AG for every three shares they acquire within a predefined period.

In total, 13,669 shares with a value of € 1.6 million have been transferred to employees of BAWAG Group in 2025 (2024: 16,442 shares with a value of € 1.3 million).

### Business relationships with related party individuals

The following breakdowns depict the business relationships with related individuals and their family members. All business is conducted at standard industry and group terms for employees or at standard market terms.

in € million	Key management of the entity or its parent 31.12.2025	Other related parties <sup>1</sup> 31.12.2025	Key management of the entity or its parent 31.12.2024	Other related parties <sup>1</sup> 31.12.2024
Deposits	10	2	5	1
Loans	21	—	21	—
Interest income	0.6	—	0.6	—
Interest expense	0.3	—	0.2	—

1 With respect to key management.

Number of shares	Key management of the entity or its parent 31.12.2025	Other related parties <sup>2</sup> 31.12.2025	Key management of the entity or its parent 31.12.2024	Other related parties <sup>2</sup> 31.12.2024
Shares of BAWAG Group AG <sup>1</sup>	3,213,186	—	3,085,515	55,600

1 Key management includes related trusts.

2 With respect to key management.

## 37 | Changes in the Group's holdings

### Acquisition of Barclays Consumer Bank Europe

Following the receipt of all regulatory approvals on 9 January 2025, BAWAG completed the acquisition of the Hamburg-based Barclays Consumer Bank Europe from Barclays Bank Ireland PLC on 1 February 2025.

The final purchase price is € 157 million (including taxes and duties of € 2 million) and was paid in cash equivalents (see cash flow statement). As part of the transaction, Barclays provided BAWAG with a capped indemnity in relation to transfer taxes on certain assets. Discussions with the relevant taxation authority are ongoing and are at an early stage. No formal assessment has been issued.

BAWAG incurred acquisition-related costs of € 12 million in consulting and legal fees, which were spread over several periods. These costs were included in the line item Other operating expenses.

According to IFRS 3, the consolidation result was recognized in the Profit or Loss Statement in the line item Other operating income.

In accordance with IFRS 3, the fair values were reassessed after the calculation of a gain on bargain purchase (fair value of the assets and liabilities acquired exceeded the purchase price). The reassessment showed that the fair values of the assets and liabilities do not differ significantly from the carrying amounts recognized so far. There are particularly no previously unrecognized default risks that market participants would include in the fair value measurement, or other risks that have not been provided for.

The consolidation result is mainly due to the advantageous interest rates on the credit card receivables of Barclays Consumer Bank Europe compared to the credit card market. There were no significant valuation effects on loans and deposits.

The following table compares the recognized amount of assets and liabilities at the date of acquisition with the total consideration transferred:

in € million	2025
Financial assets measured at amortized cost	4,330
Securities	1,010
Customers	3,320
Tangible assets	27
Other assets	14
Financial liabilities at amortized cost	4,128
Customers	4,128
Provisions	7
Tax liabilities for current taxes	10
Other liabilities	51
<b>Total identifiable net assets acquired</b>	<b>175</b>
<b>Total consideration transferred</b>	<b>157</b>
<b>Consolidation result (Badwill)</b>	<b>18</b>
Restructuring and other expenses relating to the acquisition of Barclays Consumer Bank Europe	(35)
<b>Net result</b>	<b>(16)</b>

### Financial assets

Group-wide valuation methodologies and standards are applied. Depending on the information available for the determination of the fair values, different approaches are chosen.

For financial instruments where the fair value cannot be determined directly by reference to market-observable information (Level 3), a discounted cash flow model is used. The valuation is based on expected future cash flows. Different parameters are used for the discounting of these expected cash flows, which can either be derived from market data or from internal information of the acquired company (e.g. expected credit losses). The discount rates that are then used for valuations are basically composed of a risk-free yield curve, refinancing costs and counterparty credit risk premiums. In addition, a residual spread component is calculated to calibrate the applied discount spreads to current market observed transactions (e.g. new business margins that reflect current fair value spreads).

The discount curves used to determine the pure time value of money contain only instruments which assume no or only low default risk, such as swap rates. Spread curves that reflect the refinancing costs are either derived from outstanding funding instruments, distinguished by seniority (senior unsecured, subordinated, collateralized funding), benchmark yield curves (e.g. bond indices) or funding costs observed for new business conducted recently. The assignment of a customer-specific credit spread curve to a financial asset is based on internal rating-based probabilities of default. For all credit spread

curves applied, available collateralization is taken into account (i.e. only unsecured exposure at risk).

The acquired securities represent securitized loan receivables in the amount of € 1,010 million.

The acquired loans and receivables from customers in the amount of € 3,320 million comprise fixed rate, fully amortizing consumer loans, full payer credit cards and revolving credit cards and represent the fair value as of the acquisition date.

The total financial assets comprise gross amounts of € 4,523 million, of which € 193 million was expected to be uncollectible at the date of acquisition.

#### *Financial liabilities*

On the liabilities side, Barclays Consumer Bank Europe has customer deposits with a volume of around € 4,128 million. These are mainly daily withdrawable deposits, which are therefore measured at nominal value (see IFRS 13.47).

The business combination and the following disclosure is based on information available as at the reporting date and the resulting accounting results of the business combination described above. In the event that we obtain new information about facts or circumstances that existed as of the acquisition date and that – if known – would have resulted in the recognition of additional assets or liabilities, the accounting for the business combination would have to be adapted according to IFRS 3.45.

For the period from the acquisition date to 31 December 2025, Barclays Consumer Bank Europe contributed core revenues (net interest income and net commission income) of € 358 million and a profit of € 72 million to the consolidated financial statements. If the acquisition had occurred on 1 January 2025, management estimates that Barclays Consumer Bank Europe would have contributed core revenues of € 390 million and consolidated profit of € 81 million. In determining these amounts, management assumed that the fair value adjustments that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 January 2025.

#### **Changes in the scope of consolidation with no material impact on the consolidated financial statements**

In the third quarter of 2025, BAWAG Education Trust was deconsolidated, due to immateriality. In the fourth quarter of 2025, Knab N.V. was merged with BAWAG P.S.K. AG and Orange Loans B.V. was dissolved.

#### **Changes in the scope of consolidation with material impact on the consolidated financial statements**

In the second quarter of 2025, seven newly established companies were added to the scope of consolidation. Two companies operate as holding companies and five underlying

companies hold commercial properties in the United States. BAWAG became the owner of these properties by means of a debt to equity conversion.

Since the third quarter of 2025, Best Egg Inc. is accounted for using the equity method.

In the fourth quarter, Swiss Autofinance GmbH was added to the scope of consolidation, due to materiality.

For further details, please refer to Note 49 List of consolidated subsidiaries.

### 38 | Assets pledged as collateral

in € million	31.12.2025	31.12.2024
Receivables and securities assigned to Oesterreichische Kontrollbank AG	56	73
Collateral pledged to the European Investment Bank	92	93
Cover pool for trust savings deposits	140	158
Cover pool for covered bonds	15,562	13,681
Collateral for tender facilities	—	—
Cash collateral for derivatives	312	652
Other collateral	111	91
<b>Assets pledged as collateral</b>	<b>16,273</b>	<b>14,748</b>

The Group pledges assets for repurchase agreements that are generally conducted under terms that are usual and customary for standard securitized borrowing contracts. In addition, the Group pledges collateral against other borrowing arrangements and for margining purposes on derivative liabilities. Receivables and securities are also pledged to Oesterreichische Kontrollbank AG in connection with export financing.

Pledges for trust savings deposits are conducted in accordance with legal regulations (section 68 BWG).

The cover pool for covered bonds is subject to the German Pfandbrief Act (Pfandbriefgesetz, PfandBG). Additionally, relevant collateral was provided for refinancing through the European Investment Bank.

### 39 | Total collateralized debt

The collateral listed in the table above corresponded to the following payables of BAWAG:

in € million	31.12.2025	31.12.2024
Liabilities to Oesterreichische Kontrollbank secured with assigned receivables	57	74
Payables arising due to refinancing by the European Investment Bank	20	27
Trust savings deposits	74	62
Payables secured by the cover pool for covered bonds	12,595	13,700
Tender facilities	—	—
Negative market values of derivatives	310	595
Other collateral	65	61
<b>Total collateralized debt</b>	<b>13,121</b>	<b>14,519</b>

### 40 | Genuine repurchase agreements

in € million	31.12.2025	31.12.2024
Lender – receivables from credit institutions	—	—
Repurchaser – payables to credit institutions	—	—
<b>Repurchase agreements</b>	<b>—</b>	<b>—</b>

### 41 | Transferred assets that are not derecognized in their entirety

in € million	31.12.2025	31.12.2024
Carrying amount of transferred assets	—	—
Carrying amount of associated liabilities	—	—

Transferred assets that are not derecognized in their entirety relate to genuine repurchase agreements. Since BAWAG is still the owner of the transferred assets, it remains exposed to market, interest rate, currency and credit risk with regard to these assets. The transferred assets are blocked for sale and are not taken into account in the liquidity calculation.

## 42 | Subordinated assets

Line items on the assets side of the Statement of Financial Position included the following subordinated assets:

in € million	31.12.2025	31.12.2024
Subordinated assets designated at fair value through profit or loss	44	4
Subordinated assets at fair value through other comprehensive income	—	48
<b>Subordinated assets</b>	<b>44</b>	<b>52</b>

## 43 | Offsetting financial assets and financial liabilities

BAWAG enters into derivative transactions under International Swaps and Derivatives Association (ISDA) master netting agreements. Under such agreements, the amounts owed by each counterparty on a single day in respect of all transactions outstanding in the same currency are generally aggregated into a single net amount that is payable by one

party to the other. Under certain circumstances, e.g. when a credit event such as a default occurs, all outstanding transactions under the agreement are terminated, the termination value is assessed and only a single net amount is payable in settlement of all transactions.

The ISDA agreements do not meet the criteria for offsetting in the Statement of Financial Position. This is because BAWAG currently does not have any legally enforceable right to offset recognized amounts because the right to offset is enforceable only on the occurrence of future events such as a default on the bank loans or other credit events.

Repo and reverse repo transactions are covered by master agreements with netting terms similar to those of ISDA master netting agreements.

The disclosures in the tables below include financial assets and financial liabilities that:

- are offset in BAWAG’s Statement of Financial Position; or
- are subject to an enforceable master netting arrangement or similar agreement, irrespective of whether they are offset in the Statement of Financial Position.

### Financial assets

31.12.2025 in € million	Gross amounts of recognized financial assets	Gross amounts of financial liabilities offset in the Statement of Financial Position	Net amounts of financial assets presented in the Statement of Financial Position	Amounts not offset in the Statement of Financial Position		
				Financial instruments	Cash collateral received	Net amount
Derivatives (excl. hedging derivatives)	947	838	109	51	53	5
Hedging derivatives	1,374	1,017	357	172	182	3
Loans to and receivables from customers	44	18	26	—	—	26
<b>Total</b>	<b>2,365</b>	<b>1,873</b>	<b>492</b>	<b>223</b>	<b>235</b>	<b>34</b>

### Financial assets

31.12.2024 in € million	Gross amounts of recognized financial assets	Gross amounts of financial liabilities offset in the Statement of Financial Position	Net amounts of financial assets presented in the Statement of Financial Position	Amounts not offset in the Statement of Financial Position		
				Financial instruments	Cash collateral received	Net amount
Derivatives (excl. hedging derivatives)	1,107	792	315	3	303	9
Hedging derivatives	1,450	1,119	331	25	306	—
Loans to and receivables from customers	131	100	31	—	—	31
<b>Total</b>	<b>2,688</b>	<b>2,011</b>	<b>677</b>	<b>28</b>	<b>609</b>	<b>40</b>

**Financial liabilities**

31.12.2025 in € million	Gross amounts of recognized financial liabilities	Gross amounts of financial assets offset in the Statement of Financial Position	Net amounts of financial liabilities presented in the Statement of Financial Position	Amounts not offset in the Statement of Financial Position		
				Financial instruments	Cash collateral pledged	Net amount
Derivatives (excl. hedging derivatives)	1,147	697	450	155	282	13
Hedging derivatives	899	808	91	67	21	3
Repo transactions	—	—	—	—	—	—
Customer deposits	18	18	—	—	—	—
<b>Total</b>	<b>2,064</b>	<b>1,523</b>	<b>541</b>	<b>222</b>	<b>303</b>	<b>16</b>

**Financial liabilities**

31.12.2024 in € million	Gross amounts of recognized financial liabilities	Gross amounts of financial assets offset in the Statement of Financial Position	Net amounts of financial liabilities presented in the Statement of Financial Position	Amounts not offset in the Statement of Financial Position		
				Financial instruments	Cash collateral pledged	Net amount
Derivatives (excl. hedging derivatives)	1,095	642	453	72	365	16
Hedging derivatives	1,440	1,149	291	64	221	6
Repo transactions	—	—	—	—	—	—
Customer deposits	100	100	—	—	—	—
<b>Total</b>	<b>2,635</b>	<b>1,891</b>	<b>744</b>	<b>136</b>	<b>586</b>	<b>22</b>

The following tables reconcile the net amounts of financial assets and financial liabilities presented in the Statement of Financial Position to the respective line items in the Statement of Financial Position:

<b>Financial assets</b>				
31.12.2025 in € million	Line item in Statement of Financial Position	Carrying amount of line item in Statement of Financial Position	Thereof without offsetting agreement	Thereof with offsetting agreement
Derivatives (excl. hedging derivatives)	Assets held for trading	109	—	109
Hedging derivatives	Hedging derivatives	357	—	357
Loans to and receivables from customers	Loans to and receivables from customers	50,749	50,723	26
<b>Total</b>		<b>51,215</b>	<b>50,723</b>	<b>492</b>

<b>Financial assets</b>				
31.12.2024 in € million	Line item in Statement of Financial Position	Carrying amount of line item in Statement of Financial Position	Thereof without offsetting agreement	Thereof with offsetting agreement
Derivatives (excl. hedging derivatives)	Assets held for trading	315	—	315
Hedging derivatives	Hedging derivatives	331	—	331
Loans to and receivables from customers	Loans to and receivables from customers	45,496	45,465	31
<b>Total</b>		<b>46,142</b>	<b>45,465</b>	<b>677</b>

<b>Financial liabilities</b>				
31.12.2025 in € million	Line item in Statement of Financial Position	Carrying amount of line item in Statement of Financial Position	Thereof without offsetting agreement	Thereof with offsetting agreement
Derivatives (excl. hedging derivatives)	Liabilities held for trading	450	—	450
Hedging derivatives	Hedging derivatives	91	—	91
Repo transactions	Financial liabilities associated with transferred assets	—	—	—
Customer deposits	Deposits from customers	47,367	47,367	—
<b>Total</b>		<b>47,908</b>	<b>47,367</b>	<b>541</b>

<b>Financial liabilities</b>				
31.12.2024 in € million	Line item in Statement of Financial Position	Carrying amount of line item in Statement of Financial Position	Thereof without offsetting agreement	Thereof with offsetting agreement
Derivatives (excl. hedging derivatives)	Liabilities held for trading	453	—	453
Hedging derivatives	Hedging derivatives	291	—	291
Repo transactions	Financial liabilities associated with transferred assets	—	—	—
Customer deposits	Deposits from customers	46,170	46,170	—
<b>Total</b>		<b>46,914</b>	<b>46,170</b>	<b>744</b>

#### 44 | Contingent assets, contingent liabilities and unused lines of credit

in € million	31.12.2025	31.12.2024
<b>Contingent liabilities</b>	<b>96</b>	<b>102</b>
Arising from guarantees	96	102
<b>Unused customer credit lines</b>	<b>17,436</b>	<b>9,141</b>
Thereof terminable at any time and without notice	15,563	7,487
Thereof not terminable at any time	1,873	1,654

The Austrian banks in BAWAG have an obligation arising from their membership in the deposit guarantee scheme as required by sections 93 and 93a of the Austrian Banking Act and the Deposit Guarantee and Investor Compensation Act (ESAEG). BAWAG is a member of the deposit guarantee scheme Einlagensicherung AUSTRIA Ges.m.b.H. (ESA).

#### 45 | Foreign currency amounts

BAWAG had assets and liabilities in the following foreign currencies:

in € million	31.12.2025	31.12.2024
USD	9,457	7,366
CHF	679	696
GBP	323	582
Other	461	515
<b>Foreign currency</b>	<b>10,920</b>	<b>9,159</b>
<b>EUR</b>	<b>61,377</b>	<b>62,182</b>
<b>Total assets</b>	<b>72,297</b>	<b>71,341</b>
USD	1,395	1,118
CHF	763	920
GBP	26	50
Other	23	65
<b>Foreign currency</b>	<b>2,207</b>	<b>2,153</b>
<b>EUR</b>	<b>70,090</b>	<b>69,188</b>
<b>Total liabilities</b>	<b>72,297</b>	<b>71,341</b>

This table only includes Statement of Financial Position items and does not provide information about open currency positions due to off-balance hedging transactions.

#### 46 | Information about geographical areas – Non-current assets

in € million	31.12.2025	31.12.2024
Austria	808	733
Western Europe	117	165
Other	310	121
<b>Total</b>	<b>1,235</b>	<b>1,019</b>

Non-current assets consist of the balance sheet items Property, plant and equipment, Investment properties, Goodwill, Brand name and customer relationships, Software and other intangible assets, Associates recognized at equity and Other assets with a remaining maturity of more than one year.

## 47 | Leasing

### Finance leasing from the view of BAWAG as lessor

Finance lease receivables are included in the balance sheet position Loans and advances to customers.

BAWAG leases both movable property and real estate to other parties under finance lease arrangements.

The following table shows the reconciliation between gross investment value and present value, broken down according to maturity for all ongoing leasing contracts (without open items):

31.12.2025 in € million	Up to 1 year	1–5 years	Over 5 years	Total
Total outstanding leasing installments (gross investment value)	497	1,043	59	1,599
As yet unrealized financial income	67	94	5	166
<b>Receivables from finance leases (net investment value)</b>	<b>430</b>	<b>949</b>	<b>54</b>	<b>1,433</b>

31.12.2024 in € million	Up to 1 year	1–5 years	Over 5 years	Total
Total outstanding leasing installments (gross investment value)	523	1,034	62	1,619
As yet unrealized financial income	72	103	7	182
<b>Receivables from finance leases (net investment value)</b>	<b>451</b>	<b>931</b>	<b>55</b>	<b>1,437</b>

As of 31 December 2025, the non-guaranteed residual value amounts to € 10 million (2024: € 15 million).

Impairments in the amount of € 5.8 million were recognized in respect of irrecoverable minimum lease installments (2024: € 5.9 million).

### Operating leasing from the view of BAWAG as lessee

BAWAG leases office premises, branches, equipment and vehicles under various rental agreements. The lease contracts are concluded under standard terms and conditions and include price adjustment clauses in line with general office

rental market conditions. The lease agreements do not include any clauses that impose any restriction on the Group's ability to pay dividends, engage in debt financing transactions or enter into further lease agreements.

As of 31 December 2025, the right-of-use assets amount to € 153.2 million (2024: € 162.5 million). Of this amount, € 152.9 million (2024: € 162.1 million) are presented within property, plant and equipment and € 0.3 million (2024: € 0.4 million) are presented within receivables from customers at amortized cost. The following table presents the development of the right-of-use assets by asset classes:

31.12.2025 in € million	Land and buildings	Office furniture and equipment	Total
<b>Carrying amount 01.01.2025</b>	<b>162.1</b>	<b>0.4</b>	<b>162.5</b>
Additions	18.0	—	18.0
Disposals	(0.9)	(0.1)	(1.0)
Reassessments and modifications	(1.3)	0.1	(1.2)
Depreciation	(24.7)	(0.4)	(25.1)
<b>Carrying amount 31.12.2025</b>	<b>153.2</b>	<b>—</b>	<b>153.2</b>
thereof property, plant and equipment	152.9	—	152.9
thereof lease receivables	0.3	—	0.3

31.12.2024

in € million	Land and buildings	Office furniture and equipment	Total
<b>Carrying amount 01.01.2024</b>	<b>168.5</b>	<b>1.0</b>	<b>169.5</b>
Additions	8.2	—	8.2
Disposals	—	(0.1)	(0.1)
Reassessments and modifications	9.4	—	9.4
Depreciation	(24.0)	(0.5)	(24.5)
<b>Carrying amount 31.12.2024</b>	<b>162.1</b>	<b>0.4</b>	<b>162.5</b>
thereof property, plant and equipment	161.7	0.4	162.1
thereof lease receivables	0.4	—	0.4

Since 1 January 2025, an addition to the right-of-use assets was recognized in the amount of € 18.0 million (2024: € 8.2 million). This results from new leases of real estate, whereas € 10.9 million concern the purchase of Barclays Consumer Bank Europe.

As of 31 December 2025, the lease liability amounts to € 161.7 million (2024: € 172.3 million) and is presented within other obligations. The following table presents a maturity analysis of the lease liability:

in € million	<b>31.12.2025</b>	31.12.2024
Up to 1 year	19.8	25.9
1–5 years	62.5	65.6
Over 5 years	79.4	80.8
<b>Total lease liability</b>	<b>161.7</b>	<b>172.3</b>

The following table presents the impact of IFRS 16 on profit or loss:

in € million	<b>2025</b>	2024
Depreciation of right-of-use assets	25.1	24.5
Land and buildings	24.7	24.0
Office furniture and equipment	0.4	0.5
Interest expense on lease liabilities	2.9	2.7
Expenses relating to short-term leases	0.5	0.6
Expenses relating to low-value assets	0.2	0.2
Expenses relating to variable lease payments independent from an index or rate	—	—
<b>Total</b>	<b>28.7</b>	<b>28.0</b>
Total rental payments for lease agreements	(27)	(33)
Rental income from subleasing right-of-use assets	9	11

## 48 | Derivative financial transactions

### Derivative financial transactions as of 31.12.2025

31.12.2025 in € million		Nominal amount/maturity <sup>1</sup>				Fair value <sup>1</sup>	
		Up to 1 year	1–5 years	Over 5 years	Total	Positive	Negative
<b>Interest rate related derivatives</b>		<b>19,167</b>	<b>30,740</b>	<b>35,331</b>	<b>85,239</b>	<b>369</b>	<b>-486</b>
Thereof	interest rate swaps banking book	19,001	30,575	35,205	84,781	369	-483
	interest rate options banking book	166	165	126	458	—	-3
	interest rate swaps trading book	—	—	—	—	—	—
	interest rate options trading book	—	—	—	—	—	—
<b>Currency related derivatives</b>		<b>3,702</b>	<b>4,612</b>	<b>3,207</b>	<b>11,522</b>	<b>91</b>	<b>-47</b>
Thereof	currency swaps banking book	712	3,813	3,207	7,733	38	-31
	foreign currency forward transactions and options banking book	2,990	799	0	3,789	53	-16
	currency swaps trading book	—	—	—	—	—	—
	foreign currency forward transactions and options trading book	—	—	—	—	—	—
<b>Securities related derivatives</b>		<b>5</b>	<b>209</b>	<b>136</b>	<b>350</b>	<b>7</b>	<b>-8</b>
Thereof	securities related and other derivatives banking book	5	209	136	350	7	-8
<b>Total</b>		<b>22,874</b>	<b>35,561</b>	<b>38,674</b>	<b>97,111</b>	<b>467</b>	<b>-541</b>
Thereof	banking book derivatives	22,874	35,561	38,674	97,111	467	-541
	trading book derivatives	—	—	—	—	—	—

<sup>1</sup> Banking book derivatives include fair value hedging, cash flow hedging and net investment hedging instruments.

The table above includes the following figures for fair value hedges, cash flow hedges and net investment hedges:

31.12.2025 in € million		Nominal amount/maturity				Fair value	
		Up to 1 year	1–5 years	Over 5 years	Total	Positive	Negative
Interest rate related business	Fair value hedge – interest rate risk	7,552	18,450	18,397	44,399	257	-52
Currency related business	Cash flow hedge – FX risk	615	4,001	2,966	7,582	100	-40
Currency related business	Net investment hedge – FX risk	266	—	—	266	1	1
<b>Total</b>		<b>8,433</b>	<b>22,451</b>	<b>21,363</b>	<b>52,247</b>	<b>358</b>	<b>-91</b>

Derivative financial transactions as of 31.12.2024

31.12.2024 in € million		Nominal amount/maturity <sup>1</sup>				Fair value <sup>1</sup>	
		Up to 1 year	1–5 years	Over 5 years	Total	Positive	Negative
<b>Interest rate related business</b>		<b>21,093</b>	<b>31,552</b>	<b>35,502</b>	<b>88,146</b>	<b>614</b>	<b>-439</b>
Thereof	interest rate swaps banking book	21,083	31,245	35,296	87,623	613	-432
	interest rate options banking book	10	307	206	523	1	-7
	interest rate swaps trading book	—	—	—	—	—	—
	interest rate options trading book	—	—	—	—	—	—
	forward rate agreements trading book	—	—	—	—	—	—
<b>Currency related business</b>		<b>3,959</b>	<b>4,590</b>	<b>2,724</b>	<b>11,274</b>	<b>27</b>	<b>-298</b>
Thereof	currency swaps banking book	1,083	3,936	2,715	7,734	5	-227
	foreign currency forward transactions and options banking book	2,876	654	9	3,540	22	-71
	currency swaps trading book	—	—	—	—	—	—
	foreign currency forward transactions and options trading book	—	—	—	—	—	—
<b>Securities related business</b>		<b>48</b>	<b>175</b>	<b>243</b>	<b>466</b>	<b>6</b>	<b>-8</b>
Thereof	securities related business banking book	48	175	243	466	6	-8
<b>Total</b>		<b>25,100</b>	<b>36,317</b>	<b>38,469</b>	<b>99,886</b>	<b>647</b>	<b>-745</b>
Thereof	banking book business	25,100	36,317	38,469	99,886	647	-745
	trading book business	—	—	—	—	—	—

<sup>1</sup> Banking book derivatives include fair value hedging, cash flow hedging and net investment hedging instruments.

The table above includes the following figures for fair value hedges and cash flow hedges:

31.12.2024 in € million		Nominal amount/maturity				Fair value	
		Up to 1 year	1–5 years	Over 5 years	Total	Positive	Negative
Interest rate related business	Fair value hedge – interest rate risk	9,451	17,951	19,040	46,442	315	-56
Currency related business	Cash flow hedge – FX risk	1,200	4,448	2,725	8,373	16	-226
Currency related business	Net investment hedge – FX risk	220	—	—	220	—	-9
<b>Total</b>		<b>10,871</b>	<b>22,399</b>	<b>21,765</b>	<b>55,035</b>	<b>331</b>	<b>-291</b>

49 | List of consolidated subsidiaries

		<b>31.12.2025</b>		31.12.2024
<b>Banks</b>				
BAWAG P.S.K. AG, Vienna	F	100.00%	F	100.00%
BAWAG P.S.K. Wohnbaubank Aktiengesellschaft, Vienna	F	100.00%	F	100.00%
Idaho First Bank, McCall	F	100.00%	F	100.00%
Knab N.V., Amsterdam	—	Merged	F	100.00%
start:bausparkasse AG, Vienna	F	100.00%	F	100.00%
<b>Real estate</b>				
Promontoria Holding 136 B.V., Amsterdam	F	100.00%	F	100.00%
R & B Leasinggesellschaft m.b.H. in Liqu., Vienna	F	100.00%	F	100.00%
RVG Realitätenverwertungsgesellschaft m.b.H., Vienna	F	100.00%	F	100.00%
<b>Leasing</b>				
ALSATRAM SAS, Paris	F	100.00%	F	100.00%
BAWAG P.S.K. IMMOBILIENLEASING GmbH, Vienna	F	100.00%	F	100.00%
BAWAG EVOLUTION SAS, Paris	F	100.00%	F	100.00%
BAWAG FB France SAS, Paris	F	100.00%	F	100.00%
BAWAG RAIL SAS, Paris	F	100.00%	F	100.00%
BAWAG RB France SAS, Paris	F	100.00%	F	100.00%
BAWAG P.S.K. LEASING Holding GmbH, Vienna	F	100.00%	F	100.00%
BAWAG P.S.K. MOBILIENLEASING GmbH, Vienna	F	100.00%	F	100.00%
CVG Immobilien GmbH, Vienna	F	100.00%	F	100.00%
easyleasing GmbH, Vienna	F	100.00%	F	100.00%
HBV Holding und Beteiligungsverwaltung GmbH, Vienna	F	100.00%	F	100.00%
KLB Baulandentwicklung GmbH, Vienna	F	100.00%	F	100.00%
P.S.K. IMMOBILIENLEASING GmbH, Vienna	F	100.00%	F	100.00%

**Other non-credit institutions**

BAWAG Education Trust, Wilmington	—	Deconsolidated	F	100.00%
BAWAG Group Germany GmbH, Eschborn	F	100.00%	F	100.00%
BAWAG P.S.K. IMMOBILIEN GmbH, Vienna	F	100.00%	F	100.00%
Best Egg Inc., Wilmington	E	32.41%	—	—%
Bonnie RE UK 1 B.V., Amsterdam	F	100.00%	F	100.00%
BPI Holding GmbH & Co KG., Vienna	F	100.00%	F	100.00%
BRE Investment Corporation, Venice	F	100.00%	F	100.00%
BRE Investment Holding II Corporation, Venice	F	100.00%	—	—%
BV Vermögensverwaltung GmbH, Vienna	F	100.00%	F	100.00%
BVV Cayman Ltd., George Town	F	100.00%	F	100.00%
Canadian Mortgage Loan Trust I, Toronto <sup>1</sup>	F	0.00%	F	0.00%
Canadian Mortgage Loan Trust II, Toronto <sup>1</sup>	F	0.00%	F	0.00%
FCT Pearl, Pantin	F	100.00%	F	100.00%
Health Coevo AG, Hamburg	F	100.00%	F	100.00%
Knab Conditional Pass-Through Covered Bond Company B.V., Amsterdam <sup>1</sup>	F	0.00%	F	0.00%
Knab Soft Bullet Covered Bond Company B.V., Amsterdam <sup>1</sup>	F	0.00%	F	0.00%
Leasing-west GmbH, Rosenheim	F	100.00%	F	100.00%
Orange Loans B.V., Amsterdam	—	Deconsolidated	F	100.00%
PCT Nominee Owner LLP, Wilmington	E	26.05%	E	24.90%
Peak Bancorp, Inc., McCall	F	100.00%	F	100.00%
PFH Properties Funds Holding GmbH, Vienna	F	100.00%	F	100.00%
Piedmont Portfolio Holdco LLC, Dover	F	95.76%	—	—%
PSA Payment Services Austria GmbH, Vienna	E	20.82%	E	20.82%
P.S.K. Beteiligungsverwaltung GmbH, Vienna	F	100.00%	F	100.00%
RF fünfzehn BAWAG Mobilien-Leasing Gesellschaft m.b.H., Vienna	F	100.00%	F	100.00%
Swiss Autofinance GmbH, Zurich	F	100.00%	—	—%
Zahnärztekasse AG, Pfäffikon	F	100.00%	F	100.00%
3495-3498 Piedmont Road Owner LLC, Dover	F	95.76%	—	—%
3525 Piedmont Road Owner LLC, Dover	F	95.76%	—	—%
3535 Piedmont Road Owner LLC, Dover	F	95.76%	—	—%
3565 Piedmont Road Owner LLC, Dover	F	95.76%	—	—%
3575 Piedmont Road Owner LLC, Dover	F	95.76%	—	—%

F ... Full consolidation, E ... Equity method

<sup>1</sup> Consolidated according to IFRS 10 due to materiality.

Material subsidiaries are fully consolidated on the basis of IFRS 10, whereas material associates are accounted for using the equity method according to IAS 28.

Subsidiaries are entities that BAWAG controls in accordance with IFRS 10. BAWAG controls an entity when it is exposed or has rights to variable returns from its involvement with a subsidiary and has the ability to influence those returns through its power over the subsidiary.

Associates in accordance with IAS 28 are all entities over which BAWAG has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights.

The classification of whether a subsidiary/associate is material is reviewed once a year.

## 50 | List of subsidiaries and associates not consolidated due to immateriality

	2025	2024
<b>Real estate</b>		
N & M Immobilienentwicklungs GmbH, Vienna	100.00%	100.00%
LSREF3 Tiger Aberdeen S.a.r.l., Luxembourg	100.00%	100.00%
LSREF3 Tiger Southampton S.a.r.l., Luxembourg	100.00%	100.00%
SWBI Stuttgart 1 GmbH, Stuttgart	Merged	100.00%
<b>Leasing</b>		
BAWAG Leasing & fleet s.r.o., Prague	100.00%	100.00%
Fides Leasing GmbH, Vienna	50.00%	50.00%
Gara RPK Grundstücksverwaltungsgesellschaft m.b.H., Vienna	100.00%	100.00%
HFE alpha Handels-GmbH, Vienna	—%	50.00%
Kommunalleasing GmbH, Vienna	100.00%	100.00%
PT Immobilienleasing GmbH, Vienna	100.00%	100.00%
<b>Other non-credit institutions</b>		
BAWAG Group Advisors International GmbH, Eschborn	Merged	100.00%
BAWAG Solar LLC, Wilmington	95.00%	—%
Depfa Ireland Holding Limited, Dublin	—%	100.00%
Gyle Holding GmbH, Vienna	100.00%	100.00%
Gyle JVCo Limited, London	—%	50.00%
Robuust Hypotheken B.V., Rotterdam	100.00%	—%
ROMAX Immobilien GmbH, Vienna	100.00%	100.00%
SWB Immowert GmbH, Stuttgart	Merged	100.00%
Tiger Retail UK RE 1 S.a.r.l., Luxembourg	100.00%	100.00%
Tiger Retail UK RE 2 S.a.r.l., Luxembourg	100.00%	100.00%
US REO Trust, Wilmington	100.00%	100.00%

## 51 | Associates not accounted for using the equity method due to immateriality

The following table shows key financial indicators for the Bank's unconsolidated associates:

in € million	31.12.2025	31.12.2024
Cumulated assets	38	81
Cumulated equity	(2)	(3)
Cumulated net profit	—	—

The amounts presented in the table above are based on the latest available financial statements of the respective companies that have been prepared in accordance with the applicable accounting standards. At the time the annual financial statements of BAWAG as of 31 December 2025 were being prepared, financial statements as of 31 December 2024 were available for the majority of the respective entities (prior year: 31 December 2023).

From an economic point of view, we would like to note that the table above does not take the economic share invested into consideration. The average economic share is 50% (2024: 50%).

For further details, please refer to Note 36 Related parties.

## 52 | Involvement with associated companies

Investments in associates disclosed in this note are accounted for using the equity method. BAWAG includes three companies that are accounted for using the equity method: Best Egg Inc., Wilmington, PCT Nominee Owner LLP, Wilmington, and PSA Payment Services Austria GmbH, Vienna (2024: PCT Nominee Owner LLP, Wilmington, and PSA Payment Services Austria GmbH, Vienna). The table below presents aggregated financial information on the Group's share in associates that are considered to be immaterial compared to the Group's total assets and profit or loss (2025: carrying amounts of all associates excluding Best Egg Inc., Wilmington due to its IFRS 5 held for sale status).

in € million	31.12.2025	31.12.2024
Carrying amounts of all associates	106	101
Aggregated amount of the Group's share of profit or loss	6.6	4.3
Aggregated amount of the Group's share of other comprehensive income	4.4	—
Aggregated amount of the Group's share of total comprehensive income	11.0	4.3

## 53 | Non-consolidated structured entities

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor for determining control over the entity. This is the case, for example, when any voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual arrangements. A structured entity often has some or all of the following attributes:

- Restricted activities
- A narrow and well-defined objective
- Insufficient equity
- Financing in the form of multiple contractually linked instruments to investors that create concentrations of credit or other risks (tranches)

The entities covered by this disclosure note are not consolidated because the Group does not control them through voting rights, contract, funding agreements or other means. The Group's exposure to unconsolidated structured entities comprises leasing companies engaging in special leasing to which BAWAG provides the financing.

The Group provides a different measure for the size of structured entities depending on their nature. Regarding other structured entities, the total assets of these entities in the amount of € 26 million (2024: € 28 million) best measure their size. For securitizations, this is the notional of notes in issue in the amount of € 2,026 million (2024: € 1,283 million). For other special purpose vehicles, this is the financing amount of € 2,444 million (2024: € 1,783 million).

The table below shows an analysis of the carrying amounts of assets and liabilities of unconsolidated structured entities recognized by the Group and income from those structured entities. The maximum exposure to loss is the carrying amount of the assets held.

in € million	2025	2024
<b>Carrying amounts of assets in connection with investments in structured entities</b>	<b>4,236</b>	<b>3,085</b>
on the balance sheet shown under At amortized cost	4,236	3,085
<b>Carrying amounts of liabilities in connection with investments in structured entities</b>	<b>12</b>	<b>7</b>
on the balance sheet shown under At amortized cost	12	7
<b>Income</b>	<b>81.7</b>	<b>83.9</b>
Interest income	81.7	83.9
Losses incurred during reporting period	—	—
Maximum exposure to loss	4,224	3,078

BAWAG Group neither provided any financial or other support to an unconsolidated securitization vehicle during the financial year nor does it have any current intention to do so.

## RISK REPORT

BAWAG operates a business model focused on Retail & SME, complemented by Corporates, Real Estate and Public sector business. From a geographic perspective, BAWAG focuses on developed countries and operates in Austria, Germany, Netherlands, Ireland, United Kingdom, Switzerland and United States. All of these countries have a sovereign rating of AA or higher and have a robust banking and legal infrastructure. Our banking activities are primarily funded by retail deposits. In combination with mortgage as well as public sector covered bonds, customer funding comprises more than 90% of BAWAG's financing. Simplicity and efficiency are core to what we do, aiming to streamline processes from end to end and deliver simple and intuitive financial products and services to our customers.

Our business model and long-term development are a reflection of our conservative risk appetite. Risk management and the active steering of risks are integral to the Group's business strategy and key to achieving our strategic and financial objectives. This approach enables us to create sustainable value for our stakeholders, including shareholders and customers.

Safe and Secure is a cornerstone of our Group strategy, risk policies and governance. It is founded on the following tenets:

- Conservative and forward-looking risk management framework
- Strong capital position, stable customer funding and a low risk profile through focus on risk-adjusted returns
- Focus on mature, developed and sustainable markets
- Conservative and disciplined underwriting with a focus on secured lending to maintain a fortress balance sheet
- Proactively managing and mitigating non-financial risks including sustainability-related risks

### 2025 summary

- Our core markets Austria, Germany, Netherlands, Ireland, United Kingdom, Switzerland and the United States have benefited from resilient employment levels and the healthy financial positions of our customers. As always, downside risks exist, including but not limited to ongoing geopolitical

tensions, potential for persistent inflation and a compounding economic slowdown. Such risks would expose economic vulnerabilities particularly for entities or customers with high debt levels and cause high uncertainty and negatively impact company investments. We believe our prudent risk management and long-term conservative underwriting practices have positioned BAWAG well to withstand adverse developments. We maintain prudence through sufficient reserve levels, high levels of capital and liquidity well above regulatory requirements, and reliance on stable funding sources.

- In the first quarter 2025 we closed the strategic acquisition of Barclays Consumer Bank Europe (rebranded easybank) complementing our Retail & SME business. The acquisition is fully in line with BAWAG's risk strategy and appetite and - together with Knab, which was closed in Q4 2024 - will further diversify BAWAG's geographic footprint. Both portfolios have been integrated into the BAWAG-wide risk management processes, ensuring regulatory compliance from the first day after closing of the transactions. The implementation of BAWAG Group-wide risk management policies, models and processes across both acquisitions was finalized in Q4 2025.
- Our strong asset quality is evidenced by the high share of the customer book in Stage 1 (performing) of 94% (2024: 95%) and just 4% (2024: 4%) in Stage 2 (performing, but increased credit risk). BAWAG's Stage 2 assets remain low as a share of our total book, reflecting the disciplined underwriting standards and credit quality. With the share remaining stable, it demonstrates a good fit of the acquired businesses with our risk appetite.
- We maintain a strong credit profile with low NPL ratio at 0.8% (2024: 0.8%), increased NPL cash coverage at 55% (2024: 47%) and NPL coverage ratio at 68% (2024: 71%).
- In 2025, risk costs amounted to € 228 million (2024: € 82 million), representing an increase to 41 basis points in 2025 (2024: 19 basis points), which demonstrates the expected increase from the integrations of new acquisitions and a positive impact from full ECL overlay release in 2024.
- Robust liquidity with an LCR of 204% (2024: 249%) and an NSFR of 142% (2024: 147%), both of which are well above regulatory requirements.

**Development of key risk metrics**

in € million	Total book		
	31.12.2025	31.12.2024	Change (pts)
NPL ratio	0.8%	0.8%	—
NPL cash coverage ratio	55.0%	47.2%	7.7
NPL coverage ratio	68.1%	70.7%	(2.6)
Impairments	500	368	132
Stage 2 asset ratio	4.3%	4.2%	0.1
LCR	204%	249%	(45)
NSFR	142%	147%	(5)

→ NPL Coverage Ratio has been restated for 2024.

**54 | Risk governance**

**Risk statement**

BAWAG is active in banking activities, focusing primarily on retail banking in our core markets, with a secondary focus on low-risk public financing, selective corporate lending and commercial real estate financing in established markets that demonstrate adequate risk-adjusted returns. As such, the Group takes on the typical risks inherent to the banking industry, as well as the economy in general. BAWAG closely monitors and manages all such risks within a strict and comprehensive risk framework, with the intent to mitigate such risks in the event that negative impacts occur and ensure adequate levels of capital and liquidity.

BAWAG has established a comprehensive and forward-looking risk management framework which considers the nature, scale and complexity of the Group’s business activities and the resulting risks. The Group’s risk management governance and oversight involves understanding drivers of risks, types of risks and impacts of risks. BAWAG’s approach to risk, risk appetite and governance framework remained unchanged.

**BAWAG’s approach to risk**

BAWAG’s risk management framework is based on the following guiding principles:

- Risk-conscious culture: Risk management is a shared responsibility across all business units and risk functions. We have fostered a risk-aware culture throughout the Group, ensuring that decisions are consistently made on a risk-informed basis.
- Prudent approach to risk and underwriting: Our strategic commitment to maintaining a low risk profile is reflected in our focus on developed markets, our conservative underwriting with emphasis on secured business and risk-adequate returns, a strong capital position, customer-

funding comprised of deposits and covered bonds, and the proactive mitigation of non-financial risks.

- Integrated risk management: We manage relevant risk categories on a Group-wide basis, ensuring a consistent and coherent approach towards our risk management activities throughout the Group.
- Well-established risk governance: The governance framework ensures a strict separation of business and risk functions at all organizational levels and contributes to the effective implementation and control of the Group’s preferred risk appetite and strategy.
- Effective risk analysis, management and reporting: Comprehensive risk reporting together with sophisticated risk measurement and validation techniques covering all material risk types ensure the close monitoring and the early detection of emerging risks. Risk analysis is supplemented by a sound and comprehensive stress testing framework, allowing the targeted stressing of the Group’s risk vulnerabilities.

The implemented risk management framework ensures the effective identification, measurement and management of risks across BAWAG and forms the basis for making informed, risk-based business decisions. It allows us to react quickly and proactively to market trends or other deteriorating developments as well as support the Group’s sustainable organic and inorganic growth within the overall risk appetite.

**Risk appetite**

BAWAG’s risk strategy is fully aligned with the Group’s overall business strategy. The Management Board defines and approves the overall risk appetite and risk strategy on an annual basis. This allows us to better manage our risks by articulating, both qualitatively and quantitatively, how much and what kind of risk we want to take. The risk appetite serves as a constraint and the intent to use a pre-defined amount of available internal capital for risks viewed through regulatory and economic capital availability, liquidity position and profitability expectations.



## Governance framework

The established governance framework ensures the implementation of the Group's risk strategy with the operational and strategic risk management functions and the relevant committees of BAWAG. The Group's approach to risk is founded through a coordinated control framework and administered through a strong risk management culture and structure. Governance is maintained through the delegation of authority from the board to individuals by way of the management hierarchy and supported by a committee-based structure to ensure sound decision-making and communications.

The Management Board is informed of the overall risk situation and potential future developments on a monthly basis and case-to case basis as needed. The management risk reporting is based on well-defined risk metrics and encompasses all Pillar I- and Pillar II-relevant topics (with Pillar I referring to the minimum regulatory capital requirements and Pillar II to the assessment of internal capital adequacy as defined by the Basel framework for covering all risks the Group can potentially face beyond the minimum requirements). Quarterly risk reports are submitted to the monitoring and control committees of the Supervisory Board. Risk management policies are regularly and rigorously reviewed to reflect any adjustments to the Group strategy, regulatory requirements and market conditions. Particular focus is given to BAWAG's expansion strategy and related development of changing or new risk categories.

Emerging topics, risks and regulatory developments are studied to assess potential impacts on policies and strategy, providing a separate channel of external inputs which continuously require risk management policies and frameworks to be re-evaluated.

The Chief Risk Officer (CRO) of BAWAG, together with the relevant risk management functions, is responsible for the implementation of and compliance with the defined risk

strategy for all types of risk. This forms the independent risk management function.

The following divisions oversee the implementation and execution of risk-related guidelines (as of 31 December 2025):

- Enterprise Risk Management & Analytics
- Validation
- Commercial Risk Management
- Retail Risk Management
- Group Sustainability Office

In addition, the Credit Risk Reporting department is responsible for the Group's and its subsidiaries' internal and external credit risk portfolio reporting, as well as the forecast of risk KPIs including risk costs. The department reports to the head of Commercial Risk and to the head of Retail Risk Management (dual report) as well as to the CRO.

Effective compliance and risk management is a crucial aspect of a bank's sustainable success. In addition to the conventional risk types, the management of non-financial risks, as well as sustainability-related responsibility, is prioritized through our ESG risk framework implemented on a Group-wide basis. The respective governance for sustainability-related focus areas and the corresponding strategy has been implemented within the Group-wide (risk) organization following regulatory requirements and as an outcome of the risk materiality assessment.

BAWAG fosters a risk culture that incorporates sustainability-related risks, including climate and environmental risks. As a part of the Group-wide integration sustainability responsibilities have been embedded within the respective functions, reflecting our view that sustainability is an ingrained part of our operating model rather than a standalone unit. To support this, the Group has established a governance structure ensuring that the identification, measurement, assessment, management, and monitoring of sustainability-related risks are fully integrated into the risk management framework at all organizational levels and continuously enhanced over time:

- Supervisory Board: Sustainability-related risks are included in the quarterly RCC and in addition part of the regular Supervisory Board update.
- Management Board: The Management Board gets an at least quarterly update on sustainability-related matters.
- Group Sustainability Office: The Office coordinates sustainability-related initiatives, strategy etc. across the Group functions.



## 55 | ICAAP and stress test

The Internal Capital Adequacy Assessment Process (ICAAP) is the central, coordinated procedure of BAWAG's risk management. It comprises business, finance and risk processes that assess and ensure at all times that BAWAG is adequately capitalized. This includes the consideration of the risk profile of the Group and the quality of the Group risk management and control environment. In line with the ECB ICAAP Guides, BAWAG has implemented two ICAAP perspectives, normative and economic: the normative view to assess capital adequacy according to regulatory requirements, and the economic view to assess all risks faced by BAWAG, assuming baseline and adverse stress scenarios in both perspectives over a medium-term horizon. The objectives of BAWAG's ICAAP encompass all processes and actions that assure:

- appropriate identification, assessment, measurement, reporting and management of all risks
- appropriate internal capital proportional to the risk profile
- appropriate liquidity profile
- appropriate internal capital adequacy
- use and further development of suitable risk management systems

The Group-wide ICAAP processes run in conjunction with the planning and budgeting processes. Close monitoring of their development is therefore imperative and integrated into the proactive risk management.

The starting point of the ICAAP yearly review process is the risk self-assessment process (RSA), which provides an overview of the Group's risk situation using quantitative and qualitative evaluation methods. All potential risks arising in connection with the implementation of the business strategy are evaluated with respect to their relevance, materiality and their impact on BAWAG.

### Normative perspective

The normative perspective is a multi-year assessment of the institution's ability to fulfill all of its quantitative regulatory and supervisory requirements and demands, and withstand other external financial constraints under different macroeconomic scenarios, including severe economic downturns.

Under the normative perspective, BAWAG projects all major risks over a medium-term period. This includes Pillar I risks

(credit risk, market risk, operational risk) as well as all material risks. BAWAG assesses these risks on quarterly basis in terms of their impacts on capital requirements (RWA) and profitability (P&L). The following risk types are considered and quantified:

- Credit risk: The quantification of credit risk is based on the regulatory approach (standardized, advanced and foundation IRB) and is considered under the capital view (RWA). Credit risk losses are also accounted for in the P&L view in the form of expected credit losses.
- Single name concentration risk: Economic borrower groups that are sufficiently relevant and therefore connected in terms of capital consumption which are to be monitored and managed on an individual basis. The most significant consumers of capital are additionally stressed with a higher probability of default in the ICAAP adverse scenario.
- Market risk: The quantification of market risk for the trading book is based on the regulatory approach and is considered under the capital view (RWA). Currently, the Group holds no positions in the trading book. BAWAG has identified interest rate risk in the banking book and credit spread risk as material market risks and as such they are considered in the P&L under net interest income, gains and losses, and other comprehensive income.
- Operational risk: The quantification of operational risk is based on the Standardized Measurement Approach (SMA). The quantification is enriched with additional information, such as risks assessed from the RCSA process, historical losses and scenarios.

### Economic perspective

BAWAG's economic perspective is a multi-year assessment that compares all material and non-material risks with internal capital. Limits are defined for all quantifiable risk categories and portfolios as part of the risk strategy is aligned with the annual budget and strategic planning. Compliance with limits is monitored on a monthly basis according to the actual and forecasted risk utilization.

In the economic perspective, the following risk types are considered and quantified accordingly:

- Credit risk: The quantification of credit risk is based on the statistical models applying IRB and IFRS 9 through-the-cycle with margin of conservatism risk parameters (PD and LGD) for all main portfolio segments; this includes also non-consolidated participations (PD and LGD approach), securitization as originator (covering risk transfer and PD of the guarantor) and securitization as investor (Monte-Carlo simulation). Additional capital surcharges are applied for single name concentration risk and for the FX lending credit

risk. In order to cover losses stemming from deterioration in the debtor's rating, BAWAG allocated economic capital for migration risk.

- **Market risk:** The quantification of interest rate risk in the banking book and credit spread risk in the economic perspective are based on value-at-risk models. Other market risks, such as funds risk or foreign currency risk or equity risk in the banking book, are quantified with similar value-at-risk or worst-case valuation models.
- **Liquidity risk:** Structural liquidity risk quantification is based on current liquidity gaps applying assumed potential deterioration of own funding costs. Quantification methods based on historical worst-case analyses are used for market liquidity risk in the banking book and FX basis spread risk.
- **Non-financial risk:** Non-financial risk includes operational risk in the narrow sense and further sub-risk types, such as legal risk, fraud risk, compliance risk, conduct risk, information and communication (ICT) risks including cyber risk, model risk, settlement and process risk, third-party risk including outsourcing risk as well as risks arising from external events and risks arising from employment practices and workplace safety, reputational risk. The quantification of operational risk in the economic perspective is based on two components: the business indicator component (simple financial statement proxy of exposure to operational risk, common to all institutions) and the internal loss multiplier (component with bank-specific operational loss data); the two components are multiplied in order to obtain the operational risk capital requirement (standardized measurement approach as prescribed by Basel IV).
- **ESG risks:** Explicit internal capital limits were allocated to ESG risk stemming from credit, market, liquidity and operational risk based on the assessment of ESG risks on the portfolio. Overall ESG risk is low given low exposures to high transition risk industries such as fossil fuel and natural resource sectors and manages physical risk.
- **Other risks:** This risk category includes real estate risk, business risk, pension risk, systemic risk, risk of excessive leverage, macroeconomic risk, capital risk and insurance risk. In general, for real estate risk, systemic risk, risk of excessive leverage and capital risk, the required economic capital is quantified using a simplified value-at-risk (VaR) model with a 99.9% confidence level, based on the historical yearly losses, the expected average losses for the respective financial year and their expected fluctuation (variability). While pension risk is calculated by using a simplified quantification method (based on expert judgment and historical observation), no additional capital is allocated for macroeconomic risk due to the fact that macroeconomic factors are considered within the quantification of the individual risk types using validated

models. In addition, business risk is covered at different levels within the Group (multi-year ICAAP economic and normative perspective, monthly MB report (plan vs actuals) etc.); therefore, an additional capital allocation would imply double-counting effects. Insurance risk is not a relevant risk type for BAWAG Group.

## Stress testing

Stress testing is a critical risk management tool that provides valuable input for the strategic assessment of the business as well as operational risk management such as risk identification, risk appetite and limit setting.

Stress testing identifies sources of potential vulnerability and assesses whether capital is adequate to cover the risks that the business faces. It ensures that our business planning accounts not only for the base case of our economic projections but also accounts for more severe economic stresses and potential outcomes. Critically, the levels of capital and liquidity under such stresses are tested and provide guidance in optimizing results and limiting downsides while ensuring capital adequacy.

Regular stress tests (considering both ICAAP perspectives) supplement the overall risk management framework and are fully integrated into the strategic risk management, capital management and planning processes of BAWAG.

The methodology and results of both ICAAP perspectives as well as the stress test exercises are discussed on a quarterly basis in the ICAAP & Stress Testing Committee (ISTC) and reported to the Enterprise Risk Meeting (ERM). The ERM oversees the assessment of the results of the exercises and defines any corrective action for the risk appetite or business strategy, where necessary. The design and approval of macroeconomic scenarios for internal stress test exercises are delegated to the Macroeconomic Scenario Committee (MSC), which is held on a quarterly basis before the ICAAP & Stress Testing Committee meeting.

The interaction between the ICAAP perspectives, the stress test exercises and capital management is formally defined within the governance framework.

The capital ratios, which are defined within the capital planning process and monitored on a monthly basis by the Capital Management Meeting, are used as a benchmark for the normative perspective and for stress testing. The capital contingency plan is drawn up to account for extreme stress scenarios. As part of the normative perspective and stress test exercises, senior management reviews whether the stressed capital ratios remain above the recovery levels. In case the recovery levels are breached, measures must be taken to improve the capital position sufficiently in order to keep the

capital ratios above the recovery levels even under a stressed scenario.

## 56 | Credit risk

Credit risk includes credit default risk that denotes the risk of total or partial loss of receivables due to inability or unwillingness to pay on the part of a borrower. In addition, credit concentration risk, credit migration risk, FX lending risk, residual risk from credit risk mitigation techniques and country risk are also included.

BAWAG is a banking group that sets high standards with regard to credit risk methodologies and processes. The risk organization continuously focuses on enhancements to risk quantification and mitigation methods. Specific standards are in place for all sub-portfolios that are modeled, monitored, statistically calibrated and validated on a regular basis.

### Governance

The operational credit risk divisions are specifically set up to ensure functional risk management expertise for commercial and institutional (Commercial Risk Management) and retail and small business (Retail Risk Management) customers. The Credit Approval Committee (CAC), a specific committee at the Management Board level, is responsible for the approval of loan applications within the authorities defined in the Competence and Power Regulation. The Credit Risk Reporting department is responsible for the consistent calculation and aggregation of the individual credit risk metrics (e.g. NPL ratios, risk costs, coverage ratios etc.) within the defined regular BAWAG credit risk reporting framework.

Core objectives of credit risk management are to

- Steer conservative credit risk taking in line with approved risk appetite
- Maintain a governance and control framework to oversee credit risks across the lifecycle
- Identify, assess, measure and report credit risk in a timely and accurate manner

In operative terms, these objectives translate into the following key credit risk principles:

- Disciplined underwriting in well-established markets predominantly focused on secured or prime rated clients, based on a through-the-cycle lens view of performance.
- Clearly defined organizational units and approach to manage credit risk based on type of exposure. Corporate exposures are managed at individual case level by experts

with deep expertise in the relevant segment and retail exposures are managed at the segment level leveraging data, analytics and proven rating infrastructure.

- Robust early warning, collections, workout framework and credit risk reporting in place to ensure credit risk at the single obligor level is identified at its earliest stage and appropriate mitigating actions are taken to ensure good outcomes for our clients and for the Bank.

### Assessing creditworthiness

In addition to clearly defined lending guidelines, creditworthiness for retail and small business customers is assessed via automated scorecards. The scoring is based on statistical models that cover both application scoring as well as behavioral scoring based on the customer's account usage. Furthermore, external data (e.g. credit bureau information) is also factored into the customer scoring. Based on this information, the individual customer credit ratings are updated monthly.

In addition to the credit rating, the loss given default (LGD) and the expected utilization of the off-balance-sheet exposure value at the time of default (credit conversion factor, CCF) are also estimated for retail and small business customers. The estimate, which is based on data from the observed customer behavior, is calculated using various statistical methods and models.

For each commercial loan application, the borrower's credit rating is assessed using an internal rating method specific to each business segment. The rating methods are based on a broad spectrum of quantitative and qualitative factors. Specific rating grades, which represent an individually estimated probability of default, are assigned to each customer using a uniform master scale.

To manage overall concentration risk at the client and group of affiliated customers level, exposure limits are defined, monitored and reported on a monthly basis.

Due to the centralized structure and coordination of risk management processes across BAWAG, new risk regulations or changing market situations are considered and adapted in a timely manner within the risk management strategies.

## Overview of the total credit risk portfolio

The following sections provide an overview of the structure and the portfolio quality of the total credit risk portfolio and in the individual segments.

31.12.2025 in € million	Retail & SME	Corporates, Real Estate & Public Sector	Treasury	Corporate Center	Total portfolio
At amortized cost	38,679	13,938	2,653	(457)	54,814
Loans and advances to customers	38,679	12,312	214	(457)	50,749
Loans and advances to banks	—	48	404	—	452
Debt securities	—	1,579	2,035	—	3,613
Financial assets FVPL/FVOCI	131	227	1,105	220	1,683
Other assets	2	—	14,184	(93)	14,093
<b>On-balance business</b>	<b>38,813</b>	<b>14,166</b>	<b>17,942</b>	<b>(330)</b>	<b>70,590</b>
Off-balance business	15,357	2,143	23	455	17,977
<b>Total</b>	<b>54,170</b>	<b>16,308</b>	<b>17,965</b>	<b>124</b>	<b>88,568</b>
thereof collateralized	30,292	5,986	324	196	36,798
thereof NPL (gross view)	645	36	—	—	680
Impairments Stage 1	88	11	1	—	99
Impairments Stage 2	98	5	—	—	102
Impairments Stage 3	294	13	—	—	307
POCI	(11)	2	—	—	(9)
<b>Total impairments</b>	<b>469</b>	<b>31</b>	<b>1</b>	<b>—</b>	<b>500</b>
Prudential filter	46	—	—	—	46

31.12.2024 in € million	Retail & SME	Corporates, Real Estate & Public Sector	Treasury	Corporate Center	Total portfolio
At amortized cost	33,948	13,251	2,553	(345)	49,407
Loans and advances to customers	33,948	11,735	160	(348)	45,495
Loans and advances to banks	—	58	770	2	830
Debt securities	—	1,457	1,623	1	3,081
Financial assets FVPL/FVOCI	151	88	1,768	335	2,342
Other assets	7	—	17,561	36	17,604
<b>On-balance business</b>	<b>34,106</b>	<b>13,339</b>	<b>21,882</b>	<b>27</b>	<b>69,353</b>
Off-balance business	6,884	2,295	30	748	9,958
<b>Total</b>	<b>40,989</b>	<b>15,634</b>	<b>21,912</b>	<b>775</b>	<b>79,311</b>
thereof collateralized	29,953	5,595	438	136	36,122
thereof NPL (gross view)	494	107	—	—	601
Impairments Stage 1	45	9	1	—	55
Impairments Stage 2	61	2	—	—	63
Impairments Stage 3	219	22	—	1	242
POCI	6	3	—	—	9
<b>Total impairments</b>	<b>330</b>	<b>37</b>	<b>1</b>	<b>1</b>	<b>368</b>
Prudential filter	33	—	—	—	33

Regulatory view under CRR consolidation

31.12.2025 in € million	Total book		
	Gross carrying amount	Impairments	Net carrying amount
<b>Total</b>	<b>56,636</b>	<b>(474)</b>	<b>56,172</b>
<b>Financial assets at fair value through profit or loss</b>	<b>227</b>	<b>—</b>	<b>227</b>
<b>Financial assets at fair value through other comprehensive income</b>	<b>1,266</b>	<b>(1)</b>	<b>1,275</b>
Stage 1	1,266	(1)	1,275
Stage 2	—	—	—
Stage 3	—	—	—
POCI	—	—	—
<b>At amortized cost</b>	<b>55,143</b>	<b>(473)</b>	<b>54,670</b>
Stage 1	52,234	(85)	52,149
Stage 2	2,049	(95)	1,954
Stage 3	610	(302)	307
POCI	250	9	260

This table does not include equity instruments (regulatory definition and not in CRR consolidated carrying amounts). The net carrying amount includes the fair value measurement in the FVOCI position.

Regulatory view under CRR consolidation

31.12.2024 in € million	Total book		
	Gross carrying amount	Impairments	Net carrying amount
<b>Total</b>	<b>51,601</b>	<b>(349)</b>	<b>51,260</b>
<b>Financial assets at fair value through profit or loss</b>	<b>279</b>	<b>—</b>	<b>279</b>
<b>Financial assets at fair value through other comprehensive income</b>	<b>1,762</b>	<b>(1)</b>	<b>1,769</b>
Stage 1	1,762	(1)	1,769
Stage 2	—	—	—
Stage 3	—	—	—
POCI	—	—	—
<b>At amortized cost</b>	<b>49,560</b>	<b>(348)</b>	<b>49,212</b>
Stage 1	47,046	(49)	46,997
Stage 2	1,903	(59)	1,844
Stage 3	558	(231)	327
POCI	54	(9)	45

This table does not include equity instruments (regulatory definition and not in CRR consolidated carrying amounts). The net carrying amount includes the fair value measurement in the FVOCI position.

## Total credit portfolio overview – rating, geography, currencies and collateral

### Rating distribution of the total credit portfolio

The following table shows the distribution by ratings for the performing portfolio. Overall, the risk profile improved mostly in Corporates, Real estate & Public Sector with Retail & SME distribution in line with expectations after integration of Barclays Consumer Bank Europe in first quarter 2025.

31.12.2025 in %	Moody's rating equivalent	Retail & SME	Corporates, Real Estate & Public Sector	Treasury	Total portfolio
Rating class 1	Aaa–Aa2	0.1%	29.3%	90.0%	28.8%
Rating class 2	Aa3–A1	10.4%	21.5%	4.8%	11.2%
Rating class 3	A2–A3	22.7%	7.2%	1.5%	14.2%
Rating class 4	Baa1–Baa3	41.9%	29.8%	3.0%	29.6%
Rating class 5	Ba1–B1	18.5%	11.7%	0.2%	12.5%
Rating class 6	B2–Caa2	2.7%	0.5%	—%	1.6%
Rating class 7	Caa3	3.7%	—%	0.5%	2.1%

31.12.2024 in %	Moody's rating equivalent	Retail & SME	Corporates, Real Estate & Public Sector	Treasury	Total portfolio
Rating class 1	Aaa–Aa2	0.1%	24.6%	87.9%	32.8%
Rating class 2	Aa3–A1	11.2%	16.3%	4.1%	9.9%
Rating class 3	A2–A3	19.0%	9.0%	2.5%	11.8%
Rating class 4	Baa1–Baa3	49.5%	37.8%	4.8%	33.0%
Rating class 5	Ba1–B1	13.8%	11.8%	0.4%	9.2%
Rating class 6	B2–Caa2	2.3%	0.4%	—%	1.2%
Rating class 7	Caa3	4.0%	—%	0.3%	2.1%

### Geographic distribution of the total credit portfolio

The geographic distribution of the credit portfolio is in line with BAWAG's strategy of focusing on stable economies and currencies, with Austria, Germany and Netherlands share stable at 78% (2024: 79%) of the balance sheet in 2025 following the Barclays Consumer Bank Europe integration in Q1 2025.

in € million	Book value		in %	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
Austria	25,765	29,592	36%	43%
Netherlands	19,579	19,625	28%	28%
Germany	9,699	5,915	14%	9%
North America	9,179	7,245	13%	10%
Ireland	2,139	2,320	3%	3%
France	1,803	1,562	3%	2%
Others	2,426	3,093	3%	4%
<b>Total</b>	<b>70,590</b>	<b>69,353</b>	<b>100%</b>	<b>100%</b>

### Currency distribution of the total credit portfolio

Consistent with BAWAG's overall positioning, the majority of financing remained denominated in EUR. The currency distribution of the total credit portfolio is as follow:

in € million	Book value		in %	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
EUR	60,164	60,374	85.2%	87.1%
USD	9,041	7,239	12.8%	10.4%
CHF	656	697	0.9%	1.0%
GBP	285	538	0.4%	0.8%
Others	444	506	0.6%	0.7%
<b>Total</b>	<b>70,590</b>	<b>69,353</b>	<b>100%</b>	<b>100%</b>

### Collateral distribution of the total credit portfolio and collateral valuation

The collateral types overview below demonstrates the stable high share of residential real estate collateral of 83% (2024: 84%) of the total credit portfolio.

in € million	31.12.2025	31.12.2024	31.12.2025	31.12.2024
Real estate	30,473	29,906	69.3%	69.8%
thereof residential	25,390	24,980	83.3%	83.5%
thereof commercial	5,083	4,926	16.7%	16.5%
Guarantees	8,929	9,682	20.3%	22.6%
Other collateral	1,757	1,499	4.0%	3.5%
Financial collateral	2,797	1,763	6.4%	4.1%
<b>Total</b>	<b>43,956</b>	<b>42,850</b>	<b>100%</b>	<b>100%</b>

BAWAG's strategy is to focus on financing supported by collateral and other credit enhancements whenever possible. Collateral serves as essential support for the lending business and for reducing loss in the event of default of the debtor. However, during the decision-making process the focus prioritizes the credibility of the borrower in addition to the quality and accessibility of the collateral.

All acceptable collateral types are recorded in the Group Collateral Catalog. The principles for the valuation and revaluation of collateral are also defined in related policies. The catalog defines which combinations of goods (characteristics of the economic good/asset) and collateral (to which BAWAG has title) are deemed acceptable and which value (market value, nominal value etc.) has to be applied. The Enterprise Risk Meeting decides if a type of collateral is accepted for credit risk mitigation taking the corresponding haircuts into consideration.

The following types of collateral are accepted:

- Real estate collateral: residential real estate and commercial real estate
- Other collateral: vehicles and other physical collateral (not used for capital mitigation at the moment), pledging or assignment of life insurance policies
- Financial guarantees: financial collateral, securities, cash deposits at own bank
- Credit enhancements: guarantees and co-obligations (NHG guarantees for real estate mortgages in the Netherlands offer an additional guarantee for risk mitigation calculations)

In order to serve as credit risk mitigation, collateral must meet the general legal and regulatory requirements and internal requirements defined in Group-wide internal policies. The collateral policies implemented in the subsidiaries are based on the Group-wide internal policies and include country-specific features. These policies are revised at least once a year. Any exceptions to internal rules must be well-founded, separately requested and explicitly approved.

The centralized Residential Real Estate Appraisal team determines the value of all residential properties in Austria on the basis of a standard methodology and valuation tool. Valuation of real estate properties in other countries is also done by independent experts according to international standards. The periodic review and updating of property values is automated based on the real estate price index published by the Association of Real Estate and Asset Trustees of the Austrian Federal Economic Chamber (Fachverband der Immobilien- und Vermögenstreuhänder der Wirtschaftskammer Österreich) for Austrian residential properties and on the corresponding local real estate price indices in the countries in which BAWAG Group's real estate collateral is located. The real estate properties situated in Germany are periodically checked with the help of the market volatility concept.

The values of commercial properties are appraised individually by experts in the centralized Commercial Real Estate Appraisal team, by selected external appraisers commissioned by BAWAG or by a syndicate partner after an inspection of the property and completion of a full appraisal report.

#### **Forborne loans and forbearance measures and unlikeliness to pay**

Measures of forbearance can be granted if borrowers face financial difficulties and are considered to be unable to meet contractual obligations. BAWAG has sound and transparent processes in place across the whole of BAWAG to define the conditions under which concessions, in the form of the modification of terms and conditions, may be granted. Depending on the customer segment, possible measures include the temporary postponement or reduction of interest or principal payments, the restructuring of credit facilities or other forbearance measures. In exceptional cases, a temporary or permanent reduction of interest rates may be granted.

Forbearance or refinancing measures are instruments intended to ultimately reduce the existing risk and avoid default with respect to debt claims if it is expected that a default can thereby be forestalled. However, forbearance measures are by no means used to avoid or postpone the recognition of an unavoidable impairment or disguise the level of credit risk resulting from forborne assets.

By implementing forbearance measures that are appropriate in terms of time and scope, BAWAG supports clients in maintaining financial stability. If the supporting measures are not successful, exposures will be recognized as non-performing and impaired according to regulatory and accounting standards.

For reporting as well as internal risk management purposes, BAWAG implemented processes and methods according to regulatory standards in order to identify exposures for which forbearance measures have been extended. These are classified as forborne.

31.12.2025 in € million	Total forborne book value	Thereof defaulted forborne	% forborne of total portfolio	Forbearance coverage ratio	Forbearance defaulted coverage ratio
Retail & SME	382	90	1.0%	63%	69%
Corporates, Real Estate & Public Sector	438	20	3.1%	65%	42%
<b>Total</b>	<b>820</b>	<b>110</b>	<b>1.2%</b>	<b>64%</b>	<b>64%</b>

31.12.2024 in € million	Total forborne book value	Thereof defaulted forborne	% forborne of total portfolio	Forbearance coverage ratio	Forbearance defaulted coverage ratio
Retail & SME	368	74	1.1%	61%	66%
Corporates, Real Estate & Public Sector	395	95	3.0%	72%	68%
<b>Total</b>	<b>763</b>	<b>169</b>	<b>1.1%</b>	<b>67%</b>	<b>67%</b>

## Retail & SME

BAWAG applies the following principles for credit assessment of retail customers. These principles are clearly reflected in the underwriting guidelines considering the approved risk appetite.

- Capacity or affordability measures a borrower’s ability to repay a loan by comparing income against recurring expenses and credit commitments. In addition, we apply backstop rules based on the debt service to income ratio (DSTI) to limit borrower leverage.
- Creditworthiness refers to a borrower’s reputation or track record of servicing debt as evidenced by previous payment history internally and externally. The Group applies robust statistical scorecards to rate customers at the point of lending and on an ongoing basis. Scorecard cut-offs are set based on risk/reward assessment within the approved risk appetite.
- Conditions refer to how the borrower intends to use the credit and must be aligned to the credit facility’s purpose and terms and conditions. We have a clearly defined product construct defining loan amount thresholds, duration and purpose.

- Collateral denotes the ability to recover the exposure via enforcement of the collateral in the event of borrower default. Clearly defined eligibility criteria for collateral are in place and are appraised by internal and external experts.
- Own funds commitment considers the borrower’s personal financial contribution to the purpose of the facility. Clearly defined minimum borrower contribution and/or loan to value (LTV) thresholds are applied.

Our strategy has been a continued shift of Retail & SME business mix towards asset-based secured products (primarily residential real estate and leasing), substantiated by the integration of Knab in November 2024, which brought the share of the asset-based secured portfolio by the end of 2024 to 85%. Following the integration of Barclays Consumer Bank Europe the share decreased to 74%. The remaining 26% (2024: 15%) of our portfolio is comprised of unsecured Retail & SME lending. The segment comprises assets across Austria, Germany, Netherlands as well as the Western Europe and North America portfolios.

**Product overview of the Retail & SME portfolio**

in € million	Book value		NPL ratio		NPL coverage ratio	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024	31.12.2025	31.12.2024
Consumer & SME	12,200	7,349	2.0%	2.8%	64.2%	63.5%
Housing loans	26,612	26,757	0.4%	0.4%	94.9%	95.1%
<b>Total</b>	<b>38,813</b>	<b>34,106</b>	<b>1.2%</b>	<b>1.2%</b>	<b>68.9%</b>	<b>70.7%</b>

NPL Coverage Ratio has been restated for 2024.

The housing loan portfolio is characterized by robust LTVs, a low NPL ratio, a high coverage ratio and good geographic diversification. The weighted average contractual tenor of the housing loan portfolio is less than 23 years (2024: less than 23 years).

The Consumer & SME lending portfolio consists of unsecured private loans, overdrafts and credit cards across different sales channels of the Group. It includes leasing and factoring activities, which are characterized by a mix of leasing assets (car leasing, IT, equipment, real estate leasing) and factoring receivables.

For the Retail & SME segment, the overall NPL and coverage ratios reflect a stable and low-risk, highly collateralized portfolio. BAWAG has continued to apply the strategy of rigorous management of non-performing loans in order to achieve low NPL volumes and to concentrate on the main business focus. In addition, the early detection, collection and recovery processes were further improved with a view to successfully repaying loans from a technical and risk perspective. The NPL ratio of the Retail & SME portfolio is 1.2% (2024: 1.2%). The NPL coverage ratio is 69% (2024: 71%), which is supportive of the risk profile of this portfolio.

**Geographical distribution of the Retail & SME portfolio**

in € million	Book value		in %	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
Netherlands	16,667	16,661	43%	49%
Austria	11,924	12,158	31%	36%
Germany	6,204	2,338	16%	7%
North America	3,424	2,478	9%	7%
Others	594	470	2%	1%
<b>Total</b>	<b>38,813</b>	<b>34,106</b>	<b>100%</b>	<b>100%</b>

**Currency distribution of the Retail & SME portfolio**

in € million	Book value		in %	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
EUR	34,811	30,944	89.7%	90.7%
USD	3,198	2,283	8.2%	6.7%
CHF	571	599	1.5%	1.8%
CAD	223	194	0.6%	0.6%
Others	9	87	—%	0.3%
<b>Total</b>	<b>38,813</b>	<b>34,106</b>	<b>100%</b>	<b>100%</b>

**Days past due overview of the Retail & SME portfolio**

The product portfolio is monitored by days past due (i.e. delinquency buckets) on an ongoing basis. The aim is to ensure early identification of negative credit developments within the portfolio and to work with customers on a proactive basis to ensure the full repayment of loans.

The Retail & SME portfolio is 98% (2024: 98%) current (i.e. no days past due). Overall, the low days past due volumes, the stable vintages and the product-specific scorecard results reflect the strong credit quality of the portfolio.

in € million	Consumer & SME		Housing loans		Total	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024	31.12.2025	31.12.2024
Total book value	12,200	7,349	26,612	26,757	38,813	34,106
No days past due	93.4%	93.0%	99.4%	99.3%	97.5%	97.9%
1–30 days	1.8%	1.7%	0.1%	0.2%	0.7%	0.5%
31–60 days	0.5%	0.5%	0.1%	0.1%	0.2%	0.2%
61–90 days	0.4%	0.3%	—%	—%	0.1%	0.1%

## Corporates, Real Estate & Public Sector

in € million	Book value		NPL ratio		NPL coverage ratio		Investment grade	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024	31.12.2025	31.12.2024	31.12.2025	31.12.2024
Corporates	2,742	2,832	1.1%	0.5 %	52.1%	98.3 %	94.7%	94.8 %
Real Estate	5,686	5,461	— %	1.5 %	98.7%	66.1 %	73.7%	71.9 %
Public Sector	5,737	5,047	—%	— %	—%	— %	97.7%	99.0 %
<b>Total</b>	<b>14,166</b>	<b>13,339</b>	<b>0.2%</b>	<b>0.7 %</b>	<b>54.1%</b>	<b>71.3 %</b>	<b>87.5%</b>	<b>87.0 %</b>

NPL Coverage Ratio has been restated for 2024.

The Corporates, Real Estate & Public Sector portfolios include Austria, Germany and selective international assets from stable markets (primarily the US, the UK and Western Europe). This business is based upon a conservative underwriting approach, proactive risk management and disciplined capital allocation. Throughout the business cycle, we maintain a highly disciplined approach to risk-adjusted pricing. The foundation is based on conservative underwriting over the years, with a focus on cash flow-generating companies, high margins and pricing power with high-quality collateral and solid capital structures with strong lender protection features. The underwriting requirements rarely change, and borrower-friendly market conditions can affect our ability to generate new business. Maintaining our low risk profile is paramount, always maintaining adequate risk-adjusted returns and never compensating through increased credit risk or reduced structural protections.

### Management of credit risk and interest rate risk in the Corporates, Real Estate & Public Sector portfolio

BAWAG closely monitors the interest rate-induced risks in its loan portfolios. Leverage, interest expenses and interest rate structure (fixed/variable, hedging agreements, refinancing dates and risks) are analyzed in-depth at origination, during the portfolio review processes and on an ad hoc basis even more often. Stressed assumptions are applied to assess creditworthiness and come to a risk assessment. For international commercial real estate, most contracts stipulate

a hedging requirement of variable rate loans once a certain threshold (e.g. Euribor) is reached. In addition, interest reserves or sponsor guarantees are used as mitigation instruments. In 2025, around 70% (2024: around 70%) of the Corporate, Real Estate & Public Sector portfolio was linked to variable interest rates.

Material credit decisions are made by the Credit Approval Committee (CAC), a special body at the Management Board level. Every credit decision is strictly reviewed, discussed and coordinated in accordance with BAWAG's guidelines. BAWAG's credit risk managers have a diverse and experienced background spanning different asset classes with Austrian, German and international business. For loan applications below a certain threshold, risk managers are granted authority to approve credit applications. An effective monitoring and review process during the lifetime is established.

### Concentration risk in the Corporates, Real Estate & Public Sector portfolio

A major focus of risk management in the Corporates, Real Estate & Public Sector segment is centered on managing concentration risk. Concentration risk arises from large exposures in individual customer segments or from large industry/country/foreign currency exposures.

**Industry distribution of the Corporates, Real Estate & Public Sector portfolio**

in € million	Book value		in %	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
Real Estate	5,810	5,594	41%	42%
Public Sector	5,737	5,047	41%	38%
Lender Financing	773	581	5%	4%
Services	467	416	3%	3%
B-2-C Products	220	250	2%	2%
Food & Beverages	207	234	1%	2%
Engineering and B-2-B	150	122	1%	1%
Health Care	149	150	1%	1%
Pharmaceuticals	133	136	1%	1%
Utilities	115	193	1%	1%
Other	404	616	3%	5%
<b>Total</b>	<b>14,166</b>	<b>13,339</b>	<b>100%</b>	<b>100%</b>

Using internal industry segmentation.

**Geographical distribution of the Corporates, Real Estate & Public Sector portfolio**

in € million	Book value		in %	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
North America	5,034	4,274	36%	32%
Austria	3,592	3,894	25%	29%
Germany	1,938	1,696	14%	13%
France	1,185	716	8%	5%
Others	2,417	2,758	17%	21%
<b>Total</b>	<b>14,166</b>	<b>13,339</b>	<b>100%</b>	<b>100%</b>

**Currency distribution of the Corporates, Real Estate & Public Sector portfolio**

in € million	Book value		in %	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
EUR	8,695	8,462	61.4%	63.4%
USD	4,907	4,143	34.6%	31.1%
GBP	267	333	1.9%	2.5%
SEK	118	113	0.8%	0.8%
CHF	87	96	0.6%	0.7%
Others	91	193	0.6%	1.4%
<b>Total</b>	<b>14,166</b>	<b>13,339</b>	<b>100.0%</b>	<b>100.0%</b>

**Corporates:** The Corporates portfolio is composed primarily of loans directly issued to companies. The segment is characterized by moderate (net) debt/EBITDA ratios of <4.0x (2024: <4.0x), strong cash flow profiles and 95% (2024: 95%) in internal rating classes corresponding to investment grade class. We focus on non-cyclical industries, with sustained

margins and stress-resistant business models. In addition, the portfolio is predominantly senior secured, reflecting the prioritized first-out positions in the capital structure. The low NPL ratio of 1.1% (2024: 0.5%) in the Corporates segment reflects the selective underwriting and resilient portfolio.

**Industry distribution of the Corporates portfolio**

in € million	Total		in %	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
Lender Financing	773	581	28%	21%
Services	467	416	17%	15%
B-2-C Products	220	250	8%	9%
Food & Beverages	207	234	8%	8%
Engineering and B-2-B	150	122	5%	4%
Health Care	149	150	5%	5%
Pharmaceuticals	133	136	5%	5%
Utilities	115	193	4%	7%
Wood & Paper	76	95	3%	3%
Other	452	655	16%	23%
<b>Total</b>	<b>2,742</b>	<b>2,832</b>	<b>100%</b>	<b>100%</b>

Using internal industry segmentation.

**Real Estate:** Real estate transactions include direct lending against real estate assets/pools of assets or against loan portfolios backed by multiple assets and often different asset classes. The lending portfolio consists of senior secured structures with an LTV/C of <50% (2024: <60%) on average. The cross-collateralized ring-fenced portfolio financings contain strong lender protection features such as significant equity contributions, cash flow sweeps, interest coverage requirements, interest rate hedging requirements, sponsor guarantees and covenant tests. The asset classes of our Real Estate portfolio are well diversified. Residential exposures represent 61% (2024: 51%) of the total book in 2025. New business in 2025 was mainly focused on residential assets, where supply shortages in our markets have continued to support healthy fundamentals. Given the strong impact of the current environment on the real estate markets, we analyzed the relevant markets and asset classes in terms of countries and asset classes to confirm our satisfactory risk assessment and the selective approach.

The assessment is based on the following facts:

- Resilient overall asset quality in high-quality locations/geographies across asset types, in particular industrial/logistics and residential
- Strong underlying sponsors with significant equity at stake and enduring investment history with BAWAG
- Lower net exposures compared to other industries, with high asset value and strong LTV for international real estate
- Residential and industrial/logistics asset classes have performed well through the interest rate increases, supported by strong supply and demand dynamics; office and retail continues to suffer from a lack of clarity regarding demand and higher borrowing costs with first signs of stabilization in the US.

→ High interest rates and impacts from the recent high-inflation environment are still putting some pressure on valuations but are mitigated by strong LTVs

The total CRE portfolio increased by 4% in 2025 from € 5.5 billion to € 5.7 billion. New origination has shifted predominantly to industrial/logistics and residential assets since 2020 with positive fundamentals and comprised 77% (2024: 72%) of the total Commercial Real Estate portfolio in 2025, up from 48% in 2020. Conversely, exposures have been materially reduced in Retail from 12% in 2020 to 3% in 2025 (2024: 4%) and in Office from 29% in 2020 to 10% in 2025 (2024: 15%). Impacted by work from home trends and the shift to online shopping, fundamentals in these asset classes deteriorated, and new business is highly selective. This shift in risk appetite was undertaken several years ago, which benefits us with limited exposure to these asset types during the years of recent stress, and enables us to deploy capital when risk and return is in more favorable terms.

Our US real estate exposure, which accounts for 72% (€ 4.1 billion) (2024: 61%, € 3.3 billion) of the total Commercial Real Estate portfolio, has grown in residential, industrial and logistics assets, where underlying supply and demand remains strong and cash flows continue to develop as expected. These asset classes account for 87% (2024: 85%) of our US commercial real estate assets. US Office accounts for only 5% (2024: 10%) of commercial real estate assets of € 0.2 billion (2024: € 0.3 billion), where the performing assets of € 0.2 billion (2024: € 0.2 billion) maintain a collateral value cushion (LTV of 66%) (2024: 69%) and stable underlying cash flows. Portfolio and granular deal-level stress tests are conducted regularly.

**Underlying asset distribution in the Real Estate portfolio**

in € million	Total		in %	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
Residential	3,492	2,769	61%	51%
Industrial/Logistics	905	1,131	16%	21%
Office	585	833	10%	15%
Hospitality	473	449	8%	8%
Shopping/Retail	155	199	3%	4%
Other	76	80	1%	1%
<b>Total</b>	<b>5,686</b>	<b>5,461</b>	<b>100%</b>	<b>100%</b>

**Public Sector:** The Public Sector portfolio primarily consists of loans and limits directly to public sector entities such as sovereigns, federal states or municipalities or to agencies/companies (partially) owned by such public sector entities. It is customary for an explicit or implicit guarantee to be in place provided by the public sector entity. The main focus of the portfolio is Austria, with secondary exposures in France and Germany. Overall, this portfolio is characterized by low risk

and sovereign, state or municipality guarantees. There is not a significant default history for public sector entities in our portfolio, and sovereign support is strongly assumed for publicly owned entities and agencies, which typically fulfill a public benefit and are therefore systemically important. There are no NPLs in this category, and regulatory requirements for risk-weighted assets are low.

**Treasury**

in € million	Book value		Investment grade	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
Cash and cash equivalent & customer assets	14,803	18,491	99.4%	99.6%
Investment book	3,139	3,391	99.2%	97.6%
<b>Total</b>	<b>17,942</b>	<b>21,882</b>	<b>99.4%</b>	<b>99.3%</b>

**Treasury** continued to pursue the strategy of balancing the investment portfolio between long-term investment in high-quality securities while still maintaining our hold to collect and sell portfolio to preserve the flexibility of redeployment into customer loans or other balance sheet management activities. The overall composition of the portfolio reflects our strategy of maintaining high credit quality, short/medium duration and strong liquidity in the securities portfolio in order to balance the goals of generating incremental net interest income while also minimizing fair value volatility. We continued to be underinvested in our securities portfolio, as credit spreads remained well anchored near all-time tight levels, the environment was characterized by low volatility of risk-adjusted spreads that were therefore unattractive in 2025.

As of December 2025, the investment portfolio amounted to € 3.1 billion (2024: € 3.4 billion) and the liquidity reserve was € 13.3 billion (2024: € 16.7 billion). The investment portfolio's average maturity was 3 years (2024: 4 years), comprised nearly 100% (2024: 99%) of investment grade rated securities, of which 89% (2024: 76%) were rated in the single A category or higher. As of December 2025, as well as in 2024, the portfolio had no direct exposure to China, Russia, Ukraine or the Middle East and limited exposure to Central Eastern European countries.

**Geographical distribution of the investment book**

in € million	Book value		in %	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
Germany	831	206	26%	6%
Ireland	815	941	26%	28%
France	422	557	13%	16%
Austria	315	403	10%	12%
United States	183	222	6%	7%
Others	574	1,062	18%	31%
<b>Total</b>	<b>3,139</b>	<b>3,391</b>	<b>100%</b>	<b>100%</b>

**Currency distribution of the investment book**

in € million	Book value		in %	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
EUR	2,785	2,885	88.7%	85.1%
USD	354	412	11.3%	12.1%
Others	—	95	—%	2.8%
<b>Total</b>	<b>3,139</b>	<b>3,391</b>	<b>100%</b>	<b>100%</b>

**Corporate Center**

The Corporate Center contains central functions for BAWAG. Hence, the P&L comprises the funds transfer pricing (FTP) result as an outcome of the Asset & Liability Management function, one-off and project-related operating expenses and other one-off items. The balance sheet mainly includes non-interest-bearing assets, liabilities and equity.

**Non-performing loans portfolio**

BAWAG's definition of default is fully compliant with Article 178 CRR as well as EBA guideline EBA/GL/2016/07 and was approved by the ECB on 26th February 2020 with ECB-SSM-2020-ATBAW-4. The framework was further extended to cover the non-performing exposure in accordance with Article 47a CRR.

Based on this regulatory framework, BAWAG has implemented an economic non-performing loan exposure (ec. NPL) definition. This differs from the regulatory definition of default in that Retail & SME segment exposures without material arrears in rating class 8.1 (>90 DPD), 8.2 (restructuring) and 8.4 (hard and soft UTP triggers) are considered performing loans. Subsequently, the definition of economic non-performing loan exposures is used for non-performing loans.

The following table shows the economic non-performing loans (NPL) ratio, provisions, NPL cash coverage ratio and NPL coverage ratios of the credit portfolio. The low risk profile is reflected by the historically low NPL ratio, low delinquency of loan volumes and an increasing provisioning level and collateral coverage across the portfolios. More than 83% (2024: 87%) of the total exposure can be assigned to an investment grade rating, which corresponds to the external rating classes AAA to BBB.

in € million	Book value		in %	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
<b>On-balance business (gross)</b>	<b>70,590</b>	<b>69,353</b>	<b>100.0%</b>	<b>100.0%</b>
Provisions	500	368	0.7%	0.5%
thereof Stage 1	99	55	0.1%	0.1%
thereof Stage 2	102	63	0.1%	0.1%
thereof Stage 3	307	242	0.4%	0.3%
thereof POCl	(9)	9	— %	— %
On-balance business (net)	70,090	68,985	99.3%	99.5%
NPL ratio			0.8%	0.8%
NPL cash coverage ratio			55.0%	47.2%
NPL coverage ratio			68.1%	70.7%

NPL Coverage Ratio has been restated for 2024.

The following table shows the NPL ratio, NPL cash coverage ratio and NPL coverage ratio for the segments Retail & SME and Corporates, Real Estate & Public Sector.

in € million	Retail & SME		Corporates, Real Estate & Public Sector	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
<b>Total</b>	<b>38,813</b>	<b>34,106</b>	<b>14,166</b>	<b>13,339</b>
NPL ratio	1.2%	1.2%	0.2%	0.7%
NPL cash coverage ratio	55.6%	52.1%	43.9%	24.0%
NPL coverage ratio	68.9%	70.7%	54.1%	71.3%

NPL Coverage Ratio has been restated for 2024.

### Received collateral for the NPL portfolio

The figures below refer to gross NPL (Stage 3) exposure.

31.12.2025 in € million	NPL exposure	Real estate collateral	Other collateral	Financial guarantees	Credit enhancements
Retail & SME	645	92	51	2	4
Corporates, Real Estate & Public Sector	36	6	3	—	—
<b>Total portfolio</b>	<b>680</b>	<b>98</b>	<b>55</b>	<b>2</b>	<b>4</b>

The values shown are capped market values.

31.12.2024 in € million	NPL exposure	Real estate collateral	Other collateral	Financial guarantees	Credit enhancements
Retail & SME	494	117	21	7	5
Corporates, Real Estate & Public Sector	107	94	4	—	2
<b>Total portfolio</b>	<b>601</b>	<b>210</b>	<b>25</b>	<b>7</b>	<b>7</b>

The values shown are capped market values.

## Impairments

In accordance with IFRS 9, the impairment charges are calculated as the expected credit losses for all non-defaulted assets in Stages 1 and 2 (hereinafter referred to as ECL) and

for all defaulted financial assets in Stage 3 (hereinafter referred to as LLP) that are recorded at amortized cost (AC) or at fair value through other comprehensive income (FVOCI), including lease receivables, loan commitments and financial guarantees and contract assets according to IFRS 15. The

assignment to Stage 3 is applied according to the chapter Non-Performing Loans.

The following section is divided into 5 sub-sections to elaborate the assessment and calculation of impairments within BAWAG:

1. Stage allocation
2. Measuring impairment
3. Development of book values, impairments and stages
4. Novel risk and assessment of post-model adjustments
5. Sensitivity analysis

### 1. Stage allocation

A key aspect of impairment estimation in accordance with IFRS 9 involves the allocation of financial assets into three stages. Stage 1 and 2 comprise assets that are deemed to be performing, while Stage 3 is designated for economic non-performing assets (see chapter Non-Performing Loans). Additionally, financial assets that are purchased or originated as credit-impaired at the time of initial recognition (POCI) fall into a distinct and separate category. BAWAG examines the stage allocation of assets at each reporting date.

#### Stage 1: Initial recognition

All financial instruments at initial recognition are in Stage 1 (except POCI) along with those which do not show a significant increase in credit risk since initial recognition.

#### Stage 2: Significant increase in credit risk (SICR)

When a financial instrument has been in Stage 1, but a significant increase of credit risk since the initial recognition is observed, the instrument is transferred to Stage 2 (except POCI). The SICR is generally conducted at the individual loan level. Industry impacts are assessed on a group basis and included in potential watch list assessments.

The transfer criteria from Stage 1 to Stage 2 are in three pillars:

- quantitative criteria
- qualitative criteria
- backstop criterion

The quantitative criteria examine the worsening of lifetime and forward-looking PDs since the initial recognition, while the qualitative criteria gather additional information about the assets to assess the SICR. As an additional backstop criterion, payment in arrears of 30 days is considered in BAWAG. If one of the criteria is satisfied, a financial instrument is transferred from Stage 1 to Stage 2. Hence, if none of the transfer criteria is active, the asset is kept in or reassigned to Stage 1.

### Quantitative criteria

A quantitative criterion examines the financial asset's credit risk profile based on two aspects:

- the relative lifetime PD change
- the absolute lifetime PD change

If both indicators surpass the predetermined thresholds (determined on portfolio level) and indicate a significant increase in credit risk, then the asset is transferred to Stage 2.

### Qualitative criteria

Qualitative staging criteria factors selected by BAWAG are:

- Entry in watch list (non-retail customers)
- Entry in warning list (retail customers)
- Forbearance flag

If one of these factors is flagged as active, the financial asset is transferred to Stage 2.

### Backstop criterion

As a backstop criterion, BAWAG employs payment in arrears for more than 30 days. All financial instruments that are more than 30 days past due would be transferred to Stage 2, if not yet in Stage 3.

### Stage 3: Credit impaired / non-performing

Financial instruments will be classified as Stage 3 according to the economic non-performing loan portfolio default definition, based on the default in accordance with Article 178 CRR adjusted for retail & SME positions with no material arrears on customer level for 90-day overdue loans, distressed restructuring, hard and soft UTP triggers. As soon as the recovery period without arrears starts, the financial instrument will be re-classified as Stage 2. However, any material arrears amount on customer level leads immediately to a reclassification as Stage 3. In addition, a financial instrument is transferred to Stage 1 or 2 (according to the SICR classification) as soon as their recovery has been determined in accordance with Article 178 of the CRR.

## 2. Measuring impairment

The impairment calculation for financial instruments is underpinned by three fundamental parameters: probability of default (PD), loss given default (LGD) and exposure at default (EAD). These parameters collectively shape the assessment of expected credit losses and are estimated by internal models. Where applicable, the regulatory internal rating-based (IRB) risk models, which are conceptually through-the-cycle, are the starting point for impairment parameter estimation. For risk parameter where no IRB risk models are implemented, i.e. standardized approach or LGDs for F-IRB models, other internal models and estimates (e.g. through benchmarking) are applied. The following adjustments will be implemented to ensure IFRS 9 compliance: extension of the forecast horizon to the entire loan term, transformation of the through-the-cycle to point-in-time parameters to reflect current market trends, and integration of forward-looking information into the ECL calculation. The parameters are applied in all three stages (except for Level 3 Corporate Customers, where an individual assessment is carried out), but their application in the final impairment calculation differs depending on the level of the individual financial asset.

Separate models are developed to estimate the lifetime risk parameters across the portfolios with different underlying risks. The accuracy of the models and estimates is continuously and rigorously confirmed by the annual internal model validation.

The IFRS 9 lifetime risk parameters consist of a through-the-cycle and a point-in-time component. The through-the-cycle component captures idiosyncratic risks of the financial instruments that are stable over time and are measured by the long-term average of risk parameters. Point-in-time components, incorporating forward-looking information, gauge the systematic risks, typically represented by macroeconomic forecasts and the portfolio credit risk cycle.

### Exposure at default (EAD)

Lifetime exposure at default measures the expected exposure amount at the time of default. For loans, the amount is estimated as a sum of discounted future cash flows the Bank expects to receive. For revolving products, EAD is a sum of the expected drawn commitments at the time of default. The expected drawn amounts are approximated by the credit conversion factor (CCF), which is modeled based on the historically observed consumed commitments.

### Probability of default (PD)

Lifetime probability of default is the probability of clients' insolvency over the financial instrument's lifetime. The through-the-cycle component of the PD is derived from the long-term average migration behavior of the ratings and is estimated primarily on the basis of migration matrices.

**Loss given default (LGD)**

Lifetime loss given default represents the Bank's expected loss in case the financial assets are in default. It is estimated based on historical recovery rates, considering factors like cures, collateral, cash payments and other sources of recovery. These discounted recoveries are compared to exposure at default at a future point in time over the financial asset's lifetime. This helps to understand the anticipated loss in case of default, considering how recovery factors, e.g. collateral values, change throughout the life of the financial asset.

**Forward-looking information for point-in-time adjustment**

The specified parameters for expected credit loss are contingent upon forward-looking information. Consequently, these parameters undergo adjustments based on the prevailing macroeconomic conditions and their forecasts at each point in time. For instance, forecasts for real estate collateral hinge on predictions of the real estate price index, and the relationship between probability of default and macroeconomic factors, such as GDP or unemployment rate, is assessed and projected. To ensure an objective and market-driven database, the institute draws on the established macroeconomic scenarios of Moody's Analytics.

BAWAG employs a set of three scenarios in its macroeconomic forecast: 26% pessimistic, 45% baseline and 29% optimistic. The weights are derived using a statistical approach that determines probability weights from the distribution of severity of the given scenarios and should be understood as the share of possible future outcomes the particular scenario represents.

The scenarios are based on a provided baseline scenario that serves as a central macroeconomic reference ("baseline"). Based on this basis, further scenarios are developed and made available. These are determined taking into account the respective scenario narrative. The Macroeconomic Scenario Committee reviews all scenarios and gives final approval. Among all macroeconomic variables, BAWAG uses GDP growth as a main source of forward-looking information to consider in ECL estimates, with additional variables such as inflation, the unemployment rate or housing prices in a complementary role.

Eurozone and US macroeconomic forecast as considered for ECL calculation:

Eurozone GDP growth 31.12.2025 in %	2025	2026	2027	2028
Optimistic (29% weight)	1.4	2.7	2.3	1.6
Baseline (45% weight)	1.4	1.1	1.7	1.7
Pessimistic (26% weight)	1.4	(2.3)	(0.4)	3.1

Eurozone GDP growth 31.12.2024 in %	2024	2025	2026	2027
Optimistic (29% weight)	0.8	3.0	2.3	1.5
Baseline (45% weight)	0.8	1.4	1.7	1.6
Pessimistic (26% weight)	0.8	(2.2)	(0.5)	3.1

US GDP growth 31.12.2025 in %	2025	2026	2027	2028
Optimistic (29% weight)	1.9	3.3	2.6	2.2
Baseline (45% weight)	1.9	2.1	1.9	2.1
Pessimistic (26% weight)	1.9	(1.2)	0.2	2.4

US GDP growth 31.12.2024 in %	2024	2025	2026	2027
Optimistic (29% weight)	2.7	3.2	2.7	2.1
Baseline (45% weight)	2.7	2.2	2.0	2.2
Pessimistic (26% weight)	2.7	(1.0)	0.6	2.5

**Stage 1 and 2: Expected credit loss (ECL)**

Expected credit loss is calculated for each deal individually on the basis of the parameters, i.e. PD, LGD and EAD. BAWAG applies a probability-weighted expected outcome under three different macroeconomic scenarios that are aggregated with corresponding weights to constitute a final ECL estimate. The distribution among three scenarios allows the Bank to cover the broad range of future expectations and has been chosen as the most appropriate within the industry standards.

**Stage 1: 12-month**

The horizon of the expected credit loss calculation for Stage 1 instruments is up to 12 months after the reporting date, considering the forward-looking probability of default, loss given default and exposure structure within this period.

**Stage 2: Lifetime**

The general ECL calculation for Stage 2 financial assets is in line with Stage 1, but the horizon of the expected credit losses is extended until the end of the instrument’s maturity.

**Stage 3: Loan loss provision (LLP)**

For retail, SME and non-significant corporate customers, the calculation of value adjustments is automated using internal models. These are based on historically observed default and

collection information, the duration of the respective default, and LTV values for mortgage loans.

In contrast, exposures to significant corporate customers, financial institutions and the public sector are subject to individual risk analysis. In order to identify any loss events, current information and counterparty-related factors are checked at regular intervals. These include, in particular, considerable financial difficulties of the debtor or breaches of contract, such as the delay or default of interest and repayment payments.

The approval procedures for write-offs and debt waivers are described in the handbook on competencies and authorizations. Receivables are written off in coordination with the respective divisions when all reasonable attempts to collect the debt have failed or when there is no intention to actively continue the collection process.

### 3. Development of book values, impairments and stages

The following table provides an overview of the development of IFRS book values (net of impairments) across stages.

Development of book values by stages					
31.12.2025 in € million	Starting balance	Increases due to origination and acquisition	Decreases due to derecogni- tion	Changes on existing assets	Closing balance
<b>Book values for impairments in Stage 1 (without POCI)</b>	<b>63,063</b>	<b>17,881</b>	<b>(7,612)</b>	<b>(7,642)</b>	<b>65,690</b>
Retail & SME	31,937	9,344	(2,717)	(2,411)	36,154
Corporates, Real Estate & Public Sector	12,686	4,408	(2,297)	(1,257)	13,541
Treasury	18,421	4,124	(2,591)	(3,972)	15,982
Corporate Center	17	5	(7)	(3)	13
<b>Book values for impairments in Stage 2 (without POCI)</b>	<b>1,928</b>	<b>357</b>	<b>(156)</b>	<b>(63)</b>	<b>2,066</b>
Retail & SME	1,458	355	(111)	(144)	1,558
Corporates, Real Estate & Public Sector	469	2	(44)	81	508
Treasury	—	—	—	—	—
Corporate Center	—	—	—	—	—
<b>Book values for impairments in Stage 3 (without POCI)</b>	<b>571</b>	<b>77</b>	<b>(125)</b>	<b>96</b>	<b>619</b>
Retail & SME	468	72	(36)	82	587
Corporates, Real Estate & Public Sector	103	4	(88)	14	33
Treasury	—	—	—	—	—
Corporate Center	—	—	—	—	—
<b>Total POCI</b>	<b>54</b>	<b>211</b>	<b>(3)</b>	<b>(11)</b>	<b>251</b>
Retail & SME	50	211	(3)	(11)	248
Corporates, Real Estate & Public Sector	3	—	—	(1)	3
Treasury	—	—	—	—	—
Corporate Center	—	—	—	—	—
<b>Total</b>	<b>65,616</b>	<b>18,526</b>	<b>(7,895)</b>	<b>(7,620)</b>	<b>68,626</b>

Only IFRS 9 ECL-relevant book values are shown.

Development of impairments per stage

31.12.2025 in € million	Starting balance	Increases due to origination and acquisition	Decreases due to derecogni- tion	Changes on existing assets	Closing balance
<b>Impairments Stage 1 (without POCI)</b>	<b>55</b>	<b>62</b>	<b>(7)</b>	<b>(11)</b>	<b>100</b>
Retail & SME	45	58	(6)	(9)	88
Corporates, Real Estate & Public Sector	9	4	(1)	(1)	11
Treasury	1	—	—	—	1
Corporate Center	—	—	—	—	—
<b>Impairments Stage 2 (without POCI)</b>	<b>63</b>	<b>35</b>	<b>(7)</b>	<b>11</b>	<b>102</b>
Retail & SME	61	35	(7)	9	98
Corporates, Real Estate & Public Sector	2	—	—	2	5
Treasury	—	—	—	—	—
Corporate Center	—	—	—	—	—
<b>Impairments Stage 3 (without POCI)</b>	<b>242</b>	<b>45</b>	<b>(32)</b>	<b>53</b>	<b>308</b>
Retail & SME	219	43	(19)	52	295
Corporates, Real Estate & Public Sector	22	3	(12)	—	13
Treasury	—	—	—	—	—
Corporate Center	1	—	(1)	—	—
<b>Total POCI</b>	<b>9</b>	<b>(10)</b>	<b>—</b>	<b>(8)</b>	<b>(9)</b>
Retail & SME	6	(10)	—	(8)	(11)
Corporates, Real Estate & Public Sector	3	—	—	(1)	2
Treasury	—	—	—	—	—
Corporate Center	—	—	—	—	—
<b>Total</b>	<b>368</b>	<b>133</b>	<b>(46)</b>	<b>45</b>	<b>500</b>

The following table provides an overview of the transfer of impairments across stages within the year.

Stage transfer of impairments

31.12.2025 in € million	From Stage 1 gross to Stage 2	From Stage 1 gross to Stage 3	From Stage 2 gross to Stage 1	From Stage 2 gross to Stage 3	From Stage 3 gross to Stage 1	From Stage 3 gross to Stage 2
Retail & SME	34	46	(11)	22	(1)	(6)
Corporates, Real Estate & Public Sector	2	—	—	5	—	—
Treasury	—	—	—	—	—	—
Corporate Center	—	—	—	—	—	—
<b>Total</b>	<b>36</b>	<b>46</b>	<b>(11)</b>	<b>27</b>	<b>(1)</b>	<b>(6)</b>

Stage transfer of impairments

31.12.2024 in € million	From Stage 1 gross to Stage 2	From Stage 1 gross to Stage 3	From Stage 2 gross to Stage 1	From Stage 2 gross to Stage 3	From Stage 3 gross to Stage 1	From Stage 3 gross to Stage 2
Retail & SME	20	37	(11)	21	(2)	(6)
Corporates, Real Estate & Public Sector	—	—	—	(11)	—	—
Treasury	—	—	—	—	—	—
Corporate Center	—	—	—	—	—	—
<b>Total</b>	<b>20</b>	<b>37</b>	<b>(11)</b>	<b>9</b>	<b>(2)</b>	<b>(6)</b>

**Rating distribution of book values by impairment stage**

The figures below refer to IFRS book values (net of Stage 1 to 3 provisions).

31.12.2025 in € million	Rating class 1	Rating class 2	Rating class 3	Rating class 4	Rating class 5	Rating class 6	Rating class 7	Rating class 8	Total portfolio
<b>Book values for impairments in Stage 1 (without POCI)</b>	<b>19,424</b>	<b>7,757</b>	<b>9,770</b>	<b>20,355</b>	<b>7,867</b>	<b>459</b>	<b>58</b>	<b>—</b>	<b>65,690</b>
Retail & SME	1,002	3,907	8,504	15,689	6,536	458	58	—	36,154
Corporates, Real Estate & Public Sector	4,077	3,030	1,003	4,124	1,304	1	—	—	13,541
Treasury	14,345	819	255	537	26	—	—	—	15,982
Corporate Center	—	—	8	5	—	—	—	—	13
<b>Book values for impairments in Stage 2 (without POCI)</b>	<b>—</b>	<b>22</b>	<b>57</b>	<b>290</b>	<b>754</b>	<b>544</b>	<b>400</b>	<b>—</b>	<b>2,066</b>
Retail & SME	—	22	57	204	407	471	397	—	1,558
Corporates, Real Estate & Public Sector	—	—	—	85	347	73	3	—	508
Treasury	—	—	—	—	—	—	—	—	—
Corporate Center	—	—	—	—	—	—	—	—	—
<b>Book values for impairments in Stage 3 (without POCI)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>619</b>	<b>619</b>
Retail & SME	—	—	—	—	—	—	—	587	587
Corporates, Real Estate & Public Sector	—	—	—	—	—	—	—	33	33
Treasury	—	—	—	—	—	—	—	—	—
Corporate Center	—	—	—	—	—	—	—	—	—
<b>Total POCI</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>1</b>	<b>76</b>	<b>86</b>	<b>32</b>	<b>56</b>	<b>251</b>
Retail & SME	—	—	—	1	76	85	32	54	248
Corporates, Real Estate & Public Sector	—	—	—	—	—	—	—	2	3
Treasury	—	—	—	—	—	—	—	—	—
Corporate Center	—	—	—	—	—	—	—	—	—
<b>Total</b>	<b>19,424</b>	<b>7,778</b>	<b>9,827</b>	<b>20,645</b>	<b>8,697</b>	<b>1,089</b>	<b>490</b>	<b>676</b>	<b>68,626</b>

Only IFRS 9 ECL-relevant book values are shown.

31.12.2024 in € million	Rating class 1	Rating class 2	Rating class 3	Rating class 4	Rating class 5	Rating class 6	Rating class 7	Rating class 8	Total portfolio
<b>Book values for impairments in Stage 1 (without POCI)</b>	<b>20,705</b>	<b>6,699</b>	<b>7,877</b>	<b>21,655</b>	<b>5,669</b>	<b>365</b>	<b>93</b>	<b>—</b>	<b>63,063</b>
Retail & SME	970	3,705	6,283	16,265	4,258	364	93	—	31,937
Corporates, Real Estate & Public Sector	3,207	2,155	1,170	4,837	1,316	1	—	—	12,686
Treasury	16,529	829	417	552	94	—	—	—	18,421
Corporate Center	—	9	8	—	—	—	—	—	17
<b>Book values for impairments in Stage 2 (without POCI)</b>	<b>—</b>	<b>16</b>	<b>16</b>	<b>452</b>	<b>590</b>	<b>466</b>	<b>387</b>	<b>—</b>	<b>1,928</b>
Retail & SME	—	16	16	286	347	408	385	—	1,458
Corporates, Real Estate & Public Sector	—	—	—	167	243	58	2	—	469
Treasury	—	—	—	—	—	—	—	—	—
Corporate Center	—	—	—	—	—	—	—	—	—
<b>Book values for impairments in Stage 3 (without POCI)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>571</b>	<b>571</b>
Retail & SME	—	—	—	—	—	—	—	468	468
Corporates, Real Estate & Public Sector	—	—	—	—	—	—	—	103	103
Treasury	—	—	—	—	—	—	—	—	—
Corporate Center	—	—	—	—	—	—	—	—	—
<b>Total POCI</b>	<b>—</b>	<b>18</b>	<b>—</b>	<b>—</b>	<b>1</b>	<b>7</b>	<b>6</b>	<b>22</b>	<b>54</b>
Retail & SME	—	18	—	—	1	7	6	19	50
Corporates, Real Estate & Public Sector	—	—	—	—	—	—	—	3	3
Treasury	—	—	—	—	—	—	—	—	—
Corporate Center	—	—	—	—	—	—	—	—	—
<b>Total</b>	<b>20,705</b>	<b>6,733</b>	<b>7,893</b>	<b>22,107</b>	<b>6,259</b>	<b>838</b>	<b>486</b>	<b>594</b>	<b>65,616</b>

Only IFRS 9 ECL-relevant book values are shown.

#### 4. Novel risk and assessment of post-model adjustments

BAWAG's ECL calculations are based on historical data and observed correlations to predict the future development of expected credit losses. However, the full capture of certain risks in historical datasets may be limited, so they may be outside the scope of the models. This applies in particular to new risks such as geopolitical uncertainties, climate-related challenges, supply chain disruptions, pandemics and abrupt inflation and interest rate fluctuations. Therefore, the company uses a framework that proactively captures such risks.

BAWAG strives to continuously develop its ECL models to ensure that they continue to reflect the ever-changing economic and market conditions appropriately and accurately. These adjustments include a regular revision and recalibration of the PD, LGD and CCF models for all asset classes.

In addition, BAWAG has established a systematic process for identifying the aforementioned novel risks and assessing their potential impact on different portfolios. This process is used continuously to determine whether measures such as post-model adjustments or collective step change are necessary. In this context, no estimation uncertainties requiring additional measures were identified.

#### 5. Sensitivity analysis

The following table illustrates the weighted impairment allowance as well as the results of the sensitivity analysis where ECLs are measured under each scenario with 100% weight. The sensitivity analysis takes the calculated ECL of € 202 million as the starting point.

The impact of the sensitivity analysis varies from an ECL release of € (47) million when the optimistic scenario is weighted at 100% to an ECL increase of € 83 million when the pessimistic scenario is weighted at 100%.

31.12.2025 in € million	ECL Total	ECL scenario change		
		100% optimistic	100% baseline	100% pessimistic
Stage 1 & Stage 2 impairments	202	(47)	(18)	83

31.12.2024

in € million	ECL Total	ECL scenario change		
		100% optimistic	100% baseline	100% pessimistic
Stage 1 & Stage 2 impairments	118	(15)	(6)	27

## 57 | Market risk

Market risk is defined as the risk of losses caused by open risk positions in the market and the adverse development of market risk factors (interest rates, foreign exchange rates, equity prices, volatilities, credit spreads). Market risk can arise in conjunction with trading and non-trading activities.

BAWAG has a clearly defined market risk appetite. All related risks (from an economic perspective as well as regarding IFRS fair value and OCI risks) are strategically managed at the Group level. All subsidiaries of the Group basically run no open market risk positions, as the customer business (e.g. loans and deposits), investment books and own issues are fully hedged according to the ALM hedging policy. All outright risk positions are subject to approval by the Strategic Asset Liability Committee and are measured and reported separately.

The primary market risk components for BAWAG are interest rate and credit spread risk. Both risk categories are measured and monitored via sensitivity, value-at-risk (VaR) and scenario-based approaches. In addition, the financial treatment of the positions is considered in the risk reporting.

The primary body for dealing with market risks is the Strategic Asset Liability Committee (S-ALCO), which meets quarterly. Additionally, market risk related topics are addressed in weekly Management Board (MB) meetings where the full Board is also represented. The scope encompasses all strategic interest, FX- and liquidity-risk-related business opportunities with discussions covering their impact on risk, earnings and balance sheet targets. The desired balance sheet and risk structure is specified, taking into consideration interest rate, FX and liquidity limits for the banking book.

### Market risk in the trading book

BAWAG runs no active trading book. No trading activities are currently planned for the entire Group.

### Market risk in the banking book

The primary components of market risk for BAWAG are interest rate risk and credit spread risk.

### Interest rate risk in the banking book

Interest rate risk in the banking book is the potential loss resulting from net asset value changes and the future development of net interest income due to adverse interest rate shifts.

The Strategic Asset Liability Committee (S-ALCO) has assigned interest rate risk limits to the Treasury & Markets division in order to manage the interest rate risk in terms of an optimal risk/return ratio at the BAWAG level. Enterprise Risk Management & Analytics division reports to the MB on a daily basis for selected portfolios as well as monthly at the BAWAG Group level with different management-relevant granular details on limit utilization and the distribution of risk.

The target interest rate risk structure defined by the S-ALCO is implemented by the Treasury & Markets division. BAWAG uses interest rate derivatives:

- to implement the interest risk strategy within the requirements and limits defined by the S-ALCO
- to manage the sensitivity of the valuation result and the revaluation reserve
- to hedge the economic risk position, thereby taking the accounting treatment into consideration

BAWAG uses hedge accounting pursuant to IAS 39. The following fair value hedge accounting methods are currently used to mitigate market risks:

### Micro fair value hedge

Hedging of financial assets or financial liabilities against changes in their fair value. The decision on instruments to be assigned to micro hedge accounting is made in the context of the overall interest rate risk position.

### Portfolio fair value hedge (“EU carve-out”)

BAWAG has identified sight deposits in euros as a portfolio that is to be protected against interest rate risks. These deposits are divided into time buckets in accordance with the expected repayment and interest rate adjustment dates. BAWAG determines an amount of liabilities from the identified portfolio that corresponds to the amount to be hedged as the underlying for the portfolio fair value hedge using a bottom layer approach. At the end of 2025, approximately 46% (2024: 39%) of the total volume of sight deposits were allocated to a portfolio fair value hedge.

In addition, contractually agreed interest rate caps and/or floors embedded in financial assets (e.g. loan receivables or securities) or liabilities (e.g. savings deposits) are designated to portfolio fair value hedge accounting in order to mitigate changes in the fair value of these instruments resulting from

changes in interest rates. The decision on the amount to be designated to portfolio fair value hedge accounting is determined using a bottom layer approach and made in the context of the overall interest rate risk position and limit framework.

Interest rate risk is measured using sensitivities based on the present value of a basis point (PVBP) concept. The PVBP,

which is derived from the duration of interest-bearing financial instruments, reflects the impact on net asset value resulting from an upward parallel shift of the yield curves by one basis point (0.01%). The following table depicts BAWAG's interest rate risk sensitivities as of 31 December 2025, on the basis of the PVBP concept:

**Interest rate sensitivity – total economic risk position**

31.12.2025 in € thousand	<1Y	1Y–3Y	3Y–5Y	5Y–7Y	7Y–10Y	>10Y	Total
EUR	(389)	205	103	(144)	78	(323)	(470)
USD	10	(20)	(18)	9	–	(32)	(51)
CHF	(8)	6	2	(1)	(4)	(1)	(6)
GBP	(5)	(1)	–	–	–	–	(6)
Other currencies	(1)	(2)	6	2	–	(1)	4
<b>Total</b>	<b>(393)</b>	<b>188</b>	<b>93</b>	<b>(134)</b>	<b>74</b>	<b>(357)</b>	<b>(529)</b>

**Interest rate sensitivity – total economic risk position**

31.12.2024 in € thousand	<1Y	1Y–3Y	3Y–5Y	5Y–7Y	7Y–10y	>10Y	Total
EUR	(459)	23	225	(177)	305	(272)	(355)
USD	14	(14)	(11)	16	32	(22)	15
CHF	(26)	6	(1)	(7)	(10)	(2)	(40)
GBP	(9)	(3)	(1)	–	–	–	(13)
Other currencies	3	(22)	8	(2)	(1)	–	(14)
<b>Total</b>	<b>(477)</b>	<b>(10)</b>	<b>220</b>	<b>(170)</b>	<b>326</b>	<b>(296)</b>	<b>(407)</b>

The impact upon the profit or loss statement and other comprehensive income of fair value changes arising from interest rate changes is calculated and monitored separately. The sensitivity of financial positions designated at fair value through profit or loss amounted to plus € 243 thousand on 31 December, 2025 (average 2025: plus € 291 thousand, average 2024: minus € 55 thousand). For the fair value through other comprehensive income assets, the sensitivity amounted to plus € 108 thousand (2024: plus € 35 thousand).

Furthermore, a value-at-risk calculation for BAWAG is conducted within the framework of the Internal Capital Adequacy Assessment Process (ICAAP) on a monthly basis.

**Scenario analysis for interest rate sensitivity**
**Valuation perspective**

The table below illustrates the interest rate risk sensitivity of the total economic risk position from the valuation perspective assuming an instantaneous parallel interest rate shift of up to +/-200 basis points.

**Interest rate risk sensitivity ( +/-200 basis points shift)**

31.12.2025 in € million	-200bp	-100bp	-50bp	-25bp	+25bp	+50bp	+100bp	+200bp
EUR	97	48	24	12	(12)	(24)	(48)	(97)
USD	13	5	2	1	(1)	(1)	(2)	(4)
CHF	12	2	–	–	–	–	–	–
GBP	1	1	–	–	–	–	(1)	(1)
Other currencies	(1)	–	–	–	–	–	–	–
<b>Total</b>	<b>122</b>	<b>56</b>	<b>26</b>	<b>13</b>	<b>(13)</b>	<b>(25)</b>	<b>(51)</b>	<b>(102)</b>

**Interest rate risk sensitivity ( +/-200 basis points shift)**

31.12.2024 in € million	-200bp	-100bp	-50bp	-25bp	+25bp	+50bp	+100bp	+200bp
EUR	53	36	19	10	(10)	(20)	(40)	(85)
USD	(4)	(2)	(1)	(1)	1	1	2	4
CHF	22	7	3	1	(1)	(2)	(3)	(5)
GBP	3	1	1	—	—	(1)	(1)	(2)
Other currencies	1	—	—	—	—	—	—	(1)
<b>Total</b>	<b>75</b>	<b>42</b>	<b>22</b>	<b>10</b>	<b>(10)</b>	<b>(22)</b>	<b>(42)</b>	<b>(89)</b>

**Earnings perspective**

Under the assumption of a constant balance sheet, commercial margins based on recent transactions, static deposit margins (before applicable 0% client rate floors) and forward rates to reprice cash flow as a baseline scenario, the net interest income would generate an impact of minus € 4 million and minus € 127 million, respectively, in 2025 applying an instantaneous parallel interest rate shift of +/-200 basis points (2024: minus € 11 million/minus € 106 million).

All employed models are calibrated regularly and validated at least once per year by assessing the assumptions and by back testing.

**Credit spread risk in the banking book**

Credit spread risk in the banking book refers to the risk of decreasing fair values of securities and derivatives due to changes in market credit spreads. The risk management models employed by BAWAG to address this risk have been continuously refined. The credit spread risk is measured on the basis of the sensitivities (basis point value). The basis point value reflects the impact on net asset value resulting from an upward parallel shift of the credit spreads by one basis point (0.01%). The following table shows the total credit spread sensitivity of BAWAG's credit spread relevant portfolio (€ 2.8bn net volume after deducting liabilities and credit spread hedges) along with the breakdown by accounting categories impacting the profit or loss statement and other comprehensive income:

**Credit spread sensitivity**

in € thousand	31.12.2025	31.12.2024
Total portfolio	(945)	(952)
Financial positions at fair value through profit or loss	77	155
Financial positions at fair value through other comprehensive income	(346)	(450)
Financial positions at amortized cost	(676)	(657)

The risk indicators “value-at-risk” and “expected shortfall” are also calculated and scenario calculations are run, both on a monthly basis.

Credit spread risk is also taken into account and limited for BAWAG as a whole in the ICAAP and is part of the Bank-wide stress tests.

**FX risk in the banking book**

The extent of open foreign exchange positions in BAWAG’s banking book is managed by conservative limits in order to ensure that only marginal FX risks are carried in the banking book. Compliance with these limits is observed on a daily basis.

The following table shows sensitivities of foreign currencies due to the open currency positions. None of the currencies poses a significant valuation risk.

31.12.2025 in € thousand	USD		GBP		CHF		Other FX	
FX change (in %)	(10)	10	(10)	10	(10)	10	(10)	10
Impact	(1,360)	1,360	754	(754)	704	(704)	145	(145)

31.12.2024 in € thousand	USD		GBP		CHF		Other FX	
FX change (in %)	(10)	10	(10)	10	(10)	10	(10)	10
Impact	149	(149)	(798)	798	1,506	(1,506)	(864)	864

For managing FX risks, BAWAG also applies hedge accounting pursuant to IAS 39.

**Cash flow hedge**

FX risk from the future credit spread income of BAWAG’s foreign currency portfolios as well as other PnL income is mitigated by the implementation of a cash flow hedge for FX margins. BAWAG applies a bottom layer approach designating defined amounts of cash flows for a defined period of time as the hedged item. Currently, cash flows resulting from margin income denominated in GBP, USD and CHF are hedged via FX forwards. The following target hedge ratios for future FX credit spread income apply:

- USD: 90% of USD PnL income for next 60 months
- GBP: 70% of GBP PnL income for next 36 months
- CHF: 70% of CHF PnL income for next 36 months

BAWAG also applies the cash flow hedge for cross-currency risk. The hedged risk is the FX risk of future cash flows of notional and indicator-based payments (“reference rate”; for example, cash flows based on LIBOR rates) of BAWAG’s foreign currency portfolios. BAWAG has implemented a bottom layer approach in regard to the notional/tenor of the hedged item. Therefore, the amounts of hedged risk and hedging instruments (cross-currency swaps) must be adjusted and rolled over continuously in regard to replaced/new business up to the dedicated bottom layers in order to meet the Bank’s hedging requirements. At the end of 2025, approximately 67% and 71% (2024: 85% and 69%) of the total notional available were designated to cash flow hedge accounting for USD and GBP, respectively.

**Net investment hedge**

A foreign currency exposure also arises from the Group’s net investment in a subsidiary that has CHF as its functional currency and in a subsidiary that has USD as its functional currency. The risk arises from the fluctuation in spot exchange rates between the CHF and the EUR and between the USD and the EUR, which causes the amount of the net investment to vary.

The hedged risk in the net investment hedge is the risk of a weakening CHF against the EUR or the USD against the EUR that will result in a reduction in the carrying amount of the Group’s net investment in the CHF functional currency subsidiary or in the USD functional currency subsidiary, respectively.

The full amount of the Group’s net investment in its CHF functional currency subsidiary is hedged by a foreign exchange swap between EUR and CHF (notional amount: CHF 48 million; 2024: CHF 45 million), which mitigates the foreign currency risk arising from the subsidiary’s net assets. Part of the Group’s net investment in its USD functional currency subsidiary is hedged by a foreign exchange swap between EUR and USD (notional amount USD: 252 million; 2024: USD 180 million), which mitigates the foreign currency risk arising from the subsidiary’s net assets. The foreign exchange swaps are designated as hedging instruments for the changes in the value of the net investment that is attributable to changes in the EUR/CHF and EUR/USD spot rates.

The Group’s policy is to hedge the net investment up to 100% of the net investment amount.

### Concentration risk

All essential risk factors are incorporated within VaR models/ scenario analyses and stress test calculations, which are applied to all trading and banking book positions. Instabilities of correlations which could result in an overestimation of diversification are taken into consideration by the fact that only correlations within a specific risk factor (interest, FX, volatilities) and (after a comprehensive analysis of empirical coefficients) between interest rate risk in the banking book and credit spread risk are employed, whereas no diversification beyond these is assumed. Stress test results are also broken down, calculated, reported and limited by risk factor category in order to identify any correlations within a single risk factor.

## 58 | Liquidity risk

Liquidity risk is the risk of not being able to fulfill payment obligations when they become due (dispositive liquidity risk) or only being able to meet these obligations at higher refinancing costs (structural liquidity risk). Furthermore, liquidity risk includes the risk that transactions cannot be closed or sold or that doing so is only achievable at a loss because of insufficient market depth or due to market interruptions (market liquidity risk). The objective of BAWAG's liquidity risk management framework is to ensure that BAWAG can fulfill its obligations at all times and to manage liquidity risk within the risk appetite.

### Liquidity risk management framework

In accordance with the ECB's Supervisory Review and Evaluation Process (SREP), BAWAG has implemented an annual Internal Liquidity Adequacy Assessment Process (ILAAP), which forms the basis for the Group-wide assessment, management and monitoring of liquidity risks.

The Management Board defines the liquidity and funding risk strategy as well as the overall liquidity risk appetite. At least once per year, the Management Board reviews the ILAAP and approves the Group-wide limit framework and funding plans.

The main decision-making body for liquidity risk is the Strategic Asset Liability Committee (S-ALCO), in which all board members are represented. The S-ALCO is informed at least once a month about the performance compared to the risk metrics.

Treasury is responsible for managing the overall liquidity and funding position. Risk Controlling acts as an independent risk control function and is responsible for reviewing the ILAAP framework.

### Liquidity strategy

BAWAG's overall strategy has an explicit commitment to a deposit-based funding strategy. Retail and corporate savings

products have been the core part of the funding strategy over the years and will continue to be the dominant source of funding for the balance sheet. The continuous shift of BAWAG's assets towards collateralized products also increases the Bank's flexibility in secured funding markets. Consequently, covered bond funding is of growing importance in the overall funding mix.

### Liquidity management

Liquidity management is performed on a Group-wide basis.

For managing short-term liquidity, a 30-day liquidity forecast is prepared daily, which allows for the close tracking and management of the short-term liquidity position.

For a mid-term perspective, a liquidity forecast for the next 15 months is prepared and reported monthly to the S-ALCO. As part of the forecast process, which takes scenario analyses for planned measures and assumptions about customer behavior into account, the development of all major liquidity risk metrics is projected based on the underlying business plans to ensure compliance with the overall risk appetite.

Long-term liquidity management is conducted as part of the annual planning process for the coming five years. Strategic measures are also analyzed during the course of the year.

### Liquidity stress testing

Liquidity stress testing and scenario analyses are applied to evaluate BAWAG's liquidity position, determine the limit framework and calibrate the liquidity buffers. They complement the operational liquidity management and the mid- to long-term liquidity strategy.

Stress testing is conducted at the BAWAG level and the subsidiaries level and covers scenarios that differ in length and severity (systemic stress, idiosyncratic stress, combined stress). The results of the stress tests are reported to the S-ALCO monthly.

### Liquidity buffer

BAWAG maintains a liquidity buffer to cover unexpected liquidity outflows in a stress scenario. The liquidity buffer is kept as a preventive measure against liquidity risk. The liquidity buffer consists of a portfolio of liquid assets which can be used to generate cash in a stress situation in order to prevent the illiquidity of the Bank. BAWAG's liquidity buffer only includes assets that can be liquidated with minimal execution risk within 30 days. The market liquidity of the liquidity buffer is tested regularly.

The table below shows the liquidity buffer composition based on the market values of unencumbered assets after a component-specific haircut.

**Structure of the liquidity buffer**

in € million	<b>31.12.2025</b>	31.12.2024
Balances at central banks	13,284	16,701
Securities eligible for Eurosystem operations	3,466	3,676
Other assets eligible for Eurosystem operations	1,021	1,134
<b>Short-term liquidity buffer</b>	<b>17,771</b>	<b>21,511</b>
Other marketable securities	1,021	1,194
<b>Total</b>	<b>18,792</b>	<b>22,705</b>

**Maturity analysis of contractual undiscounted cash flows of financial liabilities**

31.12.2025 in € million	Contractual cash flows	Less than 1 month	1–3 months	3 months to 1 year	1–5 years	More than 5 years
<b>Liabilities</b>						
Deposits from banks	(959)	(175)	(11)	(53)	(481)	(239)
Deposits from customers	(48,377)	(42,488)	(800)	(1,616)	(1,053)	(2,420)
Debt securities issued	(19,460)	(84)	(384)	(1,325)	(10,812)	(6,854)
<b>Subtotal</b>	<b>(68,796)</b>	<b>(42,747)</b>	<b>(1,194)</b>	<b>(2,995)</b>	<b>(12,346)</b>	<b>(9,513)</b>
Derivative liabilities	(546)	(6)	(10)	(66)	(301)	(163)
Other off-balance-sheet financial obligations	(1,969)	(1,969)	—	—	—	—
<b>Total</b>	<b>(71,311)</b>	<b>(44,723)</b>	<b>(1,204)</b>	<b>(3,061)</b>	<b>(12,647)</b>	<b>(9,676)</b>

**Maturity analysis of contractual undiscounted cash flows of financial liabilities**

31.12.2024 restated in € million	Contractual cash flows	Less than 1 month	1–3 months	3 months to 1 year	1–5 years	More than 5 years
<b>Liabilities</b>						
Deposits from banks	(1,387)	(564)	(14)	(47)	(195)	(566)
Deposits from customers	(47,196)	(39,785)	(892)	(2,639)	(803)	(3,077)
Debt securities issued	(19,523)	(256)	(309)	(1,159)	(9,836)	(7,963)
<b>Subtotal</b>	<b>(68,105)</b>	<b>(40,605)</b>	<b>(1,216)</b>	<b>(3,845)</b>	<b>(10,834)</b>	<b>(11,606)</b>
Derivative liabilities	(1,216)	(24)	(34)	(217)	(646)	(295)
Other off-balance-sheet financial obligations	(1,756)	(1,756)	—	—	—	—
<b>Total</b>	<b>(71,077)</b>	<b>(42,385)</b>	<b>(1,250)</b>	<b>(4,062)</b>	<b>(11,481)</b>	<b>(11,901)</b>

The table above shows the consolidated nominal (not discounted) cash flows including interest payments on financial liabilities. They are assigned to time buckets on the basis of their contractual maturities. Deposits with non-defined maturity profiles are presented in the shortest time bucket. In the case of call or put options, the end of the term equals the next day on which the option can be exercised.

BAWAG maintains a conservative liquidity management strategy, which is reflected in a strong liquidity coverage ratio (LCR) of 204% at the end of 2025 (2024: 249%). BAWAG thus significantly exceeds the regulatory LCR requirement.

In 2025, BAWAG Group maintained a strong liquidity position, supported by robust growth in core customer funding and a well-diversified funding structure. Retail deposits continued to serve as the cornerstone of the Group's funding model, reinforced by the full consolidation of Knab and the successful acquisition of Barclays Consumer Bank Europe, completed in February 2025.

The acquisition significantly expanded the Group's retail footprint in Germany and added approximately € 3.9 billion in retail funding accompanied by substantial growth in the customer base.

In addition to a stable and growing deposit base, BAWAG Group executed ca. € 1.6 billion of own-issuance funding in 2025, reflecting continued strong investor demand and reliable access to capital markets. Issuance activity comprised € 1.3 billion in senior unsecured bonds across seven transactions, € 250 million in Tier 2 instruments, and approximately € 100 million in credit-linked notes (CLN).

These transactions were complemented by ongoing use of covered bond programs, supported by enlarged mortgage and public-sector cover pools from both BAWAG and Knab, and facilitated by a further strengthened balance sheet scale following the integration of Barclays Consumer Bank Europe.

**Concentration risk**

As a predominantly retail-funded bank, BAWAG does not face significant concentration risk on the funding side. Our funding

base is well-diversified, with no material dependencies on individual counterparties.

On the asset side, the majority of our liquidity buffer is maintained with the Central Bank, ensuring a high level of stability and accessibility. While we do hold a share of the buffer in the form of securities, concentration limits apply to our exposure in HQLA securities.

On the liability side, we actively manage concentration risk by limiting term concentrations of our own issuances through three distinct limit types. Additionally, we monitor our largest depositors across different categories, specifically observing the top 10 depositors, though no strict limits are applied in this regard.

To further diversify our funding structure, we have established a soft target to ensure that funding from the money market (MM) does not exceed 10% of our balance sheet. This measure helps prevent excessive reliance on this funding source.

All concentration risk metrics are monitored at least on a monthly basis, with some being reviewed weekly to ensure proactive risk management and alignment with our risk appetite framework.

## 59 | Operational risk

Operational risk is present in virtually all company transactions and activities and is defined as the risk of loss resulting from inadequacy or failure of internal processes, people, systems or external events. The definition of operational risk explicitly includes legal risk, compliance risk, model risk, fraud risk, conduct risk, third-party risk, outsourcing risk and information and communication risk. Information/cyber security and the protection – including the appropriate use – of customer data remain important factors in retaining customer trust.

### Governance

A clear organizational structure and authorization levels form the basis of operational risk governance. Operational risks are managed by established Group-wide processes for loss data collection, a yearly risk control self-assessment (RCSA) process for all divisions and subsidiaries, uniform materiality and risk assessment of outsourcing activities, a sound product implementation process (PIP) including ESG statement and monthly key risk indicators. If defined thresholds (e.g. red KRI, high risks identified) are exceeded, mandatory measures for risk mitigation are agreed and monitored. In addition, BAWAG works continuously to bolster its defenses against cyberattacks. The selected security approach is based on regulatory requirements and the security policy set. A consistent guideline and a risk-adequate internal control system (including automated controls embedded in the IT infrastructure) as well as a security control set including a

variety of organizational and technological measures are in place to manage and mitigate BAWAG's operational risk.

### Risk identification, assessment and mitigation

The losses resulting from operational risk are collected in a centrally administrated loss database within clearly defined regulations and processes. The collected data are analyzed to identify patterns/clusters and faulty processes.

Using the RCSA framework, all relevant organizational units identify and assess their material processes, operational risks, the risk of disregarding regulatory requirements and the effectiveness of their control measures on a yearly basis via a uniform framework. This includes the estimation of probabilities and the extent of losses arising from individual risks. If the risk potential exceeds a defined limit, the implementation of appropriate measures must be assessed.

Key risk indicators (KRI) are implemented as additional steering instruments to identify negative trends or a changed risk profile in company workflows in a timely manner. Each KRI is monitored via a traffic light system (green/yellow/red). For KRIs with a red status, the definition of appropriate countermeasures is mandatory.

According to section 39 paragraph 6 BWG (Austrian Banking Act), credit institutions must define appropriate criteria and procedures in writing taking into consideration the nature, scale and complexity of their business activities. In addition, a regular update is necessary to avoid the risk of disregarding guidelines as well as to reveal the associated risks and to keep such risks to a minimum.

The identification and assessment of potential risks and measures in the case of ad hoc issues is realized through clearly defined processes, especially for outsourcing and the implementation of new products.

BAWAG continues to invest in the awareness of staff and the resilience and security of systems, ensuring that customer data remains safe despite the significant pace of change in technological trends.

The Management Board receives regular reports about current OpRisk developments, as well as activities to protect and assess cybersecurity in the Non-Financial Risk Committee (NFRC).

### Risk quantification

BAWAG applies the Standardised Measurement Approach (SMA) for the calculation of the regulatory own fund requirements according to CRR to assess operational risk. However, the realized operational risk losses over the last few years were significantly lower than the regulatory own funds requirements.

In the course of ICAAP, the quantification of operational risk based on the SMA is used to calculate the normative and economic perspective.

## 60 | Sustainability-related risk

The interaction of sustainability-related risks with other material risk types is evaluated through the annual risk materiality assessment and the Group-wide Risk Self-Assessment (RSA). BAWAG maintains only limited exposure to sectors with elevated transition risk and manages its portfolio by overseeing the transition pathways of the highest GHG-emitting portfolios. This approach is supported by a framework that includes defined sector-specific transition management, as well as restriction and prohibition lists that limit or exclude lending to certain industries. In addition, within BAWAG's portfolio steering framework, high-ESG-risk sectors are limited accordingly due to low risk appetite. Given the currently low exposures to high ESG risks, the impact on the year 2025 results is not significant. BAWAG established a governance framework for monitoring and managing the respective risks. To address these challenges, BAWAG has implemented key risk indicators and established due diligence processes to manage the associated risks. The biggest challenge remains the availability and accuracy of related data. Additionally, as part of our governance framework, ESG risk management is embedded in our key policies and processes, ensuring an appropriate consideration of ESG risks within outsourcing management, product introductions and evaluation of new credit extensions etc. Various initiatives such as learning programs, newsletters etc. support the implementation of the topic in the organization.

BAWAG expects to meet the changing regulatory requirements within designated time targets and following available methodology and standards applied throughout the industry. The management of sustainability-related risks is described in the relevant chapter of the Non-financial report.

## 61 | Other risks

The other risks for which economic capital has been allocated within the risk self-assessment process are described below.

### Real estate risk

Real estate risk results from a negative change in value and/or proceeds from the Group's real estate portfolio covering own properties, investment properties and held for sale positions. The quantification of real estate risk in the context of the risk self-assessment is based on a simplified VaR approach.

### Pension risk

Pension risk refers to the risk that the provisions for pensions are not sufficiently high to cover potential losses arising from differences between actual pensions and a specific target,

which could be related to a specific replacement rate, pension pay or life expectancy. Pension provisions of the Group are calculated by an external actuary according to the projected unit credit method. All actuarial assumptions used are based on past experience and are adjusted for expected changes.

The discount factor is based on current interest rates. Risks related to movements in the discount factor are considered in the calculation of market risk.

Main risks for the Group relating to pension obligations apart from interest rate risk include higher than expected salary increases and changes in demographic assumptions.

The majority of new pension plans are defined contribution plans where a pension fund bears the final risk. Obligations from defined benefit plans relate primarily to pension plans implemented in the past and the majority of beneficiaries is already in retirement. As such, there is limited risk that salary increases for active employees will have an impact on the provision.

For the assessment of the pension risk, a simplified quantification method based on expert judgment and historical observation is applied.

## ADDITIONAL DISCLOSURES REQUIRED BY AUSTRIAN LAW

### 62 | Fiduciary assets

in € million	31.12.2025	31.12.2024
<b>Fiduciary assets</b>	<b>148</b>	<b>153</b>
Receivables from customers	148	153
<b>Fiduciary liabilities</b>	<b>148</b>	<b>153</b>
Deposits from customers	148	153

### 63 | Breakdown of securities pursuant to the Austrian Banking Act (BWG)

The following tables break down securities in accordance with section 64 paragraph 1 line 10 and line 11 BWG as of 31 December 2025 and as of 31 December 2024 (IFRS figures):

in € million	Not listed	Listed			Total 2025
		Total	At amortized cost	Other measurements	
Bonds and other fixed-income securities	2,491	2,437	1,413	1,024	4,928
Shares and other variable-income securities	180	2	—	2	182
Shares in associates and other shares	148	—	—	—	148
Shares in non-consolidated subsidiaries	7	—	—	—	7
<b>Total securities</b>	<b>2,826</b>	<b>2,439</b>	<b>1,413</b>	<b>1,026</b>	<b>5,265</b>

in € million	Not listed	Listed			Total 2024
		Total	At amortized cost	Other measurements	
Bonds and other fixed-income securities	2,711	2,291	824	1,467	5,002
Shares and other variable-income securities	204	12	—	12	216
Shares in associates and other shares	185	—	—	—	185
Shares in non-consolidated subsidiaries	9	—	—	—	9
<b>Total securities</b>	<b>3,109</b>	<b>2,303</b>	<b>824</b>	<b>1,479</b>	<b>5,412</b>

The securities shown in the tables are mainly non-current assets.

The difference between carrying amounts and lower repayment amounts for the purposes of section 56 paragraph 2 BWG amounted to € 5 million (2024: € 7 million). The difference between carrying amounts and higher repayment amounts for the purposes of section 56 paragraph 3 BWG amounted to € 37 million (2024: € 104 million). The difference between carrying amounts and higher market values for the purposes of section 56 paragraph 4 BWG amounted to € 0 million (2024: € 0 million).

Own issues amounting to a repayment amount of € 1,414 million and bonds and other fixed-income securities amounting to a repayment amount of € 1,567 million will come due in 2026 under the corresponding contracts. Own issues amounting to a repayment amount of € 1,443 million and bonds and other fixed-income securities amounting to a repayment amount of € 549 million came due in 2025 under the corresponding contracts.

Subordinated and supplementary capital liabilities are primarily issued in the form of securities. These securities are bullet bonds and some include issuer call options. Supplementary and subordinated capital bonds are primarily sold to major domestic and international investors. In the past, there have also been placements to private investors.

As of 31 December 2025, the average weighted nominal interest rate on supplementary and subordinated capital bonds issued by BAWAG P.S.K. AG was 5.81% (2024: 5.21%), and the average remaining term to maturity was 8.5 years (2024: 7.9 years). BAWAG Group AG issued the following supplementary capital bonds (Tier II):

- Fixed coupon of 4.130%, maturity 2035
- Fixed coupon of 6.750%, maturity 2034

## 64 | Collateral received

Different types of collateral have been pledged to BAWAG as part of its business transactions. To reduce credit risk for derivative instruments, the Bank received consideration (collateral deals) in the amount of € 605 million (2024: € 680 million) and paid consideration (collateral deals) in the amount of € 312 million (2024: € 652 million). The table below does not include collateral for derivative instruments.

in € million	Total 2025
Financial collateral	
Stocks	71
Cash deposits	1,198
Bonds	—
Real estate	
Commercial properties	440
Private properties	14,176
Personal collateral	
Guarantees	8,949
Credit derivatives	315
Other forms of collateral	
Life insurance policies	405
<b>Collateral received</b>	<b>25,554</b>

## 65 | Human resources

### Headcount – salaried employees

	31.12.2025	31.12.2024
Number of employees on reporting date	4,048	3,625
Average number of employees	4,162	3,190

### Full-time equivalents – salaried employees

	31.12.2025	31.12.2024
Number of employees on reporting date	3,632	3,232
Average number of employees	3,735	2,808
Active employees <sup>1</sup>	3,347	3,068

<sup>1</sup> Excluding employees on any form of temporary leave or who have entered into an agreement under a social compensation scheme.

## 66 | Country-by-country reporting

2025	Revenues from third party sales in € million	Revenues from intra-group transactions with other tax jurisdictions in € million	Profit/loss before tax in € million	Tangible assets other than cash and cash equivalents in € million	Corporate income tax paid on a cash basis in € million	Corporate income tax accrued on profit/loss in € million	Effective tax rate excluding deferred taxes	Number of employees in FTE
Austria	1,274.9	151.1	730.8	255	(155.4)	(122.0)	16.7%	2,225
France	35.9	(27.0)	8.0	—	—	—	—%	—
Germany	467.9	(23.4)	140.2	39	(12.6)	(52.2)	37.2%	789
Great Britain	27.7	—	5.4	31	(1.3)	(1.0)	18.5%	28
Ireland	0.8	—	(3.6)	—	—	—	—%	16
Netherlands	325.1	34.9	150.7	1	(82.9)	(42.2)	28.0%	440
Switzerland	16.1	—	6.3	2	(1.3)	(1.0)	15.9%	29
United States	58.7	(9.4)	57.5	204	(2.6)	(4.5)	7.8%	105
<b>Subtotal</b>	<b>2,207.1</b>	<b>126.2</b>	<b>1,095.3</b>	<b>532</b>	<b>(256.1)</b>	<b>(222.9)</b>	<b>20.4%</b>	<b>3,632</b>
Reconciliation	—	—	61.8	—	—	—	—	—
<b>Total</b>	<b>2,207.1</b>	<b>126.2</b>	<b>1,157.1</b>	<b>532</b>	<b>(256.1)</b>	<b>(222.9)</b>	<b>19.3%</b>	<b>3,632</b>

2024	Revenues from third party sales in € million	Revenues from intra-group transactions with other tax jurisdictions in € million	Profit/loss before tax in € million	Tangible assets other than cash and cash equivalents in € million	Corporate income tax paid on a cash basis in € million	Corporate income tax accrued on profit/loss in € million	Effective tax rate excluding deferred taxes	Number of employees in FTE
Austria	1,341.7	17.8	776.2	218	(276.0)	(205.7)	26.5%	2,314
France	41.0	(31.4)	15.4	—	—	—	—%	—
Germany	108.7	(6.1)	41.5	31	(1.5)	(2.2)	5.3%	244
Great Britain	27.9	(1.2)	6.9	38	(1.9)	(1.0)	14.5%	25
Ireland	—	—	(2.4)	—	—	—	—%	13
Netherlands	30.4	35.4	38.5	6	—	(7.6)	19.7%	502
Switzerland	15.0	(0.1)	5.0	2	(0.1)	(1.2)	24.0%	30
United States	57.0	(2.9)	18.8	9	(2.8)	(4.1)	21.8%	104
<b>Subtotal</b>	<b>1,621.7</b>	<b>11.5</b>	<b>899.9</b>	<b>304</b>	<b>(282.3)</b>	<b>(221.8)</b>	<b>24.6%</b>	<b>3,232</b>
Reconciliation	—	—	90.0	—	—	—	—	—
<b>Total</b>	<b>1,621.7</b>	<b>11.5</b>	<b>989.9</b>	<b>304</b>	<b>(282.3)</b>	<b>(221.8)</b>	<b>22.4%</b>	<b>3,232</b>

The names of the resident companies can be found in Note 49. The primary activities of the organization can be found in Note 1 and the Segment Reporting. The number of employees is calculated as the number of full-time equivalents as at 31 December 2025 and 31 December 2024, respectively.

The differences between the nominal and effective tax rates of the respective countries result mainly from Austrian group taxation, tax loss utilizations, effects of accounting as well as deferred taxes and taxes from former periods.

In the current and the previous reporting period, BAWAG did not have any offshore jurisdictions as defined in the EU list: [www.consilium.europa.eu/media/52208/st12519-en21.pdf](http://www.consilium.europa.eu/media/52208/st12519-en21.pdf) Annex I.

## 67 | Trading book

in € million	31.12.2025	31.12.2024
Derivative financial instruments in the trading book (nominal value)	—	—
<b>Trading book by volume</b>	<b>—</b>	<b>—</b>

## 68 | Geographical regions

Gross income of BAWAG relates to the following geographical regions according to IFRS 8:

in € million	Austria	Western Europe <sup>1</sup>	North America	Rest of the world	Total 2025
Interest and similar income	1,303.3	1,404.0	598.2	50.7	3,356.2
Income from securities and equity interests	4.1	—	—	—	4.1
Fee and commission income	387.6	150.8	1.9	2.3	542.6
Gains and losses on financial instruments	10.5	(7.5)	8.5	—	11.5
Other operating income	50.0	38.0	65.6	—	153.6

<sup>1</sup> Includes Germany.

in € million	Austria	Western Europe <sup>1</sup>	North America	Rest of the world	Total 2024
Interest and similar income	1,793.9	692.0	528.5	82.9	3,097.3
Income from securities and equity interests	3.8	—	—	—	3.8
Fee and commission income	367.2	48.5	1.8	2.3	419.8
Gains and losses on financial instruments	(24.4)	(1.6)	2.1	—	(23.9)
Other operating income	135.5	14.2	—	—	149.7

<sup>1</sup> Includes Germany.

## 69 | Other disclosures required by BWG and Austrian GAAP (UGB)

The Statement of Financial Position entry for Land and buildings includes land with a carrying amount of € 5 million (2024: € 5 million).

The Statement of Financial Position as of 31 December 2025 contains accrued interest on supplementary capital bonds in the amount of € 30 million (2024: €24 million).

Expenses for subordinated liabilities amounted to € 39.5 million (2024: € 63.5 million).

Expenses for BAWAG's group auditor in the current financial year amount to € 3.7 million (2024: € 2.2 million) and comprise audit fees in the amount of € 3.2 million (2024: € 2.1 million), tax advisory fees of € 0.4 million (2024: € 0.1 million) as well as other advisory fees in the amount of € 0.1 million (2024: € 0.0 million).

As of 31 December 2025, the return on total assets in accordance with section 64 paragraph 1 item 19 BWG amounts to 1.19% (2024: 1.07%).

BAWAG uses the Internet as the medium for publishing disclosures under section 65 BWG and the Disclosure Regulation. Details are available on the website of BAWAG at <https://www.bawagroup.com/financial-results>.

## 70 | Date of release for publication

The Group financial statements were approved by the Management Board for submission to the Supervisory Board on 24 February 2026. The Supervisory Board is responsible for reviewing and acknowledging the Group financial statements.

## 71 | Events after the reporting date

### **Merger of Health Coevo AG**

Health Coevo AG, as the transferring company, will be transferred in its entirety to BAWAG P.S.K. AG by way of a cross-border upstream merger in the first quarter of 2026.

Vienna, 24 February 2026  
The Management Board

Anas Abuzaakouk m.p.  
Chief Executive Officer

Enver Sirucic m.p.  
Member of the Management Board

Andrew Wise m.p.  
Member of the Management Board

David O’Leary m.p.  
Member of the Management Board

Sat Shah m.p.  
Member of the Management Board

Guido Jestädt m.p.  
Member of the Management Board

## STATEMENT OF ALL LEGAL REPRESENTATIVES

“We confirm to the best of our knowledge that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the group as required by the applicable accounting standards and that the group management report gives a true and fair view of the development and performance of the business and the position of the group, together with a description of the principal risks and uncertainties the group faces.”

Vienna, 24 February 2026  
The Management Board

Anas Abuzaakouk m.p.  
Chief Executive Officer

Enver Sirucic m.p.  
Member of the Management Board

Andrew Wise m.p.  
Member of the Management Board

David O’Leary m.p.  
Member of the Management Board

Sat Shah m.p.  
Member of the Management Board

Guido Jestädt m.p.  
Member of the Management Board

## BOARDS AND OFFICERS OF BAWAG GROUP AG

### MANAGEMENT BOARD OF BAWAG GROUP AG AS OF 31 DECEMBER 2025

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#### **Anas ABUZAAKOUK**

Chairperson of the Management Board of BAWAG Group AG from 19 August 2017

#### **David O'LEARY**

Member of the Management Board of BAWAG Group AG from 19 August 2017

#### **Sat SHAH**

Member of the Management Board of BAWAG Group AG from 19 August 2017

#### **Enver SIRUCIC**

Member of the Management Board of BAWAG Group AG from 19 August 2017

#### **Andrew WISE**

Member of the Management Board of BAWAG Group AG from 19 August 2017

#### **Guido JESTÄDT**

Member of the Management Board of BAWAG Group AG from 1 July 2021

### SUPERVISORY BOARD OF BAWAG GROUP AG AS OF 31 DECEMBER 2025

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#### **Chairperson**

#### **Kim FENNEBRESQUE**

(from 04 April 2025; Deputy Chairperson from 12 December 2019 until 04 April 2025, Member of the Supervisory Board of BAWAG Group AG from 15 September 2017 until the end of the Annual General Meeting adopting the annual financial statements for 2028)

#### **Deputy Chairperson**

#### **Frederick HADDAD**

(from 04 April 2025; Member of the Supervisory Board of BAWAG Group AG from 19 August 2017 until the end of the Annual General Meeting adopting the annual financial statements for 2028)

#### **Tamara KAPELLER**

(from 04 April 2025; Member of the Supervisory Board of BAWAG Group AG from 14 September 2021 until the end of the Annual General Meeting adopting the annual financial statements for 2028)

#### **Members**

#### **Pat McCLANAHAN**

(Member of the Supervisory Board of BAWAG Group AG from 07 May 2025 until the end of the Annual General Meeting adopting the annual financial statements for 2026)

#### **Robert OUDMAYER**

(Member of the Supervisory Board of BAWAG Group AG from 04 April 2025 until the end of the Annual General Meeting adopting the annual financial statements for 2026)

#### **Tina REICH**

(Member of the Supervisory Board of BAWAG Group AG from 07 May 2025 until the end of the Annual General Meeting adopting the annual financial statements for 2026)

#### **Ahmed SAEED**

(Member of the Supervisory Board of BAWAG Group AG from 04 April 2025 until the end of the Annual General Meeting adopting the annual financial statements for 2028)

#### **Veronika von HEISE-ROTENBURG**

(Member of the Supervisory Board of BAWAG Group AG from 04 April 2025 until the end of the Annual General Meeting adopting the annual financial statements for 2026)

#### **Works Council Delegates**

#### **Verena SPITZ**

(from 25 October 2017)

#### **Konstantin LATSUNAS**

(from 1 March 2021)

#### **Ursula NELL**

(from 11 September 2025)

#### **Beatrix PRÖLL**

(from 14 September 2021)

## COMMITTEES OF BAWAG GROUP AG AS OF 31 DECEMBER 2025

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### Risk and Credit Committee

**Frederick HADDAD**  
Chairperson

**Robert OUDMAYER**

**Tina REICH**

**Ahmed SAEED**

**Verena SPITZ**  
Works Council Delegate

**Beatrix PRÖLL**  
Works Council Delegate

### Audit and Compliance Committee

**Veronika von HEISE-ROTENBURG**  
Chairperson

**Tamara KAPELLER**

**Pat McCLANAHAN**

**Robert OUDMAYER**

**Verena SPITZ**  
Works Council Delegate

**Ursula NELL**  
Works Council Delegate

### Nomination & Governance Committee

**Tamara KAPELLER**  
Chairperson

**Kim FENNEBRESQUE**

**Frederick HADDAD**

**Ahmed SAEED**

**Verena SPITZ**  
Works Council Delegate

**Konstantin LATSUNAS**  
Works Council Delegate

### Remuneration Committee

**Kim FENNEBRESQUE**  
Chairperson

**Tamara KAPELLER**

**Pat McCLANAHAN**

**Ahmed SAEED**

**Verena SPITZ**  
Works Council Delegate

**Beatrix PRÖLL**  
Works Council Delegate

# AUDITOR'S OPINION

## REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

### Opinion

We have audited the accompanying consolidated financial statements of BAWAG Group AG, Vienna (the Company), and its subsidiaries (the Group), which comprise the statement of financial position as at 31<sup>st</sup> December 2025, the profit or loss statement, statement of other comprehensive income, statements of changes in equity and cash flow statement for the financial year then ended, and notes to the consolidated financial statements.

In our opinion, the consolidated financial statements comply with legal requirements and give a true and fair view of the consolidated financial position of the Group as at 31<sup>st</sup> December 2025, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards published by the International Accounting Standards Board (IASB) as adopted by the EU and the additional requirements under section 245a UGB..

### Basis for our Opinion

We conducted our audit in accordance with Regulation (EU) No. 537/2014 and with the Austrian Generally Accepted Auditing Standards. Those standards require the application of the International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with laws and regulations applicable in Austria, and we have fulfilled our other professional responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained up to the date of our report is sufficient and appropriate to provide a basis for our opinion as of that date.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming

our opinion thereon, and we do not provide a separate opinion on these matters.

### Valuation of Receivables from Customers

#### Description and Issues

Receivables from customers are reported under the balance sheet item "Financial assets measured at amortised cost" at an amount of EUR 50,749 million after deduction of impairment allowances of EUR 483 million.

The company describes the process for monitoring credit risk and the procedure for determining impairments in section 56 "Credit risk" of the notes.

In order to determine expected credit losses, the company has implemented processes for identifying default events and significant increases in credit risk. The calculation of impairment for defaulted, individually significant credit exposures is based on expected recoveries in different scenarios. These recoveries are influenced by the assessment of the economic situation and outlook of the respective customer as well as the expected realisation of collateral. The impairment for defaulted, individually non-significant receivables is determined based on common risk characteristics. The valuation parameters are based on statistical experience and assumptions regarding future developments.

For non-defaulted receivables, the expected credit loss over the next twelve months (Stage 1) or – in the case of a significant increase in credit risk since initial recognition of the receivable – the expected credit loss over the remaining lifetime (Stage 2) is recognised.

The determination of expected credit losses requires estimates and assumptions as well as the exercise of judgement. These include, in addition to the identification of default events, the probability of default, loss given default, and expected exposure at default. The determination process takes into account ratings, current and forward-looking information.

The assessment of the valuation of receivables from customers is associated with considerable uncertainties and discretionary judgement in all of the aforementioned aspects. For this reason, we have identified the valuation of receivables from customers as a key audit matter.

## Our response

In auditing the valuation of receivables from customers, we performed, in particular, the following audit procedures:

- We obtained an understanding of the methodology for determining expected credit losses and assessed its compliance with accounting standards.
- We analysed the documentation of the processes for credit monitoring and risk provisioning and critically evaluated whether these processes are suitable for timely identification of credit defaults and for appropriately reflecting the valuation of customer receivables. Furthermore, we obtained an understanding of the process flows, tested the design and implementation of key controls, including relevant IT systems, and tested their effectiveness on a sample basis.
- Based on a risk-oriented sample, we examined individual credit cases. For defaulted loans, we reviewed the company's assessments regarding the amount of expected recoveries, taking into account collateral, and examined whether the assumptions used in the calculation are appropriate and can be derived from internal or external evidence. For non-defaulted loans, we investigated whether there are indicators of default.
- To assess the adequacy of expected credit losses for non-defaulted receivables (Stage 1 and Stage 2), we involved specialists to review the plausibility of assumptions, the appropriateness of the models used, and the proper application of these models. In particular, we examined the assumptions related to forward-looking information. In addition, we assessed the appropriateness of the assumptions regarding the parameters probability of default, loss given default, and exposure at default, as well as the stage allocation model, taking into account the results of the company's internal validations, and we verified selected calculation steps.
- To assess the adequacy of expected credit losses for defaulted, individually non-significant receivables, we obtained and evaluated the process and methodology of the calculation, as well as the monitoring of the appropriateness of the percentages applied.
- Finally, we assessed whether the disclosures regarding the determination of expected credit losses and the significant assumptions and estimation uncertainties in the notes are appropriate.

## Other Matter – Audit of the Consolidated Financial Statements of the Previous Year

The consolidated financial statements of the Group for the year ended 31<sup>st</sup> December 2024 were audited by another auditor who expressed an unmodified opinion on those statements on 27<sup>th</sup> February 2025.

## Other Information

Management is responsible for the other information. The other information comprises all information in the consolidated annual report but does not include the consolidated financial statements, the consolidated management report and our auditor's report thereon. We obtained the consolidated annual report prior to the date of this auditor's report with exception of the report of the supervisory board, which is expected to be made available to us after that date.

Our opinion on the consolidated financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of Management and the Audit Committee for the Consolidated Financial Statements

Management is responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU, the additional requirements under section 245a UGB, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of

accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The audit committee is responsible for overseeing the Group's financial reporting process.

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Regulation (EU) No 537/2014 and with Austrian Generally Accepted Auditing Standards, which require the application of the ISAs, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Regulation (EU) No 537/2014 and with Austrian Generally Accepted Auditing Standards, which require the application of the ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management..
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the

audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- We plan and perform the audit of the consolidated financial statements in order to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an audit opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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We communicate with the audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the audit committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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## Other Legal and Regulatory Requirements

### Report on the Audit of the Consolidated Management Report

Pursuant to statutory provisions, the consolidated management report is to be audited as to whether it is consistent with the consolidated financial statements and whether it has been prepared in accordance with the applicable legal requirements.

Management is responsible for the preparation of the consolidated management report in accordance with the Austrian Commercial Code.

We conducted our audit in accordance with laws and regulations applicable with respect to the consolidated management report.

#### Opinion

In our opinion, the consolidated management report is prepared in accordance with the applicable legal requirements, includes appropriate disclosures according to section 243a UGB and is consistent with the consolidated financial statements.

#### Statement

In the light of the knowledge and understanding of the Group and its environment obtained in the course of our audit of the consolidated financial statements, we have not identified material misstatements in the consolidated management report.

### Other Matters which we are required to address according to Article 10 of Regulation (EU) No 537/2014

We were appointed as auditors by the annual general meeting on 8<sup>th</sup> April 2024 and commissioned by the supervisory board on 30<sup>th</sup> April 2024 to audit the consolidated financial statements for the financial year ending 31<sup>st</sup> December 2025. We have been auditing the Group since the financial year ending 31<sup>st</sup> December 2025.

We confirm that our opinion expressed in the section “Report on the Audit of the Consolidated Financial Statements” is consistent with the additional report to the audit committee referred to in Article 11 of Regulation (EU) No 537/2014.

We declare that we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014 and that we remained independent while conducting the audit.

## Engagement Partner

The engagement partner responsible for the audit is Mr. Wolfgang Wurm.

Vienna

25<sup>th</sup> February 2026

**Deloitte Audit Wirtschaftsprüfungs GmbH**

(signed by:)

Mr. Wolfgang Wurm

Certified Public Accountant

This report is a translation of the audit report according to section 273 of the Austrian Commercial Code (UGB). The translation is presented for the convenience of the reader only. The German wording of the audit report is solely valid and is the only legally binding version. Section 281(2) UGB applies.

# CORPORATE GOVERNANCE

## BAWAG'S DECLARATION OF COMMITMENT

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In 2006, BAWAG made a (voluntary) commitment to apply the applicable provisions of the Austrian Code of Corporate Governance ("Code," accessible under <http://www.corporate-governance.at>). Following the listing of BAWAG in 2017, BAWAG declared its commitment to comply with the rules of the Code.

This is the (consolidated) Corporate Governance Report prepared in accordance with sections 243c and 267b of the Austrian Commercial Code (UGB).

Generally speaking, the Code is a set of self-regulation rules for listed Austrian companies and it contains rules based on compulsory legal requirements (L rules); rules that should be complied with, where deviations must be explained and justified in order for the company's conduct to conform with the Code (C rules, comply or explain); and rules that are recommendations, where non-compliance must not be disclosed or justified (R rules).

## NO DEVIATIONS

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BAWAG fully complies with all L rules and C rules of the Austrian Code of Corporate Governance.

## MANAGEMENT BOARD

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### Management Board Members and Allocation of Responsibilities

As of the date hereof, the Management Board of BAWAG Group and BAWAG P.S.K. was composed of the following members:

**Management Board of BAWAG Group and BAWAG P.S.K. as of the date hereof**

Name	Function	Year of birth	Date of first appointment <sup>1</sup>	End of current tenure <sup>2</sup>
Anas ABUZAAKOUK	Chairperson	1977	19.08.2017	31.12.2029
Guido JESTÄDT	Member	1975	01.07.2021	31.12.2029
David O'LEARY	Member	1975	19.08.2017	31.12.2029
Sat SHAH	Member	1978	19.08.2017	31.12.2029
Enver SIRUCIC	Member	1982	19.08.2017	31.12.2029
Andrew WISE	Member	1971	19.08.2017	31.12.2029

<sup>1</sup> Regarding BAWAG Group AG.

<sup>2</sup> In January 2025, the mandates of the Management Board members were extended through the end of December 2029.

As of the date hereof, responsibilities among the Management Board members were allocated as follows:

Name	Responsibilities
Anas ABUZAAKOUK (CEO)	Technology Operations, Transformation Office, Corporate Office
Sat SHAH (Deputy CEO)	Digital Channels and Specialty Finance, Idaho First Bank
Enver SIRUCIC (CFO, Deputy CEO)	Finance, Treasury & Public Sector, Austria & Germany advisory network, Communications
Andrew WISE (CIO)	International Real Estate & Corporate Lending, US Platforms
David O'LEARY (CRO)	Risk Management, Group Sustainability Office
Guido JESTÄDT (CAO)	Group Legal, Tax, Regulatory Affairs, Data Protection & Information Security
Entire Management Board	Internal Audit, Compliance, KYC & AML Office

The following describes the Supervisory Board mandates and

comparable functions of Management Board members as of the date hereof at other Austrian or foreign corporations that are not fully consolidated in the consolidated financial statements. Members not listed in the following do not have any comparable functions:

Name of company	Function
Guido JESTÄDT	
Einlagensicherung AUSTRIA Ges.m.b.H.	Member of the Supervisory Board
Wiener Börse AG	Member of the Supervisory Board

## Management Board Meetings and Committees

### Management Board Meetings / Extended Management Board Meetings

The Management Board of BAWAG meets on a weekly basis. BAWAG has also introduced Extended Management Board Meetings, which are held approximately eight times per year. In these all-day sessions, the Management Board and executive leaders of BAWAG discuss a variety of topics such as BAWAG's Group strategy, the organizational design, M&A and integration, financial updates, technology developments, retail partnerships, the platform business, ESG-related topics, talent assessment and development, regulatory developments and key risk topics, amongst other things.

The following committees exist at Management Board level:

- Strategic Asset Liability Committee (S-ALCO)
- Enterprise Risk Meeting (ERM)
- Credit Approval Committee (CAC)
- Non-Financial Risk Committee (NFRC)

The Management Board committees consist of all members of the Management Board and further voting and non-voting members of BAWAG's Senior Leadership Team. They are chaired by the CEO or the CRO. The following section describes the main responsibilities of these Management Board committees.

#### Strategic Asset Liability Committee (S-ALCO)

The Strategic Asset Liability Committee (S-ALCO) is in charge of strategic capital and liquidity planning as well as operational aspects of asset and liability management. In this capacity, the S-ALCO approves interest and FX limits for trading and managed bank books. With respect to liquidity, capital and interest, the S-ALCO approves liquidity costs, capital costs and internal reference rates. It further determines parameters for measuring interest risk, liquidity risk and foreign exchange risk and monitors risk metrics by way of regular reports. The S-ALCO is chaired by the CEO and meets on a quarterly basis.

#### Enterprise Risk Meeting (ERM)

The main duties of the Enterprise Risk Meeting (ERM) are risk limit setting for the overall Bank, approval of the risk strategy and determination of the risk appetite and approval of capital allocation within the ICAAP framework. The committee is further responsible for credit guidelines, strategies and reviews and approves policies, procedures and underwriting guidelines/models. The ERM is chaired by the CEO and meets on a quarterly basis.

#### Credit Approval Committee (CAC)

The Credit Approval Committee (CAC) decides on financing transactions above a certain threshold and on the approval of loan applications within the authorities defined in the Competence and Power Regulation. The Credit Approval Committee is chaired by the CRO and meets weekly.

#### Non-Financial Risk Committee (NFRC)

The Non-Financial Risk Committee (NFRC) is in charge of non-financial risk topics. In particular, it discusses the Bank-wide non-financial risk assessment (as part of the Group Risk Strategy), significant outcomes of sub-risk self-assessments, large-scale marketing campaigns, changes in regulatory requirements and topics with regards to cybersecurity and data privacy.

Furthermore, the NFRC reviews and acknowledges reports on topics including operational risk and conducted product implementation processes as well as complaint management reports and regular reports on cybersecurity and data privacy matters. The NFRC is chaired by the CRO and meets on a quarterly basis.

## COMPLIANCE

As a listed company, BAWAG Group AG is obliged to ensure the highest compliance standards.

The Compliance Office reports directly to the entire Management Board and the Audit and Compliance Committee. The key responsibilities of the Compliance Office are the prevention of insider dealing and market manipulation and the management of conflicts of interest. The Compliance Policy ensures observation of legal and proper conduct obligations, as well as the identification and prevention of conflicts of interest.

In accordance with the Austrian Stock Exchange Act, personal trades in shares of BAWAG Group AG by members of the Management Board and Supervisory Board as well as their related persons are published on BAWAG Group's website.

## SUPERVISORY BOARD

### Supervisory Board Members

As of 31 December 2025, the Supervisory Board was composed of the following members:

#### Supervisory Board of BAWAG Group as of 31 December 2025

Name	Function	Year of birth	Date of first appointment	Gender	End of current tenure
Kim FENNEBRESQUE	Chairperson	1950	15.09.2017	male	<sup>1</sup>
Frederick S. HADDAD	Deputy Chairperson	1948	15.09.2017	male	<sup>1</sup>
Tamara KAPELLER	Deputy Chairperson	1978	14.09.2021	female	<sup>1</sup>
Pat McCLANAHAN	Member	1968	07.05.2025	male	<sup>2</sup>
Robert OUDMAYER	Member	1962	04.04.2025	male	<sup>2</sup>
Tina REICH	Member	1976	07.05.2025	female	<sup>2</sup>
Ahmed SAEED	Member	1969	04.04.2025	male	<sup>1</sup>
Veronika von HEISE-ROTENBURG	Member	1982	04.04.2025	female	<sup>2</sup>
Verena SPITZ	Delegated by the Works Council	1970	25.10.2017	female	
Konstantin LATSUNAS	Delegated by the Works Council	1963	14.09.2021	male	
Ursula NELL	Delegated by the Works Council	1964	11.09.2025	female	
Beatrix PRÖLL	Delegated by the Works Council	1958	14.09.2021	female	

<sup>1</sup> Until the end of the Annual General Meeting in 2029.

<sup>2</sup> Until the end of the Annual General Meeting in 2027.

### Independence of Supervisory Board Members

According to the company's "Independency criteria for members of the Supervisory Board of BAWAG Group AG," a member of the Supervisory Board shall be deemed independent if said member does not have any business or personal relations with the company or its Management Board that constitute a material conflict of interests and are therefore suited to influence the behavior of the member. The Supervisory Board shall also follow the guidelines below when defining the criteria for the assessment of the independence of a member of the Supervisory Board:

- The Supervisory Board member has not been a member of the Management Board or managing director in the past five years or a management-level staff of BAWAG or a subsidiary within the last three years.
- The Supervisory Board member does not maintain or has not maintained in the past year any business relations with the company or one of its subsidiaries to an extent of significance for the member of the Supervisory Board. This shall also apply to relationships with companies in which a member of the Supervisory Board has a considerable economic interest, but not for exercising functions in the bodies of the Group. The approval of individual transactions by the Supervisory Board pursuant to L Rule

48 does not automatically mean the person is qualified as not independent.

- The Supervisory Board member has not acted as auditor of the company or owned a share in the auditing company or worked there as an employee in the past three years.
- The Supervisory Board member is not a member of the Management Board of another company in which a member of the Management Board of the company is a Supervisory Board member.
- The Supervisory Board member has not belonged to the Supervisory Board of the company for more than 15 years. This shall not apply to Supervisory Board members who are shareholders with an entrepreneurial investment in the company or who represent the interests of such a shareholder.
- The Supervisory Board member is not a close family member (direct descendants, spouses, companions, parents, uncles, aunts, siblings, nieces, nephews) of a member of the Management Board of the company or of persons who are in a position described in the points above.

The following members are regarded as independent pursuant to C Rule 53:

**Independence of Supervisory Board members**

Name	Independent
Kim FENNEBRESQUE	YES
Frederick S. HADDAD	YES
Tamara KAPELLER	YES
Pat McClANAHAN	YES
Robert OUDMAYER	YES
Tina REICH	YES
Ahmed SAEED	YES
Veronika von HEISE-ROTENBURG	YES

**Supervisory Board Mandates and Comparable Functions at Listed Companies**

The following describes the Supervisory Board mandates and comparable functions of Supervisory Board members at listed companies in Austria and abroad as at the date hereof.

Members not listed in the following do not have any functions at listed companies.

Name	Name of listed company	Function
Kim FENNEBRESQUE	Albertsons Companies, Inc.	Member
	Ally Financial	Member
	BlueLinx Holdings	Chairperson
Tina REICH	Bill Holdings	Member

**Attendance of Meetings of the Supervisory Board and Its Committees**

The Supervisory Board members attended the meetings of the Supervisory Board with an average attendance rate of 96% and the meetings of its committees with an average attendance rate of 95%.

**Supervisory Board Activity Report**

In 2025, the Supervisory Board convened for nine meetings and adopted six resolutions via circulars. With respect to the activities of the Supervisory Board, reference is made to the respective paragraph in the report of the Chairperson included in this report.

The Supervisory Board has the following committees:

- Audit and Compliance Committee
- Risk and Credit Committee
- Nomination and Governance Committee
- Remuneration Committee

**Audit and Compliance Committee**

Name	Function
Veronika VON HEISE-ROTENBURG	Chairperson
Tamara KAPELLER	Member
Pat McClANAHAN	Member
Robert OUDMAYER	Member
Verena SPITZ	Delegated by the Works Council
Ursula NELL	Delegated by the Works Council

**Decision Making Powers and Activity Report**

The Audit and Compliance Committee reviews the company’s accounts and the annual financial statements and monitors the company’s internal control system as well as the independence and work of the external auditor. The Audit and Compliance Committee prepares the auditor selection process, receives regular reports on compliance/AML/cybersecurity/ethics and data security and data privacy topics and approves the annual audit plans of Internal Audit and the Compliance Office. The Head of Internal Audit, the Compliance Officer and the external auditor have direct access to the Chairperson and members of the Audit and Compliance Committee and, once a year, the external auditor holds a private session with the members of the Audit and Compliance Committee, excluding the members of the Board of Management.

The Audit and Compliance Committee held four meetings. With respect to the activities of the Audit and Compliance Committee, reference is made to the respective paragraph in the report of the Chairperson included in this report.

## Risk and Credit Committee

Name	Function
Frederick HADDAD	Chairperson
Robert OUDMAYER	Member
Tina REICH	Member
Ahmed SAEED	Member
Verena SPITZ	Delegated by the Works Council
Beatrix PRÖLL	Delegated by the Works Council

### Decision Making Powers and Activity Report

The committee advises the Supervisory Board on the current and future risk-bearing ability of the Group and monitors the effectiveness and efficiency of the risk management systems and compliance with the legal provisions and regulatory requirements. It receives quarterly risk reports (including reports on credit, market, liquidity and operational risks and complaint management) and prepares, on an annual basis, the risk planning guidelines and the risk strategy, which are subsequently approved by the entire Supervisory Board.

The Risk and Credit Committee held four meetings. With respect to the activities of the Risk and Credit Committee, reference is made to the respective paragraph in the report of the Chairperson included in this report.

## Nomination and Governance Committee

Name	Function
Tamara KAPPELLER	Chairperson
Kim FENNEBRESQUE	Member
Frederick HADDAD	Member
Ahmed SAEED	Member
Verena SPITZ	Delegated by the Works Council
Konstantin LATSUNAS	Delegated by the Works Council

### Decision Making Powers and Activity Report

The Nomination and Governance Committee deals with Management Board succession planning and the regular Fit & Proper evaluation of Management Board and Supervisory Board members. It also supports the Supervisory Board in preparing recommendations to the General Meeting with respect to new Supervisory Board candidates. In the course of the assignment of tasks for new Management Board and Supervisory Board members, it stipulates a target quota for the underrepresented gender in the Management Board and the Supervisory Board and develops a strategy to meet this goal. Furthermore, the Nomination and Governance Committee discusses the company's corporate governance and makes recommendations.

The Nomination and Governance Committee held four meetings.

## Remuneration Committee

Name	Function
Kim FENNEBRESQUE	Chairperson
Tamara KAPPELLER	Member
Pat McCLANAHAN	Member
Ahmed SAEED	Member
Verena SPITZ	Delegated by the Works Council
Beatrix PRÖLL	Delegated by the Works Council

### Decision Making Powers and Activity Report

The Remuneration Committee deals with the general principles of the company's remuneration policy. It also monitors the remuneration policy pursuant to the Austrian Banking Act, remuneration practices and remuneration-based incentive structures pursuant to section 39c of the Austrian Banking Act. It also supports the Supervisory Board in preparing recommendations to the General Meeting with respect to the remuneration policies/reports pursuant to the Austrian Stock Corporation Act.

The Remuneration Committee held five meetings. With respect to the activities of the Remuneration Committee, reference is made to the respective paragraph in the report of the Chairperson included in this report.

## ESG Committee (until April 2025)

Name	Function
Tamara KAPPELLER	Chairperson
Egbert FLEISCHER	Member
Gerrit SCHNEIDER	Member
Verena SPITZ	Delegated by the Works Council
Beatrix PRÖLL	Delegated by the Works Council

### Decision Making Powers and Activity Report

The ESG Committee deals with the review of the Group-wide ESG strategy and ESG targets and monitoring of their implementation and reviews regular updates on ESG-related topics. Furthermore, the committee advises the Supervisory Board regarding the current and future risk appetite and risk strategy relating to ESG risks. It also monitors the effectiveness and the efficiency of the management of ESG risks (including risk control, risk policies and management reporting on ESG risks) as well as the compliance with legal and regulatory requirements with regards to ESG topics.

The ESG Committee held one meeting. In April 2025, the ESG committee was dissolved and integrated into the existing committees.

## REPORT FROM THE CHAIR OF THE SUPERVISORY BOARD

The Supervisory Board of BAWAG Group AG properly fulfilled all duties incumbent upon it by law, its Articles of Association and its Rules of Procedure. The Management Board informed the Supervisory Board of all material issues in a timely and comprehensive manner either in writing or verbally. In addition to periodic meetings, the Chairpersons of the Supervisory Board and the committees of the Supervisory Board discussed current business matters with the Management Board members. Further details regarding the composition of the Supervisory Board and its committees as well as their working procedures are disclosed further below.

### SUPERVISORY BOARD

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As of 31 December 2025, the Supervisory Board consisted of six female and six male members, resulting in a 50% quota in terms of female representation on the Supervisory Board. The Supervisory Board focused on the annual financial statements and the consolidated financial statements for 2024 and discussed the appointment of the external auditor for 2026.

Other material topics which the Supervisory Board dealt with were BAWAG Group's strategy and budget, the risk strategy and the mid-term plan. The Supervisory Board also dealt with M&A-related topics and received updates on regulatory topics and the Recovery Plan.

### SUPERVISORY BOARD COMMITTEE MEETINGS

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#### Audit and Compliance Committee

The Audit and Compliance Committee discussed the quarterly reports by Internal Audit and the Compliance Office as well as the 2026 audit plans of Internal Audit and of Compliance. The annual audit process for 2025 was also presented. Furthermore, regular updates on compliance/conduct including ethics and AML topics were given, including updates on cybersecurity, data security and data privacy. The external auditor as well as the Head of Internal Audit attended all meetings.

#### Risk and Credit Committee

The Risk and Credit Committee discussed the Group Risk Report, which includes the calculation of the risk-bearing capacity and reports on credit, market and operational risk. In addition, the risk planning guidelines were presented to the committee.

#### Nomination and Governance Committee

The Nomination and Governance Committee performed the annual Fit & Proper assessment of the Supervisory Board and the Management Board members. In addition, the committee discussed the process as well as the criteria for the selection of new Supervisory Board candidates. The committee also discussed the company's corporate governance and made recommendations.

#### Remuneration Committee

The Remuneration Committee approved amendments of the remuneration policy pursuant to the Austrian Banking Act and also prepared the remuneration report for the Supervisory Board and the Management Board, which was presented to and ultimately approved by the General Meeting. In addition, the committee set 2025 targets for the Management Board and received updates on gender diversity.

#### ESG Committee (until April 2025)

The ESG Committee discussed broad ESG updates, which also included details on BAWAG's ESG strategy, its ESG risk portfolio split and social initiatives.

All committees also reported their discussions and decisions to the entire Supervisory Board.

## ANNUAL FINANCIAL STATEMENTS

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The annual financial statements and the consolidated annual financial statements for 2025 were audited by Deloitte Audit Wirtschaftsprüfung GmbH headquartered in Vienna. The audit revealed no reason for objections.

The legal regulations were complied with in full, and an unqualified auditor's opinion was issued. After an in-depth discussion, the Supervisory Board approved and adopted the annual financial statements in accordance with Section 96 Para 4 Stock Corporation Act. In addition, the Supervisory Board reviewed the consolidated non-financial report. The consolidated financial statements were noted by the Supervisory Board.

In conclusion, I would like to express my sincere thanks to the Management Board as well as all employees within BAWAG Group on behalf of the entire Supervisory Board for their performance and sustained commitment in 2025.

February 2026

Kim Fennebresque  
Chairperson of the Supervisory Board of BAWAG Group AG

## CONSOLIDATED NON-FINANCIAL REPORT

## ESRS 2 General Disclosures

This consolidated non-financial report was prepared in accordance with § 267a of the Austrian Commercial Code (UGB) in line with the requirements of the Austrian Sustainability and Diversity Improvement Act (NaDiVeG) and included in the (consolidated) non-financial report in the annual report. The non-financial report was prepared in accordance with the European Sustainability Reporting Standards (ESRS) in preparation for the reporting obligation under the CSRD. BAWAG includes further information and key figures on the basis of the Taxonomy Regulation (EU) 2020/852 financial report.

## ESRS 2-BP-1 – General basis for preparation of the sustainability statement

### ESRS 2-BP-1.5a: Consolidated or individual sustainability statement

The sustainability statement of BAWAG Group for the financial year 2025 was prepared on a consolidated basis.

### ESRS 2-BP-1.5b: Scope

The non-financial report incorporates the same scope of consolidation as the financial statements. The report was structured in alignment with the European Sustainability Reporting Standards and as relevant, additional data points have been added. ESRS 2 describes general principles and contains information on the double materiality assessment. The management of the respective impacts, risks and opportunities is described in the respective topical standards.

### ESRS 2-BP-1.5c: Upstream and downstream value chain

BAWAG Group's value creation encompasses the upstream value chain required to support its operations and provide its products and services. A detailed description of the value chain can be found in Chapter SBM-1. When assessing sustainability-related matters, we differentiate between our own operations and those relating to our value chain.

BAWAG Group's non-financial report addresses both the upstream and downstream value chains, based on materiality and reflecting the Group's commitment and responsibility towards environmental and social impacts, risks, and opportunities. Policies, actions, and targets are applied across the value chain where applicable, meaningful and available. Given that information and data availability are limited or partially contain high uncertainty due to the use of estimates, we make use of the phase-in rules for those respective areas in the value chain. We aim for transparency regarding these limitations when reporting on the respective sustainability topics.

On 1 November, 2024, BAWAG Group completed the acquisition of Knab, a bank based in the Netherlands. The sustainability-related information 2024 therefore shows two months of profit and loss-related data, while the balance

sheet-related positions reflect the values at the end of the reporting period. This is described for each respective metric. In 2025, BAWAG Group completed the acquisition of Barclays Consumer Bank Europe, headquartered in Hamburg (rebranded to easybank in February 2026). Accordingly, the sustainability-related positions linked to the profit and loss statement for 2025 reflect eleven months of contribution.

### ESRS 2-BP-1.5d: Specific intellectual property, know-how, or innovation results

BAWAG Group aims for transparency and, as such, has not excluded any information related to intellectual property, know-how, or innovations from its sustainability-related disclosure.

## ESRS 2-BP-2 – Disclosures in relation to specific circumstances

### ESRS 2-BP-2.9: Time horizons

#### ESRS 2-BP-2.9a: Definitions of time horizons

The time horizons are aligned to the definition as outlined by the European Sustainability Reporting Standards, applying the following time horizons:

- Short-term: Reporting period, therefore one year
- Mid-term: From the end of the short-term period up to five years
- Long-term: Greater than five years

A time frame of greater than five years also encompasses a longer-term perspective, of particular relevance for climate and environmental standards. This includes accounting for physical risks as well as transition risks which may become more relevant in years beyond that time frame. In the context of risk management, the definition of time horizons may vary. This is noted in the respective chapter.

#### ESRS 2-BP-2.10: Estimated upstream and/or downstream value chain data from indirect sources

BAWAG Group has diligently used the available information to assess its impact, risks, and opportunities related to sustainability-related matters. However, due to the partially limited nature of the information and the inherent uncertainty arising from estimates, actual impacts may vary from current projections. This remains true even as data accuracy is expected to improve over time.

**ESRS 2-BP-2.10a, b, c: Metrics, basis of its preparation and level of accuracy**

Most metrics in the upstream and downstream value chain are estimated due to various reasons, including limited reporting obligations from suppliers or service providers, as well as restrictions in detailed data processing. BAWAG Group's client portfolio contains a very limited number of clients subject to sustainability reporting; therefore, we use sector averages based on international frameworks to determine our footprint. This is also applied for our retail portfolio, where in the case that energy performance certificates are not available, a country average for housing is used. In the topical standards, we define the data source or methodology applied.

The affected metrics are the GHG calculations for both the upstream and downstream value chain, as well as the related targets. The assessment of physical risk is based on data of a third-party provider, and biodiversity and ecosystem impacts were assessed using third-party tools. The indicators for identifying and measuring transition risks are determined based on estimates, institutional and other external data, as well as qualitative expert assessments.

**ESRS 2-BP-2.10d: Planned actions to improve the accuracy in the future**

The data used in the non-financial report is expected to continuously improve. Depending on the underlying data of each respective standard, we will undertake various initiatives for improvement. A key aspect of upcoming regulations and our efforts is to provide more standardized information, especially for our client portfolio, which will drive meaningful comparisons when describing sustainability-related performance. The efforts will primarily focus on:

- **Mortgage portfolio:** Achieving a greater coverage of energy performance certificates in the Austrian mortgage portfolio has been in focus over the past year. We will continue our efforts to increase the coverage in the new business origination as well as drive initiatives for existing mortgages. Apart from GHG emissions, developing reliable information on soil sealing will be one of our focus areas.
- **Commercial real estate:** We aim to increase the energy performance certificates for the assets in our commercial real estate portfolio. Given the deal structures and the country-specific requirements there may be limitations.
- **Corporate customers:** Our portfolio currently includes only a limited number of corporate customers that report sustainability-related information. Due to the revised reporting thresholds, we do not expect a significant increase in the number of actual values reported in the future.
- **Suppliers:** In 2024, we conducted a supplier survey to evaluate the status of their greenhouse gas emissions reporting. Due to the adjusted reporting thresholds, we do

not expect the number of suppliers reporting in the future to change significantly. We will continue to conduct regular surveys among our suppliers.

**ESRS 2-BP-2.11a: Identification of the disclosed quantitative metrics and monetary amounts that are subject to a high level of measurement uncertainty**

The accuracy of the provided greenhouse gas emissions is based on different levels of uncertainty. The highest uncertainty relates to following:

**Financed emissions:**

There is significant uncertainty in the calculation of the GHG footprint of BAWAG Group's portfolio due to limited actual data availability. For our largest asset class, mortgages, we have limited energy performance certificates, particularly for properties in Austria, while central databases are accessible in the Netherlands and Ireland. Even if energy performance certificates are available, they may be outdated if potential home improvements have been carried out in the meantime. For corporate clients, only a limited number are subject to sustainability reporting. For commercial real estate portfolios we apply a similar approach as for mortgages. Consequently, we refer to industry averages when client-specific data is not available.

**Remaining GHG categories:**

Scope 1 and 2 emissions are based on actual consumption data to the extent that it is available at the time of reporting. If actual data is not available for the reporting period, we use proxies from previous reporting periods or similar locations.

The GHG equivalent for purchased goods and services is calculated based on expenses. During 2024, we conducted a survey among the suppliers with the highest spend to obtain an assessment of their future data availability. Details are disclosed under ESRS 2-BP-2.10d.

Data about employee commuting is restricted for data protection reasons and was collected through a survey among employees regarding their usual means of transport to the office. Here as well, details are disclosed under ESRS 2-BP-2.10d.

Business travel is also calculated based on expenses. We have taken initial steps to improve the underlying data and to capture more detailed information about trips themselves. However, achieving genuine improvement in data quality for an accurate calculation of GHG emissions would require more detailed disclosures from the respective service providers.

We use a third-party vendor for physical risk data. Although this data is anticipated to be as accurate as possible, the long-term nature of climate risks inherently maintains a certain level of uncertainty.

**ESRS 2-BP-2.11b: Disclosure of details in relation to each quantitative metric and monetary amount identified**

The details are disclosed along with the respective data points.

**ESRS 2-BP-2.12: Forward-looking information**

Climate and environmental data are long-term in nature. The assessment of transition plans, the alignment of major GHG portfolios to the 1.5-degree global warming scenario and the analysis of physical risk are based on forward-looking information that is subject to uncertainty due to the long time horizon. In addition, due to the usage of estimates, calculations and forward-looking information can change as more accurate data becomes available. The actual developments can thus deviate from the current expectations. In addition, the decarbonization of the residential mortgage portfolio in particular, strongly depends on measures of governments or other institutions that must be implemented in order to achieve climate neutrality by 2050.

**ESRS 2-BP-2.13: Changes in the preparation and presentation of sustainability information**

BAWAG Group prepared its sustainability reporting for the first time for the 2024 financial year based on the European Sustainability Reporting Standards. The structure was largely retained for the 2025 financial year, and the disclosures were expanded to include the acquisitions made in 2024 and 2025.

**ESRS 2-BP-2.14: Errors in reporting in previous reporting periods**

In standard S1-15 Family-related leave, only one quarter in Austria was included for family-related leave in 2024. In addition, educational leave had been included, which is now excluded.

In standard E1-6 Greenhouse gas inventory, the total figure contained a subtotal twice. This has been corrected for 2024.

In standard S1-16.97b the ratio of the highest salary to the median salary was corrected for 2024. The voluntary pension of the management board member is now included in the base.

**ESRS 2-BP-2.16: Disclosure by reference**

The following data points are referred to outside of the scope of the sustainability statement:

1.21a: Corporate Governance Report	Page 200
1.21c: Corporate Governance Report	Page 200
SBM-1.40g: Segment reporting - Notes	Page 109

## Governance

### GOV-1: The role of the administrative, management and supervisory bodies

#### ESRS 2-GOV-1.21: Composition and diversity of the administrative, management, and supervisory bodies

##### ESRS 2-GOV-1.21a: Number of executive and non-executive members

BAWAG has a two-tier board structure, which comprised a Supervisory Board with twelve members (thereof eight shareholder representatives and four employee representatives) and a Management Board with six members during the reporting year. Details are disclosed in the Corporate Governance Report.

##### ESRS 2-GOV-1.21b: Representation of employees and other workers

In compliance with legal requirements, employee representatives on the Supervisory Board maintain one-third parity with shareholder representatives. Consequently, four members of the Works Council are delegated to the Supervisory Board.

##### ESRS 2-GOV-1.21c: Experience to the sectors, products and geographic locations of the undertaking

The individual and collective expertise is evaluated during the selection of Board members and the annual suitability assessment. The expertise is based on the assessment of the Fit & Proper Office derived from collected information. All members of the BAWAG Management Board and Supervisory Board are well experienced, possess extensive knowledge in and of the banking industry, and the skills necessary to fulfill their respective roles and duties.

##### ESRS 2-GOV-1.21d: Percentage by gender and other aspects of diversity that are considered

The Management Board consists of six male representatives, which corresponds to a female quota of 0%. Their age ranges from 43 to 54, with an average age of 48.6 and a median age of 49. Nationalities within the Management Board include United States (4), Austria (1), and Germany (1).

During the reporting period, the Supervisory Board consisted of twelve members, including six women and six men, which corresponds to a female quota of 50%. When not considering the representatives from the Works Council, the female quota is 37.5%. Further details are disclosed in the Corporate Governance Report.

##### ESRS 2-GOV-1.21e: Percentage of independent board members

100% of the shareholder representatives in the Supervisory Board are independent as defined in the Austrian Banking Act (BWG) and the Austrian Corporate Governance Code (ÖCGK).

##### ESRS 2-GOV-1.22a: Administrative, management and supervisory bodies or individual(s) responsible for oversight of impacts, risks, and opportunities

In the reporting period, the ESG Committee was dissolved as part of a strategic realignment to further strengthen governance and risk oversight. This decision reflects our commitment to integrating sustainability considerations into the core governance and risk management structures of the organization. Risk-related sustainability topics are now addressed within the Risk and Credit Committee (RCC), ensuring a comprehensive approach to risk assessment and mitigation. Governance-related matters have been allocated to the newly established Nomination and Governance Committee (NGC) and, where appropriate, to the Supervisory Board as a whole. In addition, sustainability-related topics are addressed in the Remuneration Committee and the ACC.

As we allocate the sustainability agenda to the respective areas within the organization, the responsibilities of the Management Board members are assigned in line with their areas of accountability:

- **Full Management Board:** The responsibility includes the execution, monitoring, and regular review of the sustainability strategy, as well as initiatives to embed our corporate culture, particularly in the context of acquisitions.
- **CEO:** The area of responsibility includes aligning our business activities with net-zero targets for Scope 1 and Scope 2 emissions, as well as developing towards a sustainable supply chain. In addition, the CEO is responsible for Human Resources and the Technology division – including IT security. In this area, the focus is on the digitalization of our product offering in order to further advance access to financial services across a wide range of channels.
- The **CFO/Head of Austria & Germany Commercial Banking platform** and **Head of Digital Channels**, who oversee the business units, are responsible for managing the initiatives supporting our decarbonization progress for power generation as well as mortgages. Their teams are also responsible for measuring customer satisfaction in the Retail business and defining initiatives to effectively manage it.
- The **CRO** oversees the monitoring and management of climate and environmental risks, including the decarbonization of businesses, and the execution of

sustainability risk assessments as an integral part of the risk management framework.

- The **Chief Investment Officer**, who is also responsible for lending in the international corporate business, ensures appropriate and effective governance within his area of responsibility.
- The Chief Administrative Officer defines the business conduct ensuring we operate with integrity and in compliance with relevant regulations and ethical standards, including data protection, tax and maintaining the privacy of our customers' information.

**ESRS 2-GOV-1.22b: Responsibilities reflected in the terms of reference, board mandates and other related policies**

The responsibilities of the Management Board, the Supervisory Board and its committees are defined in the articles of association, the respective rules of procedure or terms of reference as well as in the applicable policies, in particular the Governance Policy.

**ESRS 2-GOV-1.22c: Management's role in governance processes, controls, and oversights**

BAWAG Group aims to embed sustainability-related requirements and monitoring in its existing governance frameworks.

**i. delegation to specific management-level positions or committees and oversight methods**

The respective committees at the Supervisory Board as well as Management Board level are described in the Corporate Governance Report.

**ii. reporting lines to administrative, management, and supervisory bodies**

In addition to the Board functions, BAWAG established a Sustainability Office in 2024, which is responsible for developing and coordinating the sustainability strategy of the Group together with the respective business functions, the regular reporting to BAWAG's management functions in regard to the effectiveness of the initiatives and the coordination of the external sustainability reporting. In addition, it coordinates the implementation of upcoming regulations focusing on sustainability and works closely with the business and control functions.

**iii. integration of dedicated controls and procedures with internal functions**

Sustainability-related controls and procedures are primarily embedded in the existing teams and procedures, while ESG risk is currently managed in a separate team.

**ESRS 2-GOV-1.22d: Overseeing target setting and monitoring progress on material impacts, risks, and opportunities**  
The process is described in GOV-1.22a.

**ESRS 2-GOV-1.23: Assessment of the availability or development of skills and expertise to oversee sustainability matters, including:**

**ESRS 2-GOV-1.23a: Sustainability-related expertise**

Over the years, BAWAG has integrated the management of sustainability-related matters into its operations. Consequently, both Management and Supervisory Board Members possess dedicated expertise in this area. If impacts or risks are identified that relate to a relatively new topic, we develop the required expertise through specialized training provided by internal or external subject-matter experts.

The individual and collective expertise of Management and Supervisory Board members is evaluated during both the selection process and the annual suitability assessment. The Fit & Proper Office conducts these assessments, following procedures outlined in the Fit & Proper Policy.

In addition to training for management functions, sustainability training programs are implemented across the broader organization. These programs are customized to meet the needs of specific business areas or functions, ensuring that the training is aligned with the skill sets required for their daily operations.

**ESRS 2-GOV-1.23b: Skills and expertise relating to material impacts, risks and opportunities**

All members of the Management Board and Supervisory Board of BAWAG have many years of experience and therefore the relevant skill set for managing the financial as well as sustainability-related impacts, risks and opportunities. They are embedded in their already existing functional areas as outlined in GOV-1.22a.

## GOV-2 – Information provided to and sustainability matters addressed by the undertaking’s administrative, management and supervisory bodies

ESRS 2-GOV-2.24, 26a: Function and frequency of the administrative, management and supervisory bodies that are informed about material impacts, risks and opportunities, the implementation of due diligence, and the results and effectiveness of policies, actions, metrics and targets adopted to address them

The Management Board members are updated annually on the materiality assessment. In addition to the regular reporting outlined in ESRS 2-GOV-1.22a, the Management Board receives specific analyses related to sustainability-related information in the case of specific events. Depending on the topic, updates are provided by the Sustainability Office, risk management, human resources or the business function.

ESRS 2-GOV-2.26b: Consideration of impacts, risks and opportunities when overseeing strategy, decisions on major transactions and risk management process

Our business strategy focuses on long-term sustainable and profitable growth. A profitable franchise is the foundation that enables us to support our stakeholders through all economic cycles. Sustainability is therefore an integral part of our strategy, as it can ultimately affect the financial performance of the Bank. Therefore, we proactively manage our impacts, risks, and opportunities. The integration of sustainability into the business strategy is detailed in SBM-1. Sustainability matters are considered during transactions, starting in the countries where we operate in or intend to expand to. Sustainability-related factors can have a financial impact on our franchise, and therefore we consider these as an integral part of our decision-making. BAWAG Group closed one strategic acquisition in the Netherlands during 2024 and a further one in Germany in early 2025. The dedicated teams, e.g. human resources and risk management, are participating during due diligence processes and we have closely aligned the businesses from Day 1 onwards.

ESRS 2-GOV-2.26c: Material impacts, risks and opportunities addressed during the reporting period

The relevant committees of both the Management and Supervisory Board received quarterly updates on relevant performance indicators and initiatives related to climate change, business conduct, data protection, and IT security. In addition, performance indicators on our employees, customer satisfaction and the double materiality assessment were reported during 2025.

## GOV-3 – Integration of sustainability-related performance incentive schemes

ESRS 2-GOV-3.29: Incentive schemes and remuneration policies linked to sustainability matters for members of the undertaking’s administrative, management and supervisory bodies, where they exist:

ESRS 2-GOV-3.29a: A description of the key characteristics of the incentive schemes

The remuneration of BAWAG’s Management Board consists of fixed and variable compensation components. The remuneration structure is designed to motivate the Management Board members to achieve their objectives at both the Group and individual level, without creating incentives to take on inappropriate risks. While fixed remuneration is not linked to performance, variable remuneration is performance-related and designed to create suitable incentives for the achievement of key corporate targets. Since July 2025, the fixed remuneration includes the base salary and pensions. The annual variable remuneration scheme consists of a short-term incentive component (STI) and a long-term incentive component (LTI). Payout of both components is composed of cash payments and ordinary shares in BAWAG Group.

The STI component is determined by the attainment of various financial and sustainability-related targets, subject to an annual measurement period, while the LTI component, which is deferred over multiple years is subject to additional long-term financial and sustainability-related targets, covering a three-year assessment period.

Supervisory Board members receive fixed remuneration which depends on the actual function performed (chairman of the Supervisory Board, deputy chairman of the Supervisory Board or (ordinary) member of the Supervisory Board). Supervisory Board members who are also a member of a committee receive additional remuneration which depends on the respective committee in which a Supervisory Board member participates and furthermore, the specific function performed in the committee (chairman or (ordinary) seat in the committee). Supervisory Board members do not receive any additional attendance fees. Supervisory Board members do not participate in performance-based awards and are not entitled to receive pension contributions. Any changes to the above remuneration framework of the Supervisory Board require that a respective resolution is adopted by the Annual General Meeting.

**ESRS 2-GOV-3.29b: Performance assessment against specific sustainability-related targets and/or impacts**

The Remuneration Committee is responsible for the assessment of performance against the sustainability-related targets. The assessment is conducted ex post and is based on a comprehensive set of assessment guidelines, including entry, target, and maximum levels for the respective STI and LTI indicators.

Overall performance is calculated as weighted average of Financial and Non-Financial achievement into a 0-120 points scale of target variable remuneration. No offsetting mechanism is allowed so that every KPI works independently to achieve the total score. The score of each KPI can range in 0-120 points rating scale, as follows: (i) 0 pts if target achievement is below the lower threshold; (ii) points calculated on a linear continuum if target achievement is between the lower and the upper threshold; (iii) capped (120 pts) if target achievement is higher than the upper threshold. The pay-for-performance curve utilized to determine the bonus requires a minimum score threshold of 80 points and is capped at 120 pts in total.

**ESRS 2-GOV-3.29c: Whether and how sustainability-related performance metrics are considered as performance benchmarks or included in remuneration policies**

Both, the STI and the LTI component of the variable remuneration scheme applicable to Management Board members, include sustainability-related targets. The Remuneration Committee is responsible for the assessment of the performance against these sustainability-related targets. The assessment is conducted ex post and is based on a comprehensive set of assessment guidelines, including entry, target and maximum levels for the respective STI and LTI indicators.

**ESRS 2-GOV-3.29d: Proportion of variable remuneration dependent on sustainability-related targets and/or impacts**

The Remuneration Committee has defined a scorecard which provides for the weighting of financial and non-financial targets. Within each, the STI and LTI component of the variable remuneration scheme for Management Board members, the sustainability-related targets are weighted at 20% of the overall target.

**ESRS 2-GOV-3.29e: Level at which the terms of incentive schemes are approved and updated**

The terms of the variable remuneration scheme are approved and updated by the Remuneration Committee of the Supervisory Board. The annual remuneration report and the Remuneration Policy are also submitted to the Annual General Meeting for approval.

**E1-GOV-3.13: Climate-related considerations in relation to the remuneration of administrative, management and supervisory bodies**

For 2024 as well as 2025, sustainability related targets were set with a greater focus on environmental/climate-related targets. The following climate-related targets are considered as part of the STI/ LTI KPIs which apply to the remuneration scheme of Management Board members for the financial year 2025: Annual target with respect to the transition plan and the reduction of own emissions (STI KPIs) and long-term targets with respect to the transition plan and the reduction of own emissions (LTI KPIs). These targets are each weighted with 15% of the overall STI and LTI KPIs.

**Climate change**

BAWAG has defined climate-related targets in both short-term and long-term remuneration. These are disclosed annually as part of the remuneration report.

**GOV-4 – Due diligence**

**ESRS 2-GOV-4.30; 32: Due diligence process**

BAWAG Group conducts due diligence on the impacts, risks, and opportunities within its own operations and throughout the value chain. To effectively monitor and counteract adverse developments, this due diligence is performed not only at the initiation of a business relationship but also on an ongoing basis, where appropriate. For customers, due diligence for climate and environmental topics is based on a differentiated approach. The respective processes are described in the following chapters.

Core elements of due diligence	Paragraphs in the sustainability statement
a) Embedding due diligence in governance, strategy and business model	ESRS 2-GOV2 ESRS 2-GOV3 ESRS2 - SBM3
b) Engaging with affected stakeholders in all key steps of the due diligence	ESRS 2 - GOV2 ESRS 2 - SBM2 ESRS 2 - IRO1 E1 - E1.2 S1 - S1.1 S1 - S1.2 S4 - S4.1 S4 - S4.2 G1 - G1.1 G1 - G1.2
c) Identifying and assessing adverse impacts	ESRS 2 - SBM3 ESRS - IRO1 E1 - E1.1 E1 - E1.3 S1 - S1.4 S4 - S4.4
d) Taking actions to address those adverse impacts	G1 E1 - E1.6 S1 - S1.4 S4 - S4.6
e) Tracking the effectiveness of these efforts and communicating	G1

### GOV-5 – Risk management and internal controls over sustainability reporting

**ESRS 2-GOV-5.36a: Scope, main features and components of the risk management and internal control processes and systems in relation to sustainability reporting**

The maturity of sustainability reporting varies across the different standards and metrics. Data related to business conduct, human resources, and customers are at advanced levels of maturity, while climate and environmental data are longer-term in nature and sometimes only available as estimates or proxies based on industry or country averages. Consequently, the related controls and risk identification processes are also maturing. Responsibility for the data in the sustainability report is decentralized and lies with the dedicated functional reporting units. Climate-related data calculations have partially been transferred to the data warehouse, the development towards end-to-end processing will be a key focus in the coming years as data and methodologies continue to mature.

**ESRS 2-GOV-5.36b: Risk assessment approach**

BAWAG Group’s internal control and risk management systems contain instructions and processes for the workflow to ensure the correct and appropriate documentation, in order to collect the information required for the preparation of the period-end financial statements. However, climate, environmental and value chain data are currently only

available to a limited extent. The customer-related and transaction data are generally collected in the market and operating units, and supplementary information is entered by the risk units, either on a customer-level or where data is not available, data from third-party providers or from developed heatmaps in the form of estimates are used. The preparation of the data points is performed either in the data warehouse or with calculations performed using Excel.

Risks are prioritized based on the materiality of the risk assessment.

**ESRS 2-GOV-5.36c: Disclosure of the main risks identified and their mitigation strategies including related controls**

Sustainability-related data varies in maturity, and therefore risks may occur at different stages of sustainability reporting:

- Climate and environmental data, being longer-term in nature and sometimes only available as estimates or proxies based on industry or country, carry the risk of inadequate assessment. This also applies to data from the value chain, where very limited primary information is available. Consequently, this can lead to an incomplete sustainability statement. The aim of using industry-standard data sources and strengthening stakeholder engagement provides a more comprehensive understanding of our sustainability-related impacts, risks and opportunities. In addition, we have carried out a verification process on the identified information.
- For the same reason, there is the risk that information or data provided in the sustainability statement are not accurate. This especially holds true for forward-looking information as well as data in relation to climate-related targets, initiatives, or metrics.
- We perform controls for data reported under the sustainability statement. The involvement of stakeholders is defined in the materiality assessment, while the respective procedures for reviewing climate- and environment-related information are set out in the internal ESG Risk Policy and in the corresponding data manual for own emissions.

**ESRS 2-GOV-5.36d: Findings of the undertaking’s risk assessment and internal controls integrated into relevant internal functions and processes**

We are aware of our responsibility regarding sustainability-related information and it is therefore integrated across internal control functions. The outcome of the risk assessment is integrated in the respective control functions and the implementation thereof is monitored on a regular basis. BAWAG Group’s internal audit conducts regular audits on sustainability-related focus areas.

**ESRS 2-GOV-5.36e: Periodic reporting**

Internal audit reports on a quarterly basis to the Supervisory Board.

## Strategy

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### SBM-1 – Strategy, business model and value chain

**ESRS 2-SBM-1.38, 40a: Elements of strategy**

Sustainability has always been an integral part of BAWAG's business strategy as we are focused on a business model that is both sustainable and profitable over the long term. In addition, our lending process is guided by a clear focus on risk-adjusted returns.

**i: significant groups of products and/or services offered, including changes in the reporting period**

BAWAG's business model is centered around providing customers with simple and intuitive financial products and services that promote financial health with a focus on Retail & SME. The segment descriptions in the Group Management Report provides a detailed overview about the business activities.

**ii: significant markets and/or customer groups served, including changes in the reporting period**

BAWAG Group's strategy focuses on growth in developed and mature markets. Our core markets are Austria, Germany, the Netherlands, Ireland, Switzerland, United Kingdom and the United States. At year-end 2025, the Group served over 4 million customers with focus on retail, small business, corporate, real estate, and public sector customers across various brands and channels.

We focus on regions and countries with strong fiscal positions, represented by a sovereign rating of our core markets of AA or higher, reliable legal systems and a stable geopolitical environment. The years that have been dominated by the pandemic, elevated inflation and geopolitical conflicts, have demonstrated the fiscal strength and capabilities of the countries we operate in. Governments have put in place extensive stimulus packages and measures to support their citizens and economies.

Approximately 90% of our customer business is in euro-area countries, which are the foundation of the Group.

**iii: headcount of employees by geographical areas**

Our workforce is a reflection of our geographic focus, with over 95% of our 4,042 employees based in euro-area countries (Austria, Germany, the Netherlands, Ireland). Beyond these

countries, we have 166 employees (2024: 161), with a presence in the United States, the United Kingdom, and Switzerland. The ratio remained unchanged compared with the previous year, during which likewise more than 95% of the 3,619 employees were employed within the euro area. Details are available in S1 - Own workforce. We do not have employees outside our core countries.

ESRS 2-SBM-1.40d: Activity in:

Exposure, in € Mio.	2025		2024	
	Own operations	Lending/investment activities	Own operations	Lending/investment activities
Fossil fuel	€ —	0.1%	€ —	0.1%
Chemicals production	€ —	0.1%	€ —	0.1%
Controversial weapons	€ —	— %	€ —	— %
Cultivation and production of tobacco	€ —	— %	€ —	— %

ESRS 2-SBM-1.40e: Sustainability-related goals in terms of products and services, customer categories, geographical areas, and relationships with stakeholders

The countries in which we operate in have established targets and measures to combat climate change and already comply today with high legal, environmental and social standards. We are committed to enhancing the management of our major product lines with respect to climate, environmental, and social risks, as detailed in the chapters below. BAWAG’s sustainability strategy is and has always been an integral part of its business strategy, with mortgages representing BAWAG’s largest asset class, aligning with our strategic emphasis on Retail & SME and secured lending. This asset class accounts for approximately 45% of our assets excluding cash. Given its longer-term maturities and strategic significance, we have developed a transition plan for this asset class (see E1.1).

In addition, customers active in power generation represent 36% of the GHG emissions of our lending and investment portfolio (Scope 3.15, scope 1 & 2). Due to the decarbonization progress made by our customers and the diversification of the portfolio, this share was reduced by more than 20 percentage points compared to the previous year. We aim to manage this portfolio based on a scenario of a maximum global temperature increase of 1.5 °C. 34% of our greenhouse gas emissions are also attributable to our residential mortgage portfolio. Alignment with the 1.5-degree target by 2050 depends largely on the implementation of government measures in the respective countries, particularly in Austria and the Netherlands.

ESRS 2-SBM-1.40f: Current significant products and/or services, and significant markets and customer groups, in relation to the undertaking’s sustainability-related goals  
See standard SBM-1.40e.

ESRS 2-SBM-1.40g: Elements of strategy relating to or impacting sustainability matters

Initiatives set to mitigate or reduce identified impacts or risks and foster opportunities will accompany our strategy, but will not trigger a change of our strategy. The specific impacts are described in the topic-specific standards. The challenge we see is the dependency on the transition plan of our clients. These are outlined in the section E1.1.

We have control over the risks and opportunities within our own operations. The segment reporting is in the notes section. The impacts, risks and opportunities are reflected across segments. If they are only relevant to specific segments, the scope is defined in the topical standard.

ESRS 2-SBM-1.42: Business model and value chain, including: ESRS 2-SBM-1.42a: Inputs and approach to gathering, developing and securing those inputs

Our employees are one of our key assets, not only for running our business but also for the further development of the Bank. To retain talent, we have implemented measures as described in S1.4. Tech/Ops is key for our daily operations and represents a core element of our strategy.

ESRS 2-SBM-1.42b: Outputs and outcomes in terms of current and expected benefits for customers, investors and other stakeholders

BAWAG is dedicated to sustainable value creation to remain a reliable long-term partner for all stakeholders. This focus enables us to address the cost and profitability challenges faced by the financial services industry over the past decade. BAWAG’s primary value creation lies in providing access to financing. We are building a multi-channel and multi-brand Retail & SME franchise from branches-to-partners-to-brokers-to-platforms leveraging digital products and technology across our entire customer value chain. We operate less than 80 branches in Austria, Germany, and the United States. BAWAG offers comprehensive savings, payment, lending, leasing, investment, building society, factoring and insurance products and services. We also give back to the communities we are operating in through engaging in corporate volunteering.

ESRS 2-SBM-1.42c: Upstream and downstream value chain and position in the value chain

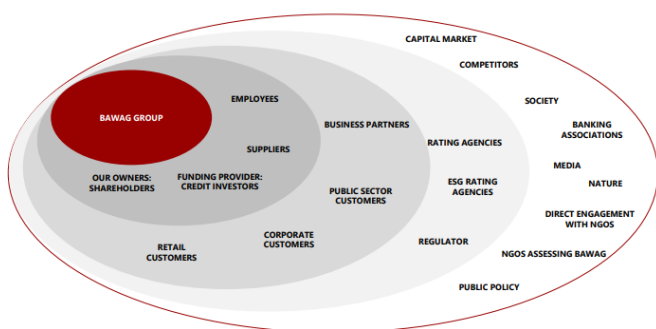
BAWAG’s upstream activities include procurement, logistics and supply chain management. For its daily operations, BAWAG has strong relationships to its core suppliers, e.g. including IT systems. BAWAG also collects deposits of its retail, corporate and public sector customers and issues bonds as means of financing. Downstream activities refer to activities that take place after products or services have been delivered to the customers. These include on one hand side the operations of self-service instruments, as well as the financing

activities. We provide products and services that promote the financial health of our customers. These activities therefore contribute to economic growth and development in society.

## SBM-2 – Interests and views of stakeholders

### ESRS 2-SBM-2.45a: Stakeholder engagement

Continuous improvement is a core aspect of our corporate culture. BAWAG engages with its stakeholders through a variety of methods and touchpoints, tailored to the specific types of stakeholders involved. The Bank maintains an active dialogue with diverse stakeholders to ensure ongoing and meaningful engagement.



We engage most frequently with the following stakeholders:

- **Customers:** Our relationship managers maintain continuous personal contact with our customers through advisory sessions, service calls or other types of engagement. In order to monitor our customer satisfaction, we gather feedback across distribution channels as described in the standard S4.
- **Employees:** In addition to regular engagement with our employees through networking events, in-house communication channels, newsletters and town hall events, we conduct employee surveys to identify what works well and areas where we can improve.
- **Investors:** We engage with investors and analysts through quarterly earnings releases, webcasts, roadshows, one-on-one meetings and conferences as well as the Annual General Meeting.
- **Regulators:** We maintain a proactive, ongoing dialogue with national and European supervisory and regulatory authorities.
- **Public and media:** BAWAG offers various channels where different stakeholders can inform themselves about our activities, e.g. through the various websites of our brands or our company websites.

The feedback obtained from these conversations is evaluated to identify potential improvements in the respective areas and, when relevant, integrated into our daily operations. As part of our double materiality assessment, we engaged with a broader set of stakeholders through a tailored survey to gather feedback on specific impacts. Additionally, feedback from other forms of engagement was included in our decision-making process.

### ESRS 2-SBM-2.45b: Understanding of interests and views of stakeholders

As part of the materiality assessment, BAWAG conducted a stakeholder survey to obtain an outside view of the impacts, risks and opportunities. The questionnaire was based on an assessment of scale as well as a feedback possibility in order to identify any potential topics not covered by the Bank. The results were analyzed as part of the assessment. In 2025, we expanded these measures to include employees who joined the Group through the acquisitions.

### ESRS 2-SBM-2.45d: Administrative, management and supervisory bodies that are informed about the views and interests of affected stakeholders with regard to sustainability-related impacts

The feedback from ongoing engagements is reported to the respective Management Board member. The outcomes of the engagement, conducted as part of the double materiality assessment, are communicated to both the Management Board and the Supervisory Board.

### S1.12: Interests and views of own workforce

An open feedback culture is of central importance to BAWAG Group. Ideas, new opportunities, and feedback on how we can improve are not only essential for the further development of our organization but also serve as a channel to improve teamwork and better serve our stakeholders. Engagement with our own workforce occurs both directly with employees and through regular dialogue across hierarchies with representatives of the Works Council. We incorporate feedback received by working on initiatives to address areas of improvement or increase our potential on positive impact for our employees and have set up a dedicated human resources strategy. The various touchpoints of employee feedback is outlined in S1.2.

### S4.8: Interests and views of consumers and/or end-users

We engage with our customers through various formats as outlined in S4.2 and monitor customer satisfaction to track the effectiveness of our engagement. The engagement with our consumers and/or end-users supports us to improve our products and services. Customers are looking for a more rewarding and engaging experience with targeted products and services while having 24/7 access to manage their financial lives. We aim to fulfill these needs and to better leverage new and existing platforms, while shifting more

straightforward tasks to our digital/online channels to enhance the overall customer experience. With the shift towards more digital engagement, we have adjusted our business towards advisory services in our branches.

### **SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model**

**ESRS 2-SBM-3.48a: Material impacts, risks and opportunities resulting from the materiality assessment, including the concentration of these impacts within the business model**

For the assessment we involved external advisory and conducted a comprehensive stakeholder survey in 2024. In 2025, this was supplemented by the new employees added as a result of the acquisitions. The full stakeholder survey will be repeated in 2026, after the credit card business acquired in Germany in 2025 was rebranded to a BAWAG brand. The identification of impacts, risks, and opportunities related to the ESRS topics was carried out in line with the double materiality assessment methodology. However, it also accounts for the fact that there is a lack of data throughout the value chain. As part of the materiality assessment, a number of topics were assessed to be not material in terms of reporting.

The following material impacts, risks and opportunities were identified:

#### **E1: CLIMATE CHANGE:**

##### **→ GENERATION OF GHG EMISSIONS**

###### **Actual negative impact:**

*We contribute to climate change through our GHG emissions and therefore have a negative impact on the environment. As a financial institution, the largest share of GHG emissions is caused by our lending activities with the largest share attributable to the portfolio of energy producers and the mortgage portfolio. Our own operations generate emissions through operating our branches and offices, maintaining our fleet, business travel, and purchasing goods and services for our operations.*

*Value chain position: Own operations and upstream and downstream value chain*

*Time horizon: short-, medium- and long-term*

##### **→ ENERGY**

###### **Actual negative impact:**

*The source of energy used to operate our branches and headquarters, generates GHG emissions. While nearly all of the electricity is already green today, our heating sources still depend on fossil fuels, causing an impact on the environment.*

*Value chain position: Own operations*

*Time horizon: short-, medium- and long-term*

#### **E4: BIODIVERSITY**

##### **→ SOIL SEALING**

###### **Actual negative impact:**

*BAWAG's largest asset class is mortgages. While a large part of the portfolio pertains to existing houses or apartments, new buildings have an impact on sealing soil, impacting the environment.*

*Value chain position: downstream value chain*

*Time horizon: short-, medium- and long-term*

#### **S1: OWN WORKFORCE**

##### **→ WORKING CONDITIONS**

###### **Actual positive impact:**

*Creating a positive and supportive working environment strengthens the team's long-term focus, aligns with our culture of turning employees into owners, and makes an essential contribution to sustainable performance. Through employee participation programs, employees can directly share in the company's success, which in turn fosters employee retention.*

*Value chain position: Own operations*

*Time horizon: short-, medium- and long-term*

##### **→ TRAINING AND SKILLS DEVELOPMENT**

###### **Actual positive impact:**

*Providing training and the framework that our employees can develop their skills is aligned to our continuous improvement mindset. We aim to invest in our employees and their personal development.*

*Value chain position: Own operations*

*Time horizon: medium- and long-term*

##### **→ GENDER EQUALITY AND EQUAL PAY**

###### **Actual negative impact:**

*The gender pay gap at BAWAG is primarily due to the lower proportion of women in leadership positions. Nevertheless, a gender pay gap exists that highlights structural disparities as a negative impact – while women make up more than half of the workforce.*

*Value chain position: Own operations*

*Time horizon: short-, medium- and long-term*

#### **S4: CONSUMERS AND END-USERS**

##### **→ DATA PROTECTION AND CYBERSECURITY**

###### **Potential negative impact:**

*As a financial institution, BAWAG processes a large amount of sensitive customer data and may be exposed to negative impacts on customers in the event of data protection breaches or IT security incidents. Ensuring high standards is therefore a priority for BAWAG.*

*Value chain position: Own operations, downstream value chain*

*Time horizon: short-, medium-, and long-term*

→ PROTECTION OF CHILDREN

**Actual positive impact:**

*Providing financial education supports responsible financial behavior in the future. Therefore, we are committed to supporting financial education for children as part of our corporate volunteering.*

*Value chain position:* Own operations

*Time horizon:* short-, medium-, and long-term

G1: BUSINESS CONDUCT

→ CORPORATE CULTURE

**Actual positive impact:**

*We create and implement shared values that guide how we conduct business, engage with our stakeholders, and set our priorities. Engaging our stakeholders and communities is important for building relationships, gathering feedback, and using it to drive improvement. Our corporate culture is a high priority, as it defines who we are and what drives us, and has been—and continues to be—a key contributor to BAWAG Group's transformation.*

*Value chain position:* Own operations

*Time horizon:* short-, medium-, and long-term

→ BRIBERY AND CORRUPTION PREVENTION

**Potential negative impact:**

*If we fail to maintain fair business practices and uphold to ethical standards, this can undermine trust in the industry, damage public confidence, and contribute to an unfair and unequal society. This can impact BAWAG's reputation and the society.*

*Value chain position:* Own operations, downstream value chain (customers)

*Time horizon:* short-, medium- and long-term

**ESRS 2-SBM-3.48b: Effects of material IROs on the undertaking's business model, value chain, strategy and decision-making, and how the undertaking has responded or plans to respond to these effects**

BAWAG Group has defined respective strategies or set initiatives in order to respond to these measures. These are described in the respective standards.

**ESRS 2-SBM-3.48d: Disclosure of current financial effects of material risks and opportunities**

There have been no material financial effects during the reporting year.

**ESRS 2-SBM-3.48f: Resilience of the strategy and business model regarding the undertaking's capacity to address its material impacts and risks and to take advantage of its material opportunities**

BAWAG Group has sub-strategies for the respective impacts and risks to define the initiatives as well as the governance to manage them. The details are disclosed in the respective

topical standards. In regard to the lending portfolio, BAWAG Group performs stress testing and regular monitoring for its lending portfolio as part of its overall risk management.

**ESRS 2-SBM-3.48g: Changes to material impacts, risks and opportunities compared to previous reporting periods**

The material impacts, risks and opportunities were further refined during the reporting year with regard to their materiality. Those that are relevant for certain stakeholders but not material were included in the respective report section and marked accordingly. In addition, IROs were consolidated or more clearly formulated, and impacts with the character of measures were reworded.

**ESRS 2-SBM-3.48h: Specification of impacts, risks and opportunities that are covered by ESRS Disclosure Requirements as opposed to those covered by additional entity-specific disclosures**

All topics are covered by topical ESRS disclosures. The anti-money laundering topic has been added as an additional disclosure.

## E1 – Climate change

BAWAG conducts, in alignment with the ECB guide on climate-related and environmental risks, a comprehensive business environment scan in which developments for all of BAWAG's segments and core markets are analyzed, primarily for the lending portfolio but also for all our own sites. These include developments in upcoming regulations, technological innovations, demographic changes, social developments, the economy, biodiversity as well as physical and transition risks.

BAWAG has integrated environmental risks into its risk inventory process. ESG risks were therefore measured in each existing risk category, including credit/market/liquidity and operational risk. The result of the risk quantification is not above the materiality threshold in any of the risk categories, and therefore sustainability-related risk is not material.

Climate and environmental risks were analyzed in the regularly conducted materiality analysis. For example, the risk drivers of tropical cyclone, river flooding, storm surge, heat stress, precipitation stress, fire risk, drought stress, cold stress, permafrost, sea level rise, and landslide were explicitly examined for the physical risk in the lending portfolio on a short, medium and long-term risk horizon for different RCP scenarios to understand the risk categories for each risk driver in the lending portfolio for different scenarios and time horizons.

Based on several defined key risk indicators (KRI) per risk category for physical/ transition and environmental risk BAWAG estimated credit risk as a "medium" risk for physical and transition risks in the short, medium, and long term. For other risk categories (market, liquidity and operating risks) the resulting risk category is "low" based on the KRIs.

**E1-SBM-3.18: Categorization of identified climate-related risks**

No material sustainability risks, in particular no material financial climate and environmental risks, can be identified from the analyses of the risk inventory. From a further in-depth analysis, a "medium" risk for physical and transition risks can be identified for credit risks in the short, medium and long term. Accordingly, the development is monitored overall and specifically for credit risk.

**E1-SBM-3.19: Description of resilience of strategy and business model in relation to climate change, including:**

In addition to the risk inventory and the in-depth materiality analysis, the stress test program also plays a role in obtaining an overall view of risks. Stress testing constitutes an integral part of the risk management process. It is quarterly (climate risks at least twice a year) performed at the Group level and hence includes all risk exposures of all consolidated subsidiaries, excluding intra-Group receivables and liabilities.

The basis for the stress testing exercise is a set of macroeconomic scenarios for which the Group's resilience is evaluated. In this context a macroeconomic scenario is represented by a projection of future values of a set of well defined macroeconomic variables, such as the real GDP growth rate year over year, the consumer price index, etc. in a specific set of geographies. The set of macroeconomic scenarios always consists of one baseline scenario and one or a set of adverse scenarios. Each adverse scenario considers a severe but plausible, i.e. not unrealistic, economic downturn. Additionally, some idiosyncratic shocks are applied. The identification, assessment and approval is the main task of a macroeconomic scenario committee. The further steps are the consideration of the volume and margin plan for scenarios, the calculation of stress impacts, the result assessment including definition of action / mitigation plans as well as the approval by the ICAAP & Stress Test Committee and the approval at the Management Board level as the final step.

Risk category for RCP 8.5 in 2050	Precipitation stress	River flooding	Heat stress	Cold stress
no hazard	—%	—%	—%	—%
very low	—%	75%	5%	2%
low	67%	9%	61%	20%
medium	26%	2%	29%	74%
high	5%	5%	3%	2%
very high	—%	—%	—%	—%
no information	1%	9%	1%	1%

Over time (currently, 2030 and 2050), as measured by total exposure in combination with risk classes, the overall physical risk profile increases slightly. The change compared with the previous year is attributable to an expansion of the risk drivers and thus a more comprehensive assessment. In the largest asset class, the mortgage portfolio, the level of physical risk remains comparable on average across all risk classes between the current risk assessment and the year 2050 under the RCP 8.5 scenario.

Transition risks for policy changes in relation to GHG-emissions were analyzed using data from the ECB, EIB and PCAF-database to assign risk classes. The findings show that only 3.2% (2024: 2,6%) of the corporate portfolio fall into the "high" or "very high" risk categories, meaning overall risk is low. As a result, no significant risk for the corporate portfolio can be expected from a higher pricing of greenhouse gas emissions in the future, for example based on the basis of Network for Greening the financial system (NGFS) scenarios Net Zero 2050 scenario. This was also confirmed by an analysis of the change in risk-weighted assets for credit risks for corporate customers with a high CO2 intensity.

Similarly, for the Retail & SME portfolios, the increase in risk weighted assets is also minimal (2.4%) for financially weaker customers who may be affected by higher inflation and energy costs, indicating a low risk.

Regarding housing loans, the Energy Performance of Buildings Directive (EPBD) will require residential buildings to have an efficiency class of at least E from 2030 and an energy efficiency class of D from 2033. Based on this directive and the available energy performance certificates, a low risk can also be identified for the housing loan portfolio, with 20% of housing loans having an energy efficiency class of E or worse.

For commercial real estate (CRE), the EPBD mandates that commercial buildings must meet at least energy efficiency class E from 2027 and class D from 2030. Based on the available energy performance certificates, a "medium" risk can be identified, as some CRE customers must improve the energy efficiency of the buildings, even though the term of the loans is only 8% over 5 years.

Efforts continue to improve the availability of EPC label data for both housing loans and CRE loans, as current coverage is at a low level.

In addition, BAWAG Group participated in the supervisory climate stress test, in which the supervisor is examining the resilience of the banking sector with regard to the European Union's Fit-for-55 package.

Further developments in the internal stress test program for climate and environmental risks and a further improvement in the internal data situation are planned for 2026.

**E1-SBM-3.19a.; AR 6: Description of scope of resilience analysis**

Please see the explanations in previous paragraphs.

**E1-SBM-3.19b.; AR 7: Disclosure of how and when the resilience analysis has been conducted**

Please see the explanations in previous paragraphs.

**E1-SBM-3.19c.; AR 8: Description of results of the resilience analysis**

Please see the explanations in previous paragraphs.

**E1-SBM-3 AR 8b: Description of ability to adjust to or adapt strategy and business model to climate change**

Disclosure requirement related to ESRs 2 IRO-1 – Description of the processes to identify and assess material climate-related impacts, risks and opportunities

**Impact, risk and opportunity management**

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**IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities**

**ESRS 2-IRO-1.53a: Methodologies and assumptions applied in the described process**

The materiality assessment disclosed in the 2024 sustainability statement is based on the principle of double materiality, evaluating both impact and financial materiality.

To continuously enhance our assessments, we focused on improving the underlying data for climate-related and value chain information throughout 2025. Despite these efforts, most of the climate, environmental (risk), and social data in the value chain relies on estimates and proxies. Given our limited customer base that is subject to reporting obligations, and our primary focus on Retail & SME, obtaining more precise data on these topics remains a challenge.

For our impact assessment, we applied the following:

→ **Own operations:** For the assessment of climate change, actual consumption data were used where available, and estimates were applied for the remaining categories. Physical and other environmental risks were assessed using a tool that bases its evaluations on location or business activity. Transition risks were assessed based on expert judgement. Social standards were assessed using actual data, except for workers in the value chain. For the latter, the assessment relied on our social risk heatmap, as actual data were not available or were only available to a limited extent.

→ **Portfolio analysis:** We utilized the UNEP FI impact tool as an initial framework, complemented by portfolio data to refine the assessment with additional data points. Additionally, we conducted an analysis with an external provider for impact evaluation beyond climate change in 2024.

Once the topics have been assessed, a threshold is applied to select the material ones. For the assessment of financial risks we rely on internal calculations.

**ESRS 2-IRO-1.53b: Process to identify potential and actual impacts on people and the environment**

The analysis takes into account all aspects of BAWAG's business and underlying activities and considers both own operations as well as the upstream and downstream value chain. During the materiality assessment BAWAG conducted a survey of its identified stakeholders using a questionnaire in order to obtain their assessment of BAWAG's impacts on them. The questionnaire was tailored to the respective stakeholder groups to ensure that the questions can be answered based on the needs of the respective stakeholder group. In addition, we also included existing surveys and stress test results to assess whether any additional impacts or risks need to be assessed.

**ESRS 2-IRO-1.53b i-iii,iv: Disclosure of whether and how the process focuses on specific activities, business relationships, geographical conditions, or other factors that lead to an increased risk of adverse impacts**

To assess the materiality of impacts, each identified impact was qualitatively evaluated based on its scale, scope, likelihood and irremediable nature. This approach enables the prioritization of the extensive list of identified impacts. Positive impacts were not assessed for irremediable nature.

**ESRS 2-IRO-1.53c: Process to identify, assess, prioritize and monitor risks and opportunities that may have financial effects, including:**

To determine financial materiality, thresholds were set for evaluating the magnitude of financial effects and the likelihood of occurrence. Potential risks and opportunities associated with sustainability impacts are assessed based on

these criteria. Both the magnitude of the financial effect and the likelihood of occurrence adhere to the existing quantification of these risks. Sustainability-related risks are treated in the established risk management frameworks.

#### ESRS 2-IRO-1.53d: Decision-making process and the related internal control procedures

The double materiality assessment was discussed as well as approved by the Management Board. In 2024, the Supervisory Board, together with its respective sub-committee approved the list of the final of material topics, which remained in essence unchanged. The decision-making process spans various hierarchical levels. Assessments are conducted with the participation of representatives of business functions as well as from subsidiaries to capture the comprehensive Group perspective. Once stakeholder perspectives were integrated, a decision was made involving the Management Board.

#### ESRS 2-IRO-1.53e: Scope and manner of integrating the process to identify, assess and manage impacts and risks into the overall risk management procedure

The identification, assessment, and management of sustainability-related risks are integrated within the risk management framework and the dedicated functions at different levels and evaluated over various time horizons. BAWAG conducts a materiality assessment annually. Based on the materiality of the risks identified, key risk indicators and, where relevant, limits are established, which are then monitored and reported to both the Management Board and the Supervisory Board.

To identify material topics on an ongoing basis, we also carry out due diligence processes. For the lending portfolio, a staggered due diligence approach is applied, which varies depending on the size of the counterparty and the amount granted. Additionally, loan applications are reviewed against a defined prohibited and restricted list. Governance processes for our own operations have been established in accordance with dedicated standards.

Regular monitoring is ensured through reporting to both the Management Board and the responsible committee at the Supervisory Board level. The frequency of these reports depends on the volatility of the topics and ranges from monthly monitoring to an annual update.

#### ESRS 2-IRO-1.53f: Scope of manner of integrating of the process to identify, assess and manage opportunities into the overall management process

The identification, assessment, and management of opportunities are handled within the respective business units or central functions. Initiatives developed from the identified topics are coordinated within these functions and reviewed within an appropriate timeframe in alignment with the relevant topic.

#### ESRS 2-IRO-1.53g: Input parameters used

The materiality assessment was conducted for the entire Group, with varying scope depending on the size of the business and the products offered. BAWAG utilizes various data sources when conducting the assessments in accordance with ESRS 1, aiming to further develop these sources as more precise inputs become available. The specific data sources used are detailed within the respective standards that describe the materiality assessment, with variations in source as well as accuracy based on the particular impact, risk, or opportunity being evaluated.

#### ESRS 2-IRO-1.53h: Change in process compared to the prior reporting period

In light of the completion of the Barclays Consumer Bank Europe acquisition in February 2025, the materiality assessment was updated in 2025 to ensure that the material impacts, risks, and opportunities reflect the current state of the Group. As the rebranding to a BAWAG brand will not take place until 2026, the comprehensive stakeholder engagement will be conducted in 2026.

#### E1-IRO-1.20a: Process to identify and assess impacts on climate change, in particular GHG emissions of the undertaking

BAWAG reported GHG emissions for its own operations as well as its lending portfolio in past years. As a bank, the largest share of emissions is caused by the lending portfolio. The remaining scopes of the GHG-Protocol were assessed based on estimates or GHG-equivalent calculations. Based on their materiality, four categories were assessed to be reported in addition to the own operations as well as financed emissions.

**E1-IRO-1.20b: Process to identify and assess climate-related physical risks in own operations and along the upstream and downstream value chain, including the disclosures in AR 11**

Physical risks are assessed for both, own operations as well as the lending portfolio assessed based on an external data provider. We perform the analysis both, for our own branches and headquarters as well as our lending portfolio.

BAWAG applies the time horizons defined by the ESRS for the materiality assessment. For the assessment of climate and environmental risks from a risk management perspective, BAWAG applies different time periods for medium and long-term factors: more than one year to ten years in the medium term and more than ten years in the long term. This illustrates the long-term nature of these risks.

**E1-IRO-1.AR 11a: Explanation of identification of climate-related hazards over short-, medium- and long-term time horizons**

Physical risks are assessed using a physical risk tool from a data provider. This tool also provides several scenarios for the assessment of climate-related hazards over various risk horizons covering short-, medium-, and long-term risks.

**E1-IRO-1.AR 11c: Assessment of exposure of assets and activities to the identified physical risks**
**E1-IRO-1.AR 11b: Definition of short-, medium and long-term time horizons**
**2025**
**Exposures sensitive to physical risk**

	<b>Geographical area subject to climate change physical risk - acute and chronic events</b>	<b>Total (gross) carrying amount (in € million)</b>	<b>of which exposures sensitive to impact from chronic climate change events</b>	<b>of which exposures sensitive to impact from acute climate change events</b>	<b>of which exposures sensitive to impact both from chronic and acute climate change events</b>
1	A - Agriculture, forestry and fishing	14	9	3	3
2	B - Mining and quarrying	1	—	—	—
3	C - Manufacturing	523	83	46	1
4	D - Electricity, gas, steam and air conditioning supply	429	3	21	1
5	E - Water supply; sewerage, waste management and remediation activities	313	35	44	22
6	F - Construction	277	72	54	13
7	G - Wholesale and retail trade; repair of motor vehicles and motorcycles	360	39	18	3
8	H - Transportation and storage	176	10	1	—
9	L - Real estate activities	2,509	271	275	55
10	Loans collateralized by residential immovable property	24,603	2,162	970	106
11	Loans collateralized by commercial immovable property	1,442	469	16	2
12	Reposessed collateral	—	—	—	—
13	Other relevant sectors	—	—	—	—

2024

Exposures sensitive to physical risk (by industry)					
	Geographical area subject to climate change physical risk - acute and chronic events	Total gross carrying amount (in € million)	of which exposures sensitive to impact from chronic climate change events	of which exposures sensitive to impact from acute climate change events	of which exposures sensitive to impact both from chronic and acute climate change events
1	A - Agriculture, forestry and fishing	15	10	5	5
2	B - Mining and quarrying	1	—	—	—
3	C - Manufacturing	555	81	25	1
4	D - Electricity, gas, steam and air conditioning supply	261	3	1	—
5	E - Water supply; sewerage, waste management and remediation activities	339	45	49	23
6	F - Construction	294	74	32	12
7	G - Wholesale and retail trade; repair of motor vehicles and motorcycles	388	25	16	3
8	H - Transportation and storage	188	10	6	1
9	L - Real estate activities	2,952	1,195	223	190
10	Loans collateralised by residential immovable property	24,159	970	908	50
11	Loans collateralised by commercial immovable property	2,145	551	38	3
12	Repossessed collateral	—	—	—	—
13	Other relevant sectors (breakdown below where relevant)	—	—	—	—

We included both, the locations of our branches and headquarters of the Group as well as the lending portfolio in our assessment. Chronic as well as acute climate-related hazards are included in the assessment of physical risks. The analysis of the risk driver, and their possible effect on the lending portfolio is assessed with the consideration of the book values relevant for the analysis. Therefore for all assets and on aggregated level on various portfolio splits the leading physical risk drivers can be analyzed.

#### E1-IRO-1.AR 11d: Assessment of exposure is informed by high emission climate scenarios

BAWAG considers climate-related scenarios on various stages, as for example in the business environment scan, but also in the risk assessment of physical risks. For this analysis multiple scenarios (Current, RCP45, SSP585, RCP85) over various risk horizons are considered, to assess the exposure to the risk drivers but also to assess the development of certain physical risks over time.

#### E1-IRO-1.21: Explanation of how climate-related scenario analysis has been used to inform the identification and assessment of physical risks

BAWAG conducts, in alignment with the ECB guide on climate-related and environmental risks, a comprehensive business environment scan in which developments for all of BAWAG's segments and core markets are analyzed. These include developments in upcoming regulations, technological innovations, demographic changes, social developments, the economy, biodiversity as well as physical and transition risks.

BAWAG has integrated environmental risks into its risk inventory process. ESG risks were therefore measured in each existing risk category, credit/ market/ liquidity and operational risk. The result of the risk quantification is not above the materiality threshold in any of the risk categories, and therefore ESG is not material risk driver.

Climate and environmental risks were analyzed in the regularly conducted materiality analysis. For example the risk drivers tropical cyclone, river flooding, storm surge, heat stress, precipitation stress, fire risk, drought stress, cold stress, permafrost extent, sea level rise and landslide were explicitly examined for the physical risk in the credit portfolio. This was conducted on a short, medium and long-term risk horizon for different scenarios (Current, RCP45, SSP585, RCP85) to understand the risk categories for each risk driver in the lending portfolio for different scenarios and time horizons.

**E1-IRO-1.20c: Description of the process to identify and assess climate-related transition risks and opportunities in own operations and along the upstream and downstream value chain**

**E1-IRO-1.AR 12a: Identification of transition events over short-, medium-, and long-term**

Transition risk occurs in connection with the development towards a low-carbon economy. Political measures may lead

to fossil fuels or emission certificates becoming more expensive and/ or scarce, or result in high investment costs due to the required clean-up of buildings and plants. New technologies may replace existing ones, and changes in consumer preferences may jeopardize entities that have failed to adapt.

2025			
Sector/subsector	Total (gross) carrying amount (in € million)	GHG financed (scope 1, 2 and 3 emissions of the counterparty) (in tons of CO <sub>2</sub> e)	of which scope 3 financed emissions
<b>Exposures towards sectors that highly contribute to climate change</b>			
A - Agriculture, forestry and fishing	14	18	10
B - Mining and quarrying	1	871	6
C - Manufacturing	523	101,747	76,488
D - Electricity, gas, steam and air conditioning supply	429	631,862	251,508
E - Water supply; sewerage, waste management and remediation activities	313	3,775	1,685
F - Construction	277	16,187	15,619
G - Wholesale and retail trade; repair of motor vehicles and motorcycles	360	26,369	20,975
H - Transportation and storage	176	4,934	3,815
L - Real estate activities	2,509	10,176	8,384
<b>Total</b>	<b>4,602</b>	<b>795,938</b>	<b>378,491</b>

2024			
Sector/subsector	Gross carrying amount (in € million)	GHG financed emissions (scope 1, 2 and 3 emissions of the counterparty) (in tons of CO <sub>2</sub> e)	of which scope 3 financed emissions
<b>Exposures towards sectors that highly contribute to climate change</b>			
A - Agriculture, forestry and fishing	15	224	86
B - Mining and quarrying	1	4,311	12
C - Manufacturing	555	144,649	111,967
D - Electricity, gas, steam and air conditioning supply	261	944,640	306,736
E - Water supply; sewerage, waste management and remediation activities	339	2,456	2,059
F - Construction	294	13,696	12,650
G - Wholesale and retail trade; repair of motor vehicles and motorcycles	388	13,023	11,109
H - Transportation and storage	188	4,445	3,445
L - Real estate activities	2,952	11,417	9,506
<b>Total</b>	<b>4,993</b>	<b>1,138,861</b>	<b>457,570</b>

BAWAG Group's business model is primarily focused on Retail & SME. Residential mortgages represent a substantial portion of the loan portfolio. The transition towards stricter environmental regulations and the ambition for energy-efficient homes could have implications on property values, borrower affordability, and overall credit risk.

Residential real estate typically also has long maturities and could, in the medium term, be affected by regulatory changes aimed at improving energy efficiency. At the same time, the countries in which we operate in are also considering a fair transition. Given the size of the portfolio, BAWAG has set decarbonization targets and initiatives in order to prepare for the transition. However, these depend heavily on the implementation of national measures and the continuation of

national climate neutrality ambitions. In addition to decarbonization targets, we have set specific KRIs to track transition risk for the residential mortgage portfolio.

Power generation is the highest emitting sector within our portfolio. The exposure primarily related to entities with a connection to the public sector. Power generation needs to undergo a transition, but the transition risk on client level is limited, given the connection to the public sector. Nevertheless, we have developed a transition plan and implemented the appropriate governance to monitor this process.

Overall, the transition risk is mainly driven by policy and legal transition events and is assessed via a comprehensive business environment scan as well as with the materiality analysis.

**E1-IRO-1.AR 12b: Assessment of exposure considering the likelihood, magnitude and duration of the transition events**

One example of a policy and transition event is the introduction of the Energy Performance of Buildings Directive (EPBD), which requires, that residential buildings must be upgraded to at least efficiency class E by 2030 and to efficiency class D by 2033. Commercial buildings must achieve at least efficiency class E by 2027 and efficiency class D by 2030. Therefore, it is necessary to assess the portfolio with regard to the minimum requirements set by the EPBD. The mortgage and CRE portfolio is affected by this directive. The risk is currently assessed as low for housing loans and medium for CRE, given the data availability. Therefore, upcoming transition risks, as described in the EPBD, are considered in the business environment scan and are assessed in the materiality assessment.

**E1-IRO-1.AR 12c: Identification of transition events and assessment of exposure is informed by climate-related scenario analysis**

In its business environment scan, BAWAG considers various scenarios for the core markets and incorporates the results in the subsequent steps of the materiality assessment and the definition of the sustainability strategy.

**E1-IRO-1.AR 12d: Assets that are incompatible with a transition to a climate-neutral economy**

As of today, we don't assume locked-in assets for our financed portfolio. This is primarily attributable to the short- to medium-term maturity profile of our portfolio. For the longer-term mortgage portfolio, these emissions depend heavily on the implementation of national measures. If such measures are not implemented, these emissions would continue to persist (at least in part).

Given that BAWAG rents its buildings, we retain the flexibility to relocate to more energy-efficient premises if our transition pathway deviates from the current plan. Most of our rental contracts are designed to allow for cancellation within short

notice if necessary to achieve our 2030 as well as 2050 goals. The locations with long-term contracts already have a low carbon footprint today.

**E1-IRO-1.21: Explanation of how climate-related scenario analysis has been used to inform the identification and assessment of transition risks and opportunities**

Climate-related scenarios were considered at various stages, e.g. in the business environment scan. There, the NGFS-scenario narratives provide risk implications for such areas as policy reactions or technology change. Additionally, we analyze NGFS-scenario pathways (Network for Greening the Financial System scenarios) for all of our core markets separately.

**E1-IRO-1.AR 15: Explanation of how climate scenarios used are compatible with the critical climate-related assumptions made in the financial statements**

The assessment is in alignment with the climate-related assumptions integrated in the overall risk management processes.

**E2-IRO-1.11a: Information about methodologies, assumptions and tools used to screen sites and business activities for pollution-related IROs (impacts, risks, and opportunities) in the undertaking's own operations and in the value chain**

Impact on pollution from own operations was assessed as part of the materiality assessment. Given that BAWAG operates branches and headquarters for its lending activities, the impact on pollution is not material. In the assessment of the portfolio, BAWAG uses ENCORE and the WWF Filter, which provides estimates for different industries. In addition, all customers are based in Austria, Germany, the Netherlands, Switzerland, Ireland, the United Kingdom, or the United States which have high regulations on air pollution as well as close monitoring in place.

**E2-IRO-1.11b: Disclosure of whether and how consultations (in particular with affected communities) have been part of this process**

We did not actively engage with affected communities of our branches and headquarters. However, we reviewed all complaints received over the past few years. No complaints regarding our branches or headquarters in relation to pollution were received.

**E3-IRO-1.8a: Assets and activities have been screened in order to identify water and marine resources-related IROs in own operations and value chain, including methodologies, assumptions and tools used in screening**

Impact on marine and water resources from own operations was assessed in our materiality assessment.

Given our business model, we do not have a material impact on water and marine resources from our own operations. The portfolio was assessed with the ENCORE methodology.

**E3-IRO-1.8b: Disclosure as to whether and how consultations have been conducted on that matter, in particular with affected communities**

BAWAG conducted a stakeholder survey as part of its 2024 materiality assessment. The two most recent acquisitions pursue a digital customer presence strategy, so only two administrative sites have been added.

**E4-IRO-1.17: Description of the process for identifying material IROs, including whether and how the undertaking:**

**E4-IRO 1.17a: Identified and assessed actual and potential impacts on biodiversity and ecosystems at own site locations and in the value chain**

Own site locations and the supply chain were assessed in terms of biosensitive areas and zones with the support of a consultancy company specialized in climate and biodiversity-related risk analysis, with the result that the out own locations have no impact on biodiversity or ecosystems.

**E4-IRO 1.17b: Identified and assessed dependencies on biodiversity and ecosystems at own site locations and in the value chain**

Dependencies on biodiversity and ecosystems were assessed with the ENCORE tool. In addition, an external consultant assessed the dependencies resulting from the business activities as well as from our locations.

**E4-IRO 1.17c: Identified and assessed transition and physical risks and opportunities related to biodiversity and ecosystems**

BAWAG Group applied the ENCORE tool to understand and manage their dependencies and impacts on biodiversity and ecosystems. Based on that analysis, the portfolio shows a low dependency for the majority and a very high dependency for a portion. The majority of the very highly dependent customers are active in the real estate sector. In addition, an analysis was performed using the WWF Biodiversity Risk Filter (BRF).

**E4-IRO 1.17d: Considered systemic risks**

Systemic risks are considered in ENCORE and WWF BRF.

**E4-IRO 1.17e: Conducted consultations with affected communities**

We did not actively engage with affected communities of our branches and headquarters. However, we reviewed all complaints received over the past few years. No complaint

regarding our branches or headquarters in relation to biodiversity and ecosystems were received.

**E4-IRO-1.19a: Sites located in or near biodiversity-sensitive areas and whether it has activities which negatively affect these sites**

In 2024, we performed an assessment with a third party which determined that our branches are not located in biodiversity-sensitive areas.

**E4-IRO-1.19b: Disclosure as to whether it was determined that implement biodiversity mitigation measures are necessary**

BAWAG Group has an impact on soil sealing due to its lending activities. Given that data and methodologies are very limited, we are working to improve the data availability in the future.

**E5-IRO-1.11: Description of the process to identify material IROs related to resource use and circular economy, including information on:**

**E5-IRO 1.11a: Screening of assets and activities to identify its IROs in its own operations and its value chain, including the methodologies, assumptions and tools used in the screening**

BAWAG conducted a materiality assessment for own operations. For the lending portfolio, the assessment was done using the UNEP FI tool with the assessment being refined with portfolio-specific characteristics, e.g. new home construction versus financing an existing property. Therefore, we generally assess circular economy to not to be material, but we will assess it on a regular basis. For our own operations, we reviewed all complaints from affected communities in regard to our branches or headquarters over the past to include this feedback in our assessment.

**G1-IRO-1.6: Disclosure of relevant criteria used in the process to identify material IROs related to business conduct matters**

The criteria for the identification of material IROs includes all required ESRS sub-topics like corporate culture, protection of whistleblowers, animal welfare, political engagement and lobbying activities, management of relationships with suppliers including payment practices, corruption and bribery (including the sub-sub-topics prevention and detection including training and incidents). In addition, BAWAG assessed bank-related topics based on other standards as well as relevant topics related from the past. For the assessment, BAWAG considered all locations and business activities.

## IRO-2 – Disclosure requirements in ESRS covered by the undertaking’s sustainability statement

**ESRS 2-IRO-2.56: Disclosure of a list of the Disclosure Requirements complied with the sustainability statement, following the outcome of the materiality assessment, including a table of the data points that derive from other EU legislation**

Disclosure requirement		
BP-1	General basis for preparation of sustainability statements	212
BP-2	Disclosures in relation to specific circumstances	212
GOV-1	The roles of the administrative, management and supervisory bodies	216
GOV-2	Information provided to and sustainability matters addressed by the undertaking’s administrative, management and supervisory bodies	218
GOV-3	Integration of sustainability-related performance in incentive schemes	218
GOV-4	Statement on due diligence	219
GOV-5	Risk management and internal controls over sustainability reporting	220
SBM-1	Strategy, business model and value chain	221
SBM-2	Interests and views of stakeholders	223
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	224
IRO-1	Description of the process to identify and assess material impacts, risks and opportunities	227
IRO-2	Disclosure requirements in the ESRS covered by the undertaking’s sustainability statement	234
<b>Taxonomy reporting</b>	Integration of sustainability-related performance in incentive schemes	242
E1 Climate change		285
ESRS 2, GOV 3	Integration of sustainability-related performance in incentive schemes	218
E1-1	Transition plan for climate change mitigation	285
SBM-3	Material impacts, risks, and opportunities and their interaction with strategy and business model	224
ESRS 2, IRO-1	Description of the processes to identify and assess material climate-related impacts, risks, and opportunities	227
E1-2	Policies related to climate change mitigation and adaptation	288
E1-3	Actions and resources in relation to climate change policies	290
E1-4	Performance indicators and targets	294
E1-5	Energy consumption and mix	296
E1-6	Gross Scope 1, 2, 3 and total GHG emissions	297
E1-7	GHG removals and carbon credits	Not material
E1-8	Internal carbon pricing	Not material
E1-9	Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	Phase-in
E2 Pollution		Not material
E3 Water and marine resources		Not material
E4 Biodiversity and ecosystems		301
E4-1	Transition plan	No transition plan
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	301
IRO-1	Description of the processes to identify and assess material impacts, risks, and opportunities relating to biodiversity and ecosystems	301
E4-2	Policies relating to biodiversity and ecosystems	301
E4-3	Actions and resources relating to biodiversity and ecosystems	301
E4-4	Targets relating to biodiversity and ecosystems	301

E4-5	Impact metrics	301
E5 Circular economy		Not material
S1 Own workforce		302
ESRS 2, SBM-2	Interests and views of stakeholders	223
ESRS 2, SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	224
S1-1	Policies related to own workforce	305
S1-2	Processes for engaging with own workforce and workers' representatives about impacts	308
S1-3	Processes to remediate negative impacts and channels for own workers to raise concerns	310
S1-4	Taking action on material impacts and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and the effectiveness of these actions and approaches	311
S1-5	Targets related to managing principal adverse impacts, advancing positive impacts, and managing material risks and opportunities	315
S1-6	Characteristics of the undertaking's employees	317
S1-7	Non-employees in own workforce	320
S1-8	Collective bargaining coverage and social dialogue	321
S1-9	Diversity metrics	323
S1-10	Adequate wages	323
S1-11	Social protection	324
S1-12	Persons with disabilities	324
S1-13	Training and skills development metrics	324
S1-14	Health and safety	326
S1-15	Work-life balance metrics	328
S1-16	Remuneration metrics	328
S1-17	Incidents, complaints and severe human rights impacts	330
S4 Consumers and end-users		331
S4-1	Policies related to consumers and end-users	333
S4-2	Processes for engaging with consumers and end-users about impacts	337
S4-3	Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	337
S4-4	Taking action on material impacts on consumers and end-users and approaches for managing material risks and utilizing material opportunities relating to consumers and end-users, and the effectiveness of these actions and approaches	338
S4-5	Targets relating to the remediation of material negative impacts, promoting positive impacts, and the handling of material risks and opportunities	340
G1 Business conduct		342
ESRS GOV-1	The role of the administrative, management, and supervisory bodies	218
ESRS 2 IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	227
G1-1	Policies for corporate governance and corporate culture	344
G1-2	Management of relationships with suppliers	Not material
G1-3	Prevention and detection of corruption or bribery	347
G1-4	Incidents of corruption or bribery	348
G1-5	Political influence and lobbying activities	Not material
G1-6	Payment practices	Not material

For the assessment of the materiality of impacts as well as the financial materiality (risks and opportunities), we employed a threshold, resulting from a combination of various factors. If

the impacts and/or the financial materiality of a topic exceeded this threshold, the respective topic was included in the non-financial report.

Disclosure requirement and related data point	Sustainable Finance Disclosure Regulation	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Reference
ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d)	Indicator number 13 of Table #1 of Annex 1		Commission Delegated Regulation (EU) 2020/1816 (5), Annex II		GOV-1: The role of the administrative, management, and supervisory bodies, page 216
ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 (e)			Commission Delegated Regulation (EU) 2020/1816, Annex II		GOV-1: The role of the administrative, management, and supervisory bodies, page 216
ESRS 2 GOV-4 Statement on due diligence paragraph 30	Indicator number 10 Table #3 of Annex 1				GOV-4: Statement on due diligence, page 219
ESRS 2 SBM-1 Involvement in activities related to fossil fuels activities paragraph 40 (d) i	Indicator number 4 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 (6) Table 1: Qualitative information on environmental risk and Table 2: Qualitative information on social risk	Commission Delegated Regulation (EU) 2020/1816, Annex II		SBM-1 Strategy, business model, and value chain, page 222
ESRS 2 SBM-1 Involvement in activities related to chemicals production paragraph 40 (d) ii	Table #2 of Annex 1		Commission Delegated Regulation (EU) 2020/1816, Annex II		SBM-1 Strategy, business model, and value chain, page 222
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	Indicator number 14 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1818 (7), Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		SBM-1 Strategy, business model, and value chain, page 222
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv			Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		SBM-1 Strategy, business model, and value chain, page 222
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14				Regulation (EU) 2021/1119, Article 2 (1)	E1-1 Transition plan for climate change mitigation, page 286
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking Book-Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 12 (1) (d) to (g), and Article 12.2		Pillar 3 report
ESRS E1-4 GHG emission reduction targets paragraph 34	Indicator number 4 Table #2 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6		Pillar 3 report

ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	Indicator number 5 in Table #1 and Indicator number 5 in Table #2 of Annex 1			Not applicable
ESRS E1-5 Energy consumption and mix paragraph 37	Indicator number 5 Table #1 of Annex 1			E1-5 Energy consumption and mix, page 296
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	Indicator number 6 Table #1 of Annex 1			Not material
ESRS E1-6 Gross Scope 1, 2, 3 and total GHG emissions paragraph 44	Indicators number 1 and 2 Table #1 of Annex 1	Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1)	E1-6 Gross Scopes 1, 2, 3 and total GHG emissions, page 297
ESRS E1-6 Gross GHG emissions intensity paragraphs 53 to 55	Indicators number 3 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8	E1-6 Gross Scopes 1, 2, 3 and total GHG emissions, page 299
ESRS E1-7 GHG removals and carbon credits paragraph 56			Regulation (EU) 2021/1119, Article 2 (1)	Not material
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66			Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II	Disclosure phase-in use
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a) ESRS E1-9 Location of significant assets at material physical risk paragraph 66 (c).		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book - Climate change physical risk: Exposures subject to physical risk.		E1-9 in phase-in; Pillar 3 report
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c).		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 34; Template 2: Banking book -Climate change transition risk: Loans collateralized by immovable property - Energy efficiency of the collateral		E1-9 in phase-in; Pillar 3 report

ESRS E1-9 Degree of exposure of the portfolio to climate-related opportunities paragraph 69		Delegated Regulation (EU) 2020/1818, Annex II	Disclosure phase-in
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	Indicator number 8 Table #1 of Annex 1 Indicator number 2 Table #2 of Annex 1 Indicator number 1 Table #2 of Annex 1 Indicator number 3 Table #2 of Annex 1		Not material
ESRS E3-1 Water and marine resources paragraph 9	Indicator number 7 Table #2 of Annex 1		Not material
ESRS E3-1 Dedicated policy paragraph 13	Indicator number 8 Table #2 of Annex 1		Not material
ESRS E3-1 Sustainable oceans and seas paragraph 14	Indicator number 12 Table #2 of Annex 1		Not material
ESRS E3-4 Total water recycled and reused paragraph 28 (c)	Indicator number 6.2 Table #2 of Annex 1		Not material
ESRS E3-4 Total water consumption in m3 per net revenue on own operations paragraph 29	Indicator number 6.1 Table #2 of Annex 1		Not material
ESRS 2- IRO 1 - E4 paragraph 16 (a) i	Indicator number 7 Table #1 of Annex 1		Currently no policy
ESRS 2- IRO 1 - E4 paragraph 16 (b)	Indicator number 10 Table #2 of Annex 1		Currently no policy
ESRS 2- IRO 1 - E4 paragraph 16 (c)	Indicator number 14 Table #2 of Annex 1		Currently no policy
ESRS E4-2 Sustainable land / use/ agriculture practices or policies paragraph 24 (b)	Indicator number 11 Table #2 of Annex 1		Not applicable
ESRS E4-2 Sustainable oceans / seas practices or policies paragraph 24 (c)	Indicator number 12 Table #2 of Annex 1		Not material
ESRS E4-2 Policies to address deforestation paragraph 24 (d)	Indicator number 15 Table #2 of Annex 1		Not material
ESRS E5-5 Non-recycled waste paragraph 37 (d)	Indicator number 13 Table #2 of Annex 1		Not material

ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	Indicator number 9 Table #1 of Annex I		Not material
ESRS 2- SBM3 - S1 Risk of incidents of forced labour paragraph 14 (f)	Indicator number 13 Table #3 of Annex I		Not material
ESRS 2- SBM3 - S1 Risk of incidents of child labor paragraph 14 (g)	Indicator number 12 Table #3 of Annex I		Not material
ESRS S1-1 Human rights policy commitments paragraph 20	Indicator number 9 Table #3 of Annex I and indicator number 11 Table #1 of Annex I		S1-1 Human Rights Policy, page 306
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21	Indicator number 11 Table #3 of Annex I		S1-1 Human rights policy, page 307
ESRS S1-1 Processes and measures for preventing trafficking in human beings paragraph 22	Indicator number 1 Table #3 of Annex I		Not material
ESRS S1-3 Grievance/complaints handling mechanisms paragraph 32 (c)	Indicator number 5 Table #3 of Annex I		S1-3 Grievance/complaints handling, page 310
ESRS S1-1 Policies or management system relating to the prevention of work-related accidents paragraph 23	Indicator number 1 Table #3 of Annex I		S1-1: Policies or management systems relating to the prevention of work-related accidents, page 307
ESRS S1-14 Number of fatalities and number and rate of work related accidents paragraph 88 (b) and (c)	Indicator number 2 Table #3 of Annex I	Commission Delegated Regulation (EU) 2020/1816, Annex II	S1-14 Number of fatalities due to work-related injuries and ill health, page 326
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	Indicator number 3 Table #3 of Annex I		S1-14 Days lost to work-related accidents and fatalities, page 327
ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a)	Indicator number 12 Table #1 of Annex I	Delegated Regulation (EU) 2020/1816, Annex II	S1-16 Gender pay gap, page 328
ESRS S1-16 Excessive management pay ratio paragraph 97 (b)	Indicator number 8 Table #3 of Annex I		S1-16 Ratio highest paid to average employee remuneration, page 329
ESRS S1-17 Cases of discrimination paragraph 103 (a)	Indicator number 7 Table #3 of Annex I		S1-17: Cases of discrimination or harassment, page 330

ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 104 (a)	Indicator number 710 Table #1 of Annex I and indicator number 14 in Table #3 of Annex I		S1-17 Incidents, complaints and severe human rights impacts, page 330
ESRS 2- SBM3 – S2 Significant risk of child labor or forced labor in the value chain paragraph 11 (b)	Indicator number 12 and 13 Table #3 of Annex I		Not material
ESRS S2-1 Human rights policy commitments paragraph 17	Indicator number 9 Table #3 of Annex I and indicator number 11 Table #1 of Annex I		Not material
ESRS S2-1 Policies related to value chain workers paragraph 18	Indicator number 9 Table #3 and Indicator n. 11 Table #1 of Annex 1		Not material
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19	Indicators number 11 and 4 Table #3 of Annex 1	Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12(1)	Not material
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labour Organisation Conventions 1 to 8, paragraph 19		Commission Delegated Regulation (EU) 2020/1816, Annex II	Not material
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	Indicator number 14 Table #3 of Annex 1		Not material
ESRS S3-1 Human rights policy commitments paragraph 16	Indicator number 9 Table #3 of Annex 1 and indicator number 11 Table #1 of Annex 1		Not material
ESRS S3-1 Non-respect of UNGPs on Business and Human Rights or and OECD guidelines paragraph 17	Indicator number 10 Table #1 Annex 1	Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)	Not material
ESRS S3-4 Human rights issues and incidents paragraph 36	Indicator number 14 Table #3 of Annex 1		Not material
ESRS S4-1 Policies related to consumers and end-users paragraph 16	Indicator number 9 Table #3 Annex 1 and indicator number 11 Table #1 of Annex 1		S4-1 Policies, page 336
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	Indicator number 10 Table #1 of Annex 1	Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)	S4-1 Human Rights Policy, page 336
ESRS S4-4 Human rights issues and incidents paragraph 35	Indicator number 14 Table #3 of Annex 1		S4-4 Human rights, page 339

ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	Indicator number 15 Table #3 of Annex 1		Not applicable
ESRS G1-1 Protection of whistleblowers paragraph 10 (c)	Indicator number 6 Table #3 of Annex 1		G1-1 Protection of whistle blowers, page 346
ESRS G1-4 Fines for violation of anti- corruption and anti- bribery laws paragraph 24 (a)	Indicator number 17 Table #3 of Annex 1	Commission Delegated Regulation (EU) 2020/1816, Annex II)	G1-3 Incidents of corruption or bribery, page 348
ESRS G1-4 Standards of anti- corruption and anti- bribery paragraph 24 (b)	Indicator number 16 Table #3 of Annex 1		G1-4 Incidents of corruption or bribery, page 348

## Environment

## Taxonomy Disclosures

The EU Taxonomy Regulation (EU 2020/852) and its accompanying delegated acts establishes a common framework for classifying economic activities as environmentally sustainable. This allows stakeholders to evaluate the extent to which a company, financial institution, or financial market participant allocates its resources to sustainable activities that support the transition.

In particular, it defines six environmental objectives:

- Climate change mitigation
- Climate change adaptation
- Sustainable use and protection of water and marine resources
- Transition to a circular economy
- Pollution prevention and control
- Protection and restoration of biodiversity and ecosystems

In compliance with Article 8 of the EU Taxonomy Regulation, financial institutions are required to determine and disclose the proportion of the assets contained in their portfolios that is aligned with the EU Taxonomy.

The EU Commission's Delegated Regulation (EU) 2021/2178 supplements Regulation (EU) 2020/852 by specifying the content, presentation (templates) and methodology for Article 8 disclosures.

Summary of the EU Taxonomy reporting templates:

### → **Template 0: Summary of KPIs**

This template provides a compact overview of the EU Taxonomy KPIs, including the main Green Asset Ratio (GAR) and related KPIs (e.g., new GAR relevant exposures and other complementary indicators where applicable). Figures are drawn from the detailed templates and calculated under the common rules for financial undertakings.

### → **Template 1: Assets for the calculation of GAR**

This template lists the assets used to build the GAR and shows which portions are taxonomy-eligible and taxonomy-aligned. It also identifies items included in the

denominator but excluded from the numerator under the rules. Amounts are sourced from accounting and exposure data using the categories specified for the GAR scope and presented as gross carrying amounts. Eligibility and alignment follow EU Taxonomy logic and rely primarily on counterparty reporting where available.

### → **Template 2: GAR sector information**

This template breaks down exposures by Taxonomy-relevant sectors using NACE codes and shows the environmentally sustainable (taxonomy-aligned) part for climate objectives. It highlights which sectors contribute most to eligible and aligned financing.

### → **Template 3: GAR KPI stock and Template 4: GAR KPI flow**

These templates details the GAR stock and new GAR-relevant exposures by categories of assets and counterparties as well as by eligibility and alignment related to the 6 environmental objectives.

### → **Template 5: KPI off-balance sheet exposures based on KPI of the counterparty(stock)/(new exposures**

This template covers off-balance sheet items (financial guarantees and assets under management) and shows their taxonomy eligibility/alignment.

→ Template 6 on fee and commission income from services other than lending and asset management is not presented based on the statements in the draft Commission Notice from 17 December 2025. As BAWAG has no trading book, Template 7 does not apply.

Delegated Regulation (EU) 2021/2139 supplements the EU Taxonomy Regulation (EU) 2020/852 by setting technical screening criteria that determine when an economic activity makes a substantial contribution to climate change mitigation or climate change adaptation. It also defines the conditions under which those activities do not significantly harm the other environmental objectives. Furthermore, Delegated Regulation (EU) 2023/2486 establishes technical screening criteria for activities that substantially contribute to the four non-climate environmental objectives while also defining related do not significant harm conditions.

The EU Commission has amended Delegated Regulation (EU) 2021/2139 by adding additional technical screening criteria for climate change mitigation and/ or adaptation and the related "do no significant harm" requirements.

BAWAG Group's green asset (GAR) ratio reflects its business model and considers all balance sheet items to be taken into account in accordance with the regulations. The business model focuses primarily on Retail & SME, as well as Corporate and Public Sector customers. The assessment of assets covered under the Green Asset Ratio involves identifying counterparties that are primarily required to report on

sustainability matters under the Corporate Sustainability Reporting Standards (CSRD).

For general purpose lending, we consider the disclosed EU Taxonomy eligibility and alignment key performance indicators (KPI) of our counterparties. Given the limited number of our counterparties required to disclose EU Taxonomy KPIs, the data is sourced directly from their sustainability reports. For the disclosure of KPIs for assets under management, we utilize an external vendor.

The covered assets of households primarily relate to collaterals for residential real estate, financing of renewable energy solutions, home improvement loans, as well as motor vehicle loans. The order of the specified components also represents their relevance, although collaterals for residential real estate clearly represents the majority of the overall position. The order and the importance of the individual components can also be seen in the reported Template 1. Energy performance certificates (EPC) are necessary for the consideration of collaterals for residential real estate.

In Austria, collecting historical mortgage data and very specific data for certain financing purposes is more limited as well as the availability of EPCs for the stock business.

Therefore, initiatives are being taken to increase the coverage of energy performance certificates for existing financing, specifically for longer-term existing contracts as well as for recently concluded financing. In the Netherlands, there is a central database of energy performance certificates, which leads to a high level of coverage of energy performance certificates. We define Taxonomy alignment before the 31 December 2020 as an energy performance certificate of at least A or the top 15% of the national building stock. For buildings constructed from 1 January 2021 onwards, the EU Taxonomy defines that the primary energy demand of the building needs to be at least 10% below the threshold set for the nearly zero-energy building requirements in national measures. For renewable energy solutions, the alignment is either derived from the purpose itself or by requesting the technical screening criteria directly from the manufacturer. Due to the specific requirements that motor vehicle loans must meet for alignment, such granular data is not available, particularly given the seasonal tire regulations in Austria and Germany.

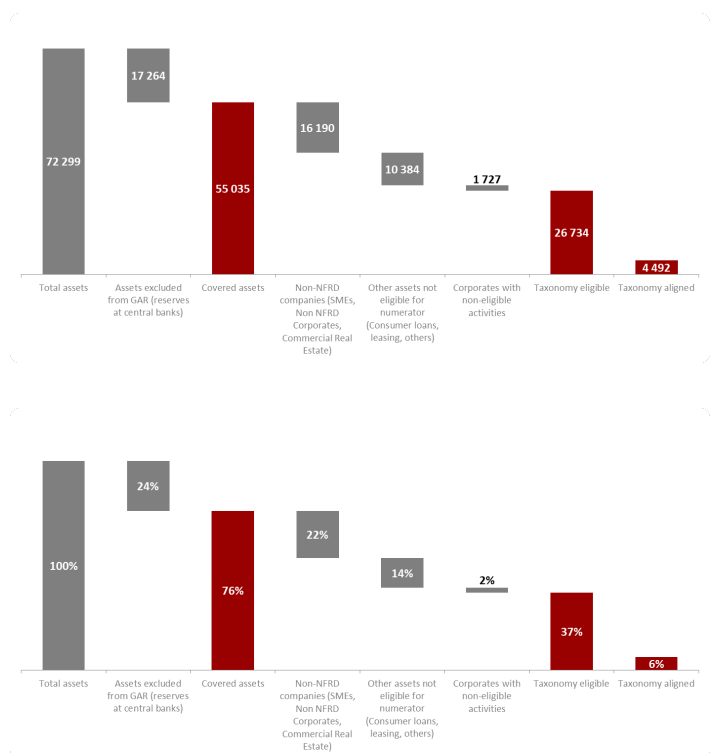
For households in Austria, BAWAG also has the product "Grüner Wohnen Bonus", which sets the requirements for the energy efficiency of the property in accordance with the EU Taxonomy. This product offers better conditions for the purchase or construction of energy-efficient properties.

For consumer lending, including credit cards, we currently do not have relevant data for EU taxonomy assessment, other than for renewable energy solutions.

The transition towards a greater share of sustainable activities within our portfolio is therefore threefold:

1. Currently, the number of our corporate customers subject to sustainability reporting requirements is limited.
2. We will support our customers in transitioning their activities towards more sustainable business practices and aim to grow our business lines that focus on financing sustainable activities, such as renewable energy. However, this will also take time as the mortgage portfolio is of a longer maturity and any improvement on the existing stock requires additional data.
3. Data availability remains a challenge and will be a major focus area for us in the coming years. In particular, the granularity of required data for specific financing purposes continues to be limited.

As of 31 December 2025, BAWAG Group's Green Asset Ratio was at 8.2% and a coverage of total assets were 76% (2024: GAR 6%, coverage 72%). In a year-on-year comparison, the main segment for improvement is households, both loans collateralized by residential immovable property and building renovation loans.



## Template 0 - Summary of KPIs

### 0. Summary of KPIs to be disclosed by credit institutions under Article 8 Taxonomy Regulation

		Total environmentally sustainable assets	KPI****	KPI**** **	% coverage (over total assets)****	% of assets excluded from the numerator of the GAR (Article 7(2) and (3) and Section 1.1.2. of	% of assets excluded from the denominator of the GAR (Article 7(1) and Section 1.2.4 of Annex V)
Main KPI	Green asset ratio (GAR) stock	4,491.54	8.16%	8.20%	76.12%	37.85%	23.88%

		Total environmentally sustainable activities	KPI	KPI	% coverage (over total assets)	% of assets excluded from the numerator of the GAR (Article 7(2) and (3) and Section 1.1.2. of	% of assets excluded from the denominator of the GAR (Article 7(1) and Section 1.2.4 of Annex V)
Additional	GAR (flow)	762.15	0.35%	0.35%	NA	NA	NA
	Trading book*	N/A	N/A	N/A			
	Financial guarantees	N/A	N/A	N/A			
	Assets under management	17.60	2.08%	3.34%			
	Fees and commissions income**	N/A	N/A	N/A			

\* For credit institutions that do not meet the conditions of Article 94(1) of the CRR or the conditions set out in Article 325a(1) of the CRR

\*\*Fees and commissions income from services other than lending and AuM

Institutions shall disclose forward looking information for this KPIs, including information in terms of targets, together with relevant explanations on the methodology applied.

\*\*\* % of assets covered by the KPI over banks' total assets

\*\*\*\*based on the Turnover KPI of the counterparty

\*\*\*\*\*based on the CapEx KPI of the counterparty, except for lending activities where for general lending Turnover KPI is used

Note 1: Across the reporting templates: cells shaded in black should not be reported.

## Template 0 - Summary of KPIs 2024

0. Summary of KPIs to be disclosed by credit institutions under Article 8 Taxonomy Regulation

		Total environmentally sustainable assets	KPI****	KPI*****	% coverage (over total assets)***	% of assets excluded from the numerator of the GAR (Article 7(2) and (3) and Section 1.1.2. of Annex V)	% of assets excluded from the denominator of the GAR (Article 7(1) and Section 1.2.4 of Annex V)
Main KPI	Green asset ratio (GAR) stock	3,073.60	6.02%	5.96%	71.61%	34.50%	28.39%

		Gesamte ökologisch nachhaltige Tätigkeiten	KPI	KPI	% Erfassung (an den Gesamtaktiva)	% der Vermögenswerte, die nicht in den Zähler der GAR einbezogen werden (Artikel 7 Absätze 2 und 3 sowie Anhang V Abschnitt 1.1.2)	% der Vermögenswerte, die nicht in den Nenner der GAR einbezogen werden (Artikel 7 Absatz 1 und Anhang V Abschnitt 1.2.4)
Additional KPIs	GAR (flow)	326.64	15.99%	15.97%	NA	NA	NA
	Trading book*	N/A	N/A	N/A			
	Financial guarantees	0.48	4.14%	2.99%			
	Assets under management	9.93	1.22%	2.05%			
	Fees and commissions income**	N/A	N/A	N/A			

\* For credit institutions that do not meet the conditions of Article 94(1) of the CRR or the conditions set out in Article 325a(1) of the CRR

\*\*Fees and commissions income from services other than lending and AuM

Institutions shall disclose forward looking information for this KPIs, including information in terms of targets, together with relevant explanations on the methodology applied.

\*\*\* % of assets covered by the KPI over banks' total assets

\*\*\*\*based on the Turnover KPI of the counterparty

\*\*\*\*\*based on the CapEx KPI of the counterparty, except for lending activities where for general lending Turnover KPI is used

Note 1: Across the reporting templates: cells shaded in black should not be reported.

Template 1a – Assets for the calculation of GAR (revenue)

1.Assets for the calculation of GAR based on the turnover KPI of the counterpart

		a	b	c	d	e	f	g	h	i	j
Million EUR		31.12.2025									
Total [gross]		carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)			
Of which towards taxonomy relevant sectors (Taxonomy-eligible)			Of which environmentally sustainable (Taxonomy-aligned)			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					
Of which Use of Proceeds			Of which transitional	Of which enabling	Of which environmentally sustainable		Of which Use of Proceeds	Of which enabling			
GAR - Covered assets in both numerator and denominator											
1	Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	27,669.17	26,699.75	4,482.01	4,456.83	8.48	11.54	16.48	0.11	0.01	—
2	Financial undertakings	842.30	238.17	18.07	8.67	8.22	7.59	8.53	0.03	0.01	—
3	Credit institutions	842.30	238.17	18.07	8.67	8.22	7.59	8.53	0.03	0.01	—
4	Loans and advances	95.71	24.91	1.98	1.64	0.45	0.39	5.89	—	—	—
5	Debt securities, including UoP	746.59	213.26	16.09	7.03	7.78	7.20	2.64	0.02	0.01	—
6	Equity instruments	—	—	—	—	—	—	—	—	—	—
7	Other financial corporations	—	—	—	—	—	—	—	—	—	—
8	of which investment firms	—	—	—	—	—	—	—	—	—	—
9	Loans and advances	—	—	—	—	—	—	—	—	—	—
10	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—
11	Equity instruments	—	—	—	—	—	—	—	—	—	—
12	of which management companies	—	—	—	—	—	—	—	—	—	—
13	Loans and advances	—	—	—	—	—	—	—	—	—	—
14	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—
15	Equity instruments	—	—	—	—	—	—	—	—	—	—
16	of which insurance undertakings	—	—	—	—	—	—	—	—	—	—
17	Loans and advances	—	—	—	—	—	—	—	—	—	—
18	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—
19	Equity instruments	—	—	—	—	—	—	—	—	—	—
20	Non-financial undertakings	488.91	123.62	15.78	—	0.26	3.95	7.95	0.08	—	—
21	Loans and advances	343.25	66.52	3.55	—	—	0.01	0.01	—	—	—
22	Debt securities, including UoP	145.66	57.10	12.23	—	0.26	3.94	7.95	0.08	—	—
23	Equity instruments	—	—	—	—	—	—	—	—	—	—
24	Households	26,337.96	26,337.96	4,448.16	4,448.16	—	—	—	—	—	—
25	of which loans collateralised by residential immovable property	24,603.27	24,603.27	3,368.61	3,368.61	—	—	—	—	—	—
26	of which building renovation loans	1,188.84	1,188.84	1,079.55	1,079.55	—	—	—	—	—	—
27	of which motor vehicle loans	545.85	545.85	—	—	—	—	—	—	—	—
28	Local governments financing	—	—	—	—	—	—	—	—	—	—
29	Housing financing	—	—	—	—	—	—	—	—	—	—
30	Other local government financing	—	—	—	—	—	—	—	—	—	—
31	Collateral obtained by taking possession: residential and commercial immovable properties	—	—	—	—	—	—	—	—	—	—
32	Assets excluded from the numerator for GAR calculation (covered in the denominator)	27,365.97	—	—	—	—	—	—	—	—	—
33	Financial and Non-financial undertakings	16,190.25	—	—	—	—	—	—	—	—	—
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	9,284.18	—	—	—	—	—	—	—	—	—
35	Loans and advances	6,342.67	—	—	—	—	—	—	—	—	—
36	of which loans collateralised by commercial immovable property	1,015.09	—	—	—	—	—	—	—	—	—
37	of which building renovation loans	0.39	—	—	—	—	—	—	—	—	—
38	Debt securities	2,764.37	—	—	—	—	—	—	—	—	—
39	Equity instruments	177.15	—	—	—	—	—	—	—	—	—
40	Non-EU country counterparties not subject to NFRD disclosure obligations	6,906.07	—	—	—	—	—	—	—	—	—
41	Loans and advances	6,169.43	—	—	—	—	—	—	—	—	—
42	Debt securities	732.45	—	—	—	—	—	—	—	—	—
43	Equity instruments	4.19	—	—	—	—	—	—	—	—	—
44	Derivatives	464.29	—	—	—	—	—	—	—	—	—
45	On demand interbank loans	173.25	—	—	—	—	—	—	—	—	—
46	Cash and cash-related assets	154.21	—	—	—	—	—	—	—	—	—
47	Other categories of assets (e.g. Goodwill, commodities etc.)	10,383.97	—	—	—	—	—	—	—	—	—
48	Total GAR assets	55,035.14	26,699.75	4,482.01	4,456.83	8.48	11.54	16.48	0.11	0.01	—
49	Assets not covered for GAR calculation	17,263.84	—	—	—	—	—	—	—	—	—
50	Central governments and Supranational issuers	3,553.37	—	—	—	—	—	—	—	—	—
51	Central banks exposure	13,710.47	—	—	—	—	—	—	—	—	—
52	Trading book	—	—	—	—	—	—	—	—	—	—
53	Total assets	72,298.98	—	—	—	—	—	—	—	—	—
Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations											
54	Financial guarantees	—	—	—	—	—	—	—	—	—	—
55	Assets under management	847.90	155.90	17.60	1.24	8.60	—	—	—	—	—
56	Of which debt securities	278.65	26.48	6.42	0.77	2.66	—	—	—	—	—
57	Of which equity instruments	515.36	129.42	11.19	0.46	5.94	—	—	—	—	—

1.Assets for the calculation of GAR based on the turnover KPI of the counterpart

Million EUR		k	l	m	n	o	p	q	r	s	t	u	v
31.12.2025		Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)			
Of which towards taxonomy relevant sectors (Taxonomy-)		Of which environmentally sustainable				Of which environmentally sustainable				Of which environmentally sustainable			
		Of which Use of Proceeds		Of which enabling	Of which Use of Proceeds		Of which enabling	Of which Use of Proceeds		Of which enabling	Of which Use of Proceeds		Of which enabling
	GAR - Covered assets in both numerator and denominator												
1	Loans and advances, debt securities and equity instruments	0.35	0.29	—	—	7.94	1.22	—	—	9.64	7.91	—	7.80
2	Financial undertakings	0.03	—	—	—	0.18	0.01	—	—	1.56	—	—	—
3	Credit institutions	0.03	—	—	—	0.18	0.01	—	—	1.56	—	—	—
4	Loans and advances	—	—	—	—	—	—	—	—	0.01	—	—	—
5	Debt securities, including UoP	0.03	—	—	—	0.17	0.01	—	—	1.55	—	—	—
6	Equity instruments	—	—	—	—	—	—	—	—	—	—	—	—
7	Other financial corporations	—	—	—	—	—	—	—	—	—	—	—	—
8	of which investment firms	—	—	—	—	—	—	—	—	—	—	—	—
9	Loans and advances	—	—	—	—	—	—	—	—	—	—	—	—
10	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—
11	Equity instruments	—	—	—	—	—	—	—	—	—	—	—	—
12	of which management companies	—	—	—	—	—	—	—	—	—	—	—	—
13	Loans and advances	—	—	—	—	—	—	—	—	—	—	—	—
14	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—
15	Equity instruments	—	—	—	—	—	—	—	—	—	—	—	—
16	of which insurance undertakings	—	—	—	—	—	—	—	—	—	—	—	—
17	Loans and advances	—	—	—	—	—	—	—	—	—	—	—	—
18	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—
19	Equity instruments	—	—	—	—	—	—	—	—	—	—	—	—
20	Non-financial undertakings	0.32	0.29	—	—	7.76	1.21	—	—	8.08	7.91	—	7.80
21	Loans and advances	0.03	—	—	—	6.54	—	—	—	4.43	4.33	—	4.33
22	Debt securities, including UoP	0.29	0.29	—	—	1.21	1.21	—	—	3.65	3.58	—	3.47
23	Equity instruments	—	—	—	—	—	—	—	—	—	—	—	—
24	Households	—	—	—	—	—	—	—	—	—	—	—	—
25	of which loans collateralised by residential immovable	—	—	—	—	—	—	—	—	—	—	—	—
26	of which building renovation loans	—	—	—	—	—	—	—	—	—	—	—	—
27	of which motor vehicle loans	—	—	—	—	—	—	—	—	—	—	—	—
28	Local governments financing	—	—	—	—	—	—	—	—	—	—	—	—
29	Housing financing	—	—	—	—	—	—	—	—	—	—	—	—
30	Other local government financing	—	—	—	—	—	—	—	—	—	—	—	—
31	Collateral obtained by taking possession: residential and	—	—	—	—	—	—	—	—	—	—	—	—
32	Assets excluded from the numerator for GAR calculation	—	—	—	—	—	—	—	—	—	—	—	—
33	Financial and Non-financial undertakings	—	—	—	—	—	—	—	—	—	—	—	—
34	SMEs and NFCs (other than SMEs) not subject to NFRD	—	—	—	—	—	—	—	—	—	—	—	—
35	Loans and advances	—	—	—	—	—	—	—	—	—	—	—	—
36	of which loans collateralised by commercial immovable	—	—	—	—	—	—	—	—	—	—	—	—
37	of which building renovation loans	—	—	—	—	—	—	—	—	—	—	—	—
38	Debt securities	—	—	—	—	—	—	—	—	—	—	—	—
39	Equity instruments	—	—	—	—	—	—	—	—	—	—	—	—
40	Non-EU country counterparties not subject to NFRD	—	—	—	—	—	—	—	—	—	—	—	—
41	Loans and advances	—	—	—	—	—	—	—	—	—	—	—	—
42	Debt securities	—	—	—	—	—	—	—	—	—	—	—	—
43	Equity instruments	—	—	—	—	—	—	—	—	—	—	—	—
44	Derivatives	—	—	—	—	—	—	—	—	—	—	—	—
45	On demand interbank loans	—	—	—	—	—	—	—	—	—	—	—	—
46	Cash and cash-related assets	—	—	—	—	—	—	—	—	—	—	—	—
47	Other categories of assets (e.g. Goodwill, commodities etc.)	—	—	—	—	—	—	—	—	—	—	—	—
48	Total GAR assets	0.35	0.29	—	—	7.94	1.22	—	—	9.64	7.91	—	7.80
49	Assets not covered for GAR calculation	—	—	—	—	—	—	—	—	—	—	—	—
50	Central governments and Supranational issuers	—	—	—	—	—	—	—	—	—	—	—	—
51	Central banks exposure	—	—	—	—	—	—	—	—	—	—	—	—
52	Trading book	—	—	—	—	—	—	—	—	—	—	—	—
53	Total assets	—	—	—	—	—	—	—	—	—	—	—	—
Off-balance sheet exposures - Undertakings subject to NFRD													
54	Financial guarantees	—	—	—	—	—	—	—	—	—	—	—	—
55	Assets under management	—	—	—	—	—	—	—	—	—	—	—	—
56	Of which debt securities	—	—	—	—	—	—	—	—	—	—	—	—
57	Of which equity instruments	—	—	—	—	—	—	—	—	—	—	—	—

1.Assets for the calculation of GAR based on the turnover KPI of the counterpart

		w	x	z	aa	ab	ac	ad	ae	af
Million EUR		31.12.2025								
Biodiversity and Ecosystems (BIO)						TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
Of which towards taxonomy relevant sectors (Taxonomy-						Of which environmentally sustainable (Taxonomy-aligned)				
Of which environmentally sustainable						Of which environmentally sustainable (Taxonomy-aligned)				
Of which Use of Proceeds						Of which Use of Proceeds				
Of which enabling						Of which enabling				
Of which transitional						Of which transitional				
GAR - Covered assets in both numerator and denominator										
1	Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	0.06	—	—	—	26,734.22	4,491.54	4,456.84	8.48	19.34
2	Financial undertakings	0.05	—	—	—	248.52	18.11	8.68	8.22	7.59
3	Credit institutions	0.05	—	—	—	248.52	18.11	8.68	8.22	7.59
4	Loans and advances	0.01	—	—	—	30.82	1.98	1.64	0.45	0.39
5	Debt securities, including UoP	0.05	—	—	—	217.70	16.12	7.04	7.78	7.20
6	Equity instruments	—	—	—	—	—	—	—	—	—
7	Other financial corporations	—	—	—	—	—	—	—	—	—
8	of which investment firms	—	—	—	—	—	—	—	—	—
9	Loans and advances	—	—	—	—	—	—	—	—	—
10	Debt securities, including UoP	—	—	—	—	—	—	—	—	—
11	Equity instruments	—	—	—	—	—	—	—	—	—
12	of which management companies	—	—	—	—	—	—	—	—	—
13	Loans and advances	—	—	—	—	—	—	—	—	—
14	Debt securities, including UoP	—	—	—	—	—	—	—	—	—
15	Equity instruments	—	—	—	—	—	—	—	—	—
16	of which insurance undertakings	—	—	—	—	—	—	—	—	—
17	Loans and advances	—	—	—	—	—	—	—	—	—
18	Debt securities, including UoP	—	—	—	—	—	—	—	—	—
19	Equity instruments	—	—	—	—	—	—	—	—	—
20	Non-financial undertakings	0.01	—	—	—	147.74	25.27	—	0.26	11.75
21	Loans and advances	0.01	—	—	—	77.54	7.88	—	—	4.34
22	Debt securities, including UoP	—	—	—	—	70.20	17.39	—	0.26	7.41
23	Equity instruments	—	—	—	—	—	—	—	—	—
24	Households	—	—	—	—	26,337.96	4,448.16	4,448.16	—	—
25	of which loans collateralised by residential immovable property	—	—	—	—	24,603.27	3,368.61	3,368.61	—	—
26	of which building renovation loans	—	—	—	—	1,188.84	1,079.55	1,079.55	—	—
27	of which motor vehicle loans	—	—	—	—	545.85	—	—	—	—
28	Local governments financing	—	—	—	—	—	—	—	—	—
29	Housing financing	—	—	—	—	—	—	—	—	—
30	Other local government financing	—	—	—	—	—	—	—	—	—
31	Collateral obtained by taking possession: residential and commercial immovable properties	—	—	—	—	—	—	—	—	—
32	Assets excluded from the numerator for GAR calculation (covered in the denominator)	—	—	—	—	—	—	—	—	—
33	Financial and Non-financial undertakings	—	—	—	—	—	—	—	—	—
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	—	—	—	—	—	—	—	—	—
35	Loans and advances	—	—	—	—	—	—	—	—	—
36	of which loans collateralised by commercial immovable property	—	—	—	—	—	—	—	—	—
37	of which building renovation loans	—	—	—	—	—	—	—	—	—
38	Debt securities	—	—	—	—	—	—	—	—	—
39	Equity instruments	—	—	—	—	—	—	—	—	—
40	Non-EU country counterparties not subject to NFRD disclosure obligations	—	—	—	—	—	—	—	—	—
41	Loans and advances	—	—	—	—	—	—	—	—	—
42	Debt securities	—	—	—	—	—	—	—	—	—
43	Equity instruments	—	—	—	—	—	—	—	—	—
44	Derivatives	—	—	—	—	—	—	—	—	—
45	On demand interbank loans	—	—	—	—	—	—	—	—	—
46	Cash and cash-related assets	—	—	—	—	—	—	—	—	—
47	Other categories of assets (e.g. Goodwill, commodities etc.)	—	—	—	—	—	—	—	—	—
48	Total GAR assets	0.06	—	—	—	26,734.22	4,491.54	4,456.84	8.48	19.34
49	Assets not covered for GAR calculation	—	—	—	—	—	—	—	—	—
50	Central governments and Supranational issuers	—	—	—	—	—	—	—	—	—
51	Central banks exposure	—	—	—	—	—	—	—	—	—
52	Trading book	—	—	—	—	—	—	—	—	—
53	Total assets	—	—	—	—	—	—	—	—	—
Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations										
54	Financial guarantees	—	—	—	—	—	—	—	—	—
55	Assets under management	—	—	—	—	155.90	17.60	1.24	8.60	—
56	Of which debt securities	—	—	—	—	26.48	6.42	0.77	2.66	—
57	Of which equity instruments	—	—	—	—	129.42	11.19	0.46	5.94	—

**BAWAG GROUP CONSOLIDATED ANNUAL REPORT 2025 — CONSOLIDATED NON - FINANCIAL REPORT**

1.Assets for the calculation of GAR based on the turnover KPI of the counterpart

	ag	ah	ai	aj	ak	al	am	an	ao	ap
Million EUR	31.12.2024									
Total [gross]		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)			
carrying		Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-			
amount		Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable			
				Of which Use	Of which	Of which			Of which Use	Of which
				of Proceeds	transitional	enabling			of Proceeds	enabling
<b>GAR - Covered assets in both numerator and denominator</b>										
— Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	26,475.68	25,552.70	3,073.52	3,035.49	1.45	5.88	4.10	0.08	—	0.01
— Financial undertakings	978.57	265.47	17.96	—	1.45	1.18	4.04	0.08	—	0.01
— Credit institutions	978.57	265.47	17.96	—	1.45	1.18	4.04	0.08	—	0.01
— Loans and advances	621.45	175.51	11.40	—	0.84	0.91	3.41	0.02	—	—
— Debt securities, including UoP	276.52	72.72	6.45	—	0.61	0.27	0.62	0.06	—	—
— Equity instruments	80.60	17.25	0.11	—	—	0.01	0.01	—	—	—
— Other financial corporations	—	—	—	—	—	—	—	—	—	—
— of which investment firms	—	—	—	—	—	—	—	—	—	—
— Loans and advances	—	—	—	—	—	—	—	—	—	—
— Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—
— Equity instruments	—	—	—	—	—	—	—	—	—	—
— of which management companies	—	—	—	—	—	—	—	—	—	—
— Loans and advances	—	—	—	—	—	—	—	—	—	—
— Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—
— Equity instruments	—	—	—	—	—	—	—	—	—	—
— of which insurance undertakings	—	—	—	—	—	—	—	—	—	—
— Loans and advances	—	—	—	—	—	—	—	—	—	—
— Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—
— Equity instruments	—	—	—	—	—	—	—	—	—	—
— Non-financial undertakings	304.07	94.19	20.07	—	—	4.70	0.07	—	—	—
— Loans and advances	185.95	72.49	14.60	—	—	4.70	0.07	—	—	—
— Debt securities, including UoP	118.11	21.70	5.47	—	—	—	—	—	—	—
— Equity instruments	—	—	—	—	—	—	—	—	—	—
— Households	25,193.04	25,193.04	3,035.49	3,035.49	—	—	—	—	—	—
— of which loans collateralised by residential immovable property	24,158.74	24,158.74	2,782.28	2,782.28	—	—	—	—	—	—
— of which building renovation loans	578.50	578.50	253.21	253.21	—	—	—	—	—	—
— of which motor vehicle loans	455.80	455.80	—	—	—	—	—	—	—	—
— Local governments financing	—	—	—	—	—	—	—	—	—	—
— Housing financing	—	—	—	—	—	—	—	—	—	—
— Other local government financing	—	—	—	—	—	—	—	—	—	—
— Collateral obtained by taking possession: residential and commercial immovable properties	—	—	—	—	—	—	—	—	—	—
— Assets excluded from the numerator for GAR calculation (covered in the denominator)	24,612.88	—	—	—	—	—	—	—	—	—
— Financial and Non-financial undertakings	16,400.43	—	—	—	—	—	—	—	—	—
— SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	10,036.93	—	—	—	—	—	—	—	—	—
— Loans and advances	7,258.09	—	—	—	—	—	—	—	—	—
— of which loans collateralised by commercial immovable property	1,066.90	—	—	—	—	—	—	—	—	—
— of which building renovation loans	0.44	—	—	—	—	—	—	—	—	—
— Debt securities	2,519.57	—	—	—	—	—	—	—	—	—
— Equity instruments	259.28	—	—	—	—	—	—	—	—	—
— Non-EU country counterparties not subject to NFRD disclosure obligations	6,363.50	—	—	—	—	—	—	—	—	—
— Loans and advances	5,247.60	—	—	—	—	—	—	—	—	—
— Debt securities	1,109.27	—	—	—	—	—	—	—	—	—
— Equity instruments	6.63	—	—	—	—	—	—	—	—	—
— Derivatives	644.77	—	—	—	—	—	—	—	—	—
— On demand interbank loans	271.46	—	—	—	—	—	—	—	—	—
— Cash and cash-related assets	101.60	—	—	—	—	—	—	—	—	—
— Other categories of assets (e.g. Goodwill, commodities etc.)	7,194.62	—	—	—	—	—	—	—	—	—
— Total GAR assets	51,088.56	25,552.70	3,073.52	3,035.49	1.45	5.88	4.10	0.08	—	0.01
— Assets not covered for GAR calculation	20,257.72	—	—	—	—	—	—	—	—	—
— Central governments and Supranational issuers	3,146.80	—	—	—	—	—	—	—	—	—
— Central banks exposure	17,110.91	—	—	—	—	—	—	—	—	—
— Trading book	0.00	—	—	—	—	—	—	—	—	—
— Total assets	71,346.27	—	—	—	—	—	—	—	—	—
<b>Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations</b>										
— Financial guarantees	11.57	4.35	0.48	—	0.03	0.41	—	—	—	—
— Assets under management	816.67	136.66	9.93	—	0.72	5.45	—	—	—	—
— Of which debt securities	356.05	30.26	4.15	—	0.55	2.11	—	—	—	—
— Of which equity instruments	404.48	106.40	5.78	—	0.17	3.34	—	—	—	—

1.Assets for the calculation of GAR based on the turnover KPI of the counterpart

Million EUR		aq	ar	as	at	au	av	aw	ax	ay	az	ba	bb
31.12.2024		Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)			
Of which towards taxonomy relevant sectors (Taxonomy-		Of which towards taxonomy relevant sectors (Taxonomy-				Of which towards taxonomy relevant sectors (Taxonomy-							
Of which environmentally sustainable		Of which environmentally sustainable				Of which environmentally sustainable							
Of which Use Of which		Of which Use Of which				Of which Use Of which							
of Proceeds enabling		of Proceeds enabling				of Proceeds enabling							
GAR - Covered assets in both numerator and denominator						0.05				3.35			
Loans and advances, debt securities and equity instruments													
Financial undertakings													
Credit institutions													
Loans and advances													
Debt securities, including UoP													
Equity instruments													
Other financial corporations													
of which investment firms													
Loans and advances													
Debt securities, including UoP													
Equity instruments													
of which management companies													
Loans and advances													
Debt securities, including UoP													
Equity instruments													
of which insurance undertakings													
Loans and advances													
Debt securities, including UoP													
Equity instruments													
Non-financial undertakings						0.05				3.35			
Loans and advances						0.05							
Debt securities, including UoP										3.35			
Equity instruments													
Households													
of which loans collateralised by residential immovable													
of which building renovation loans													
of which motor vehicle loans													
Local governments financing													
Housing financing													
Other local government financing													
Collateral obtained by taking possession: residential and													
Assets excluded from the numerator for GAR calculation													
Financial and Non-financial undertakings													
SMEs and NFCs (other than SMEs) not subject to NFRD													
Loans and advances													
of which loans collateralised by commercial immovable													
of which building renovation loans													
Debt securities													
Equity instruments													
Non-EU country counterparties not subject to NFRD													
Loans and advances													
Debt securities													
Equity instruments													
Derivatives													
On demand interbank loans													
Cash and cash-related assets													
Other categories of assets (e.g. Goodwill, commodities etc.)													
Total GAR assets						0.05				3.35			
Assets not covered for GAR calculation													
Central governments and Supranational issuers													
Central banks exposure													
Trading book													
Total assets													
Off-balance sheet exposures - Undertakings subject to NFRD													
54	Financial guarantees	0.01				1.18							
55	Assets under management												
56	Of which debt securities												
57	Of which equity instruments												

# BAWAG GROUP CONSOLIDATED ANNUAL REPORT 2025 — CONSOLIDATED NON - FINANCIAL REPORT

1.Assets for the calculation of GAR based on the turnover KPI of the counterpart

		bc	bd	be	bf	bg	bh	bi	bj	bk	
Million EUR		31.12.2024									
		Biodiversity and Ecosystems (BIO)					TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				
		Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				
				Of which Use of Proceeds				Of which Use of Proceeds		Of which transitional enabling	
GAR - Covered assets in both numerator and denominator											
1	Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	—	—	—	—	25,560.21	3,073.60	3,035.49	1.45	5.88	
2	Financial undertakings	—	—	—	—	269.51	18.04	—	1.45	1.18	
3	Credit institutions	—	—	—	—	269.51	18.04	—	1.45	1.18	
4	Loans and advances	—	—	—	—	178.92	11.42	—	0.84	0.91	
5	Debt securities, including UoP	—	—	—	—	73.34	6.52	—	0.61	0.27	
6	Equity instruments	—	—		—	—	—		—	—	
7	Other financial corporations	—	—	—	—	—	—	—	—	—	
8	of which investment firms	—	—	—	—	—	—	—	—	—	
9	Loans and advances	—	—	—	—	—	—	—	—	—	
10	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	
11	Equity instruments	—	—		—	—	—		—	—	
12	of which management companies	—	—	—	—	—	—	—	—	—	
13	Loans and advances	—	—	—	—	—	—	—	—	—	
14	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	
15	Equity instruments	—	—		—	—	—		—	—	
16	of which insurance undertakings	—	—	—	—	—	—	—	—	—	
17	Loans and advances	—	—	—	—	—	—	—	—	—	
18	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	
19	Equity instruments	—	—		—	—	—		—	—	
20	Non-financial undertakings	—	—	—	—	97.66	20.07	—	—	4.70	
21	Loans and advances	—	—	—	—	72.60	14.60	—	—	4.70	
22	Debt securities, including UoP	—	—	—	—	25.05	5.47	—	—	—	
23	Equity instruments	—	—		—	—	—		—	—	
24	Households						25,193.04	3,035.49	3,035.49	—	—
25	of which loans collateralised by residential immovable property						24,158.74	2,782.28	2,782.28	—	—
26	of which building renovation loans						578.50	253.21	253.21	—	—
27	of which motor vehicle loans										
28	Local governments financing	—	—	—	—	—	—	—	—	—	
29	Housing financing	—	—	—	—	—	—	—	—	—	
30	Other local government financing	—	—	—	—	—	—	—	—	—	
31	Collateral obtained by taking possession: residential and commercial immovable properties	—	—	—	—	—	—	—	—	—	
32	Assets excluded from the numerator for GAR calculation (covered in the denominator)	—	—	—	—	—	—	—	—	—	
33	Financial and Non-financial undertakings										
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations										
35	Loans and advances										
36	of which loans collateralised by commercial immovable property										
37	of which building renovation loans										
38	Debt securities										
39	Equity instruments										
40	Non-EU country counterparties not subject to NFRD disclosure obligations										
41	Loans and advances										
42	Debt securities										
43	Equity instruments										
44	Derivatives										
45	On demand interbank loans										
46	Cash and cash-related assets										
47	Other categories of assets (e.g. Goodwill, commodities etc.)										
48	<b>Total GAR assets</b>	—	—	—	—	25,560.21	3,073.60	3,035.49	1.45	5.88	
49	Assets not covered for GAR calculation										
50	Central governments and Supranational issuers										
51	Central banks exposure										
52	Trading book										
53	Total assets	—	—	—	—	—	—	—	—	—	
Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations											
54	Financial guarantees	—	—	—	—	5.54	0.48	—	0.03	0.41	
55	Assets under management	—	—	—	—	136.66	9.93	—	0.72	5.45	
56	Of which debt securities	—	—	—	—	30.26	4.15	—	0.55	2.11	
57	Of which equity instruments	—	—	—	—	106.4	5.78	—	0.17	3.34	

Template 1b – Assets for the calculation of GAR (CapEx)

1.Assets for the calculation of GAR based on the CapEx KPI of the counterpart

		a	b	c	d	e	f	g	h	i	j
Million EUR		31.12.2025									
		Total [gross]	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)			
		carrying	Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-			
		amount	Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable			
			Of which Use		Of which	Of which	Of which Use			Of which	
			of Proceeds		transitional	enabling	of Proceeds			enabling	
	GAR - Covered assets in both numerator and denominator										
1	Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	27,669.17	26,751.81	4,500.77	4,457.93	2.88	20.50	22.49	0.24	0.01	0.01
2	Financial undertakings	842.30	246.01	21.59	9.77	1.26	3.10	14.36	0.08	0.01	0.01
3	Credit institutions	842.30	246.01	21.59	9.77	1.26	3.10	14.36	0.08	0.01	0.01
4	Loans and advances	95.71	29.19	3.15	2.58	0.06	0.18	9.91	0.01	—	—
5	Debt securities, including UoP	746.59	216.82	18.44	7.19	1.20	2.91	4.44	0.07	0.01	0.01
6	Equity instruments	—	—	—	—	—	—	—	—	—	—
7	Other financial corporations	—	—	—	—	—	—	—	—	—	—
8	of which investment firms	—	—	—	—	—	—	—	—	—	—
9	Loans and advances	—	—	—	—	—	—	—	—	—	—
10	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—
11	Equity instruments	—	—	—	—	—	—	—	—	—	—
12	of which management companies	—	—	—	—	—	—	—	—	—	—
13	Loans and advances	—	—	—	—	—	—	—	—	—	—
14	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—
15	Equity instruments	—	—	—	—	—	—	—	—	—	—
16	of which insurance undertakings	—	—	—	—	—	—	—	—	—	—
17	Loans and advances	—	—	—	—	—	—	—	—	—	—
18	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—
19	Equity instruments	—	—	—	—	—	—	—	—	—	—
20	Non-financial undertakings	488.91	167.84	31.02	—	1.62	17.40	8.13	0.16	—	—
21	Loans and advances	343.25	81.98	4.67	—	—	0.22	0.01	—	—	—
22	Debt securities, including UoP	145.66	85.86	26.36	—	1.62	17.18	8.11	0.16	—	—
23	Equity instruments	—	—	—	—	—	—	—	—	—	—
24	Households	26,337.96	26,337.96	4,448.16	4,448.16	—	—	—	—	—	—
25	of which loans collateralised by residential immovable property	24,603.27	24,603.27	3,368.61	3,368.61	—	—	—	—	—	—
26	of which building renovation loans	1,188.84	1,188.84	1,079.55	1,079.55	—	—	—	—	—	—
27	of which motor vehicle loans	545.85	545.85	—	—	—	—	—	—	—	—
28	Local governments financing	—	—	—	—	—	—	—	—	—	—
29	Housing financing	—	—	—	—	—	—	—	—	—	—
30	Other local government financing	—	—	—	—	—	—	—	—	—	—
31	Collateral obtained by taking possession: residential and commercial immovable properties	—	—	—	—	—	—	—	—	—	—
32	Assets excluded from the numerator for GAR calculation (covered in the denominator)	27,365.97	—	—	—	—	—	—	—	—	—
33	Financial and Non-financial undertakings	16,190.25	—	—	—	—	—	—	—	—	—
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	9,284.18	—	—	—	—	—	—	—	—	—
35	Loans and advances	6,342.67	—	—	—	—	—	—	—	—	—
36	of which loans collateralised by commercial immovable property	1,015.09	—	—	—	—	—	—	—	—	—
37	of which building renovation loans	0.39	—	—	—	—	—	—	—	—	—
38	Debt securities	2,764.37	—	—	—	—	—	—	—	—	—
39	Equity instruments	177.15	—	—	—	—	—	—	—	—	—
40	Non-EU country counterparties not subject to NFRD disclosure obligations	6,906.07	—	—	—	—	—	—	—	—	—
41	Loans and advances	6,169.43	—	—	—	—	—	—	—	—	—
42	Debt securities	732.45	—	—	—	—	—	—	—	—	—
43	Equity instruments	4.19	—	—	—	—	—	—	—	—	—
44	Derivatives	464.29	—	—	—	—	—	—	—	—	—
45	On demand interbank loans	173.25	—	—	—	—	—	—	—	—	—
46	Cash and cash-related assets	154.21	—	—	—	—	—	—	—	—	—
47	Other categories of assets (e.g. Goodwill, commodities etc.)	10,383.97	—	—	—	—	—	—	—	—	—
48	<b>Total GAR assets</b>	<b>55,035.14</b>	<b>26,751.81</b>	<b>4,500.77</b>	<b>4,457.93</b>	<b>2.88</b>	<b>20.50</b>	<b>22.49</b>	<b>0.24</b>	<b>0.01</b>	<b>0.01</b>
49	Assets not covered for GAR calculation	17,263.84	—	—	—	—	—	—	—	—	—
50	Central governments and Supranational issuers	3,553.37	—	—	—	—	—	—	—	—	—
51	Central banks exposure	13,710.47	—	—	—	—	—	—	—	—	—
52	Trading book	—	—	—	—	—	—	—	—	—	—
53	<b>Total assets</b>	<b>72,298.98</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations</b>											
54	Financial guarantees	—	—	—	—	—	—	—	—	—	—
55	Assets under management	847.90	70.75	28.34	2.60	13.62	—	—	—	—	—
56	Of which debt securities	278.65	23.33	11.25	1.30	5.05	—	—	—	—	—
57	Of which equity instruments	515.36	47.43	17.09	1.30	8.57	—	—	—	—	—

# BAWAG GROUP CONSOLIDATED ANNUAL REPORT 2025 — CONSOLIDATED NON - FINANCIAL REPORT

1.Assets for the calculation of GAR based on the CapEx KPI of the counterpart

		k	l	m	n	o	p	q	r	s	t	u	v
Million EUR		31.12.2025											
		Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)			
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
		Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)			
		Of which Use of Proceeds		Of which enabling		Of which Use of Proceeds		Of which enabling		Of which Use of Proceeds		Of which enabling	
	GAR - Covered assets in both numerator and denominator												
1	Loans and advances, debt securities and equity instruments	1.82	1.79	—	—	10.12	2.04	—	—	9.11	8.87	—	7.36
2	Financial undertakings	0.03	0.02	—	—	0.24	0.01	—	—	0.07	—	—	—
3	Credit institutions	0.03	0.02	—	—	0.24	0.01	—	—	0.07	—	—	—
4	Loans and advances	—	—	—	—	0.03	—	—	—	—	—	—	—
5	Debt securities, including UoP	0.03	0.01	—	—	0.21	0.01	—	—	0.06	—	—	—
6	Equity instruments	—	—	—	—	—	—	—	—	—	—	—	—
7	Other financial corporations	—	—	—	—	—	—	—	—	—	—	—	—
8	of which investment firms	—	—	—	—	—	—	—	—	—	—	—	—
9	Loans and advances	—	—	—	—	—	—	—	—	—	—	—	—
10	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—
11	Equity instruments	—	—	—	—	—	—	—	—	—	—	—	—
12	of which management companies	—	—	—	—	—	—	—	—	—	—	—	—
13	Loans and advances	—	—	—	—	—	—	—	—	—	—	—	—
14	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—
15	Equity instruments	—	—	—	—	—	—	—	—	—	—	—	—
16	of which insurance undertakings	—	—	—	—	—	—	—	—	—	—	—	—
17	Loans and advances	—	—	—	—	—	—	—	—	—	—	—	—
18	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—
19	Equity instruments	—	—	—	—	—	—	—	—	—	—	—	—
20	Non-financial undertakings	1.79	1.77	—	—	9.88	2.03	—	—	9.04	8.87	—	7.36
21	Loans and advances	0.03	—	—	—	7.84	—	—	—	4.19	4.09	—	4.09
22	Debt securities, including UoP	1.77	1.77	—	—	2.04	2.03	—	—	4.86	4.78	—	3.27
23	Equity instruments	—	—	—	—	—	—	—	—	—	—	—	—
24	Households	—	—	—	—	—	—	—	—	—	—	—	—
25	of which loans collateralised by residential immovable	—	—	—	—	—	—	—	—	—	—	—	—
26	of which building renovation loans	—	—	—	—	—	—	—	—	—	—	—	—
27	of which motor vehicle loans	—	—	—	—	—	—	—	—	—	—	—	—
28	Local governments financing	—	—	—	—	—	—	—	—	—	—	—	—
29	Housing financing	—	—	—	—	—	—	—	—	—	—	—	—
30	Other local government financing	—	—	—	—	—	—	—	—	—	—	—	—
31	Collateral obtained by taking possession: residential and	—	—	—	—	—	—	—	—	—	—	—	—
32	Assets excluded from the numerator for GAR calculation	—	—	—	—	—	—	—	—	—	—	—	—
33	Financial and Non-financial undertakings	—	—	—	—	—	—	—	—	—	—	—	—
34	SMEs and NFCs (other than SMEs) not subject to NFRD	—	—	—	—	—	—	—	—	—	—	—	—
35	Loans and advances	—	—	—	—	—	—	—	—	—	—	—	—
36	of which loans collateralised by commercial immovable	—	—	—	—	—	—	—	—	—	—	—	—
37	of which building renovation loans	—	—	—	—	—	—	—	—	—	—	—	—
38	Debt securities	—	—	—	—	—	—	—	—	—	—	—	—
39	Equity instruments	—	—	—	—	—	—	—	—	—	—	—	—
40	Non-EU country counterparties not subject to NFRD	—	—	—	—	—	—	—	—	—	—	—	—
41	Loans and advances	—	—	—	—	—	—	—	—	—	—	—	—
42	Debt securities	—	—	—	—	—	—	—	—	—	—	—	—
43	Equity instruments	—	—	—	—	—	—	—	—	—	—	—	—
44	Derivatives	—	—	—	—	—	—	—	—	—	—	—	—
45	On demand interbank loans	—	—	—	—	—	—	—	—	—	—	—	—
46	Cash and cash-related assets	—	—	—	—	—	—	—	—	—	—	—	—
47	Other categories of assets (e.g. Goodwill, commodities etc.)	—	—	—	—	—	—	—	—	—	—	—	—
48	<b>Total GAR assets</b>	<b>1.82</b>	<b>1.79</b>	<b>—</b>	<b>—</b>	<b>10.12</b>	<b>2.04</b>	<b>—</b>	<b>—</b>	<b>9.11</b>	<b>8.87</b>	<b>—</b>	<b>7.36</b>
49	Assets not covered for GAR calculation	—	—	—	—	—	—	—	—	—	—	—	—
50	Central governments and Supranational issuers	—	—	—	—	—	—	—	—	—	—	—	—
51	Central banks exposure	—	—	—	—	—	—	—	—	—	—	—	—
52	Trading book	—	—	—	—	—	—	—	—	—	—	—	—
53	Total assets	—	—	—	—	—	—	—	—	—	—	—	—
Off-balance sheet exposures - Undertakings subject to NFRD													
54	Financial guarantees	—	—	—	—	—	—	—	—	—	—	—	—
55	Assets under management	—	—	—	—	—	—	—	—	—	—	—	—
56	Of which debt securities	—	—	—	—	—	—	—	—	—	—	—	—
57	Of which equity instruments	—	—	—	—	—	—	—	—	—	—	—	—

1.Assets for the calculation of GAR based on the CapEx KPI of the counterpart

		w	x	z	aa	ab	ac	ad	ae	af
Million EUR		31.12.2025				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
		Biodiversity and Ecosystems (BIO)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				
		Of which environmentally sustainable (Taxonomy-aligned)		Of which environmentally sustainable (Taxonomy-aligned)		Of which towards taxonomy relevant sectors (Taxonomy-eligible)				
						Of which Use of Proceeds		Of which transitional		Of which enabling
GAR - Covered assets in both numerator and denominator										
1	Loans and advances, debt securities and equity instruments not HFT	0.02	0.01	—	—	26,795.37	4,513.72	4,457.94	2.88	27.87
2	Financial undertakings	0.02	0.01	—	—	260.73	21.71	9.78	1.26	3.11
3	Credit institutions	0.02	0.01	—	—	260.73	21.71	9.78	1.26	3.11
4	Loans and advances	—	—	—	—	39.13	3.16	2.58	0.06	0.18
5	Debt securities, including UoP	0.02	0.01	—	—	221.58	18.54	7.20	1.20	2.92
6	Equity instruments	—	—	—	—	—	—	—	—	—
7	Other financial corporations	—	—	—	—	—	—	—	—	—
8	of which investment firms	—	—	—	—	—	—	—	—	—
9	Loans and advances	—	—	—	—	—	—	—	—	—
10	Debt securities, including UoP	—	—	—	—	—	—	—	—	—
11	Equity instruments	—	—	—	—	—	—	—	—	—
12	of which management companies	—	—	—	—	—	—	—	—	—
13	Loans and advances	—	—	—	—	—	—	—	—	—
14	Debt securities, including UoP	—	—	—	—	—	—	—	—	—
15	Equity instruments	—	—	—	—	—	—	—	—	—
16	of which insurance undertakings	—	—	—	—	—	—	—	—	—
17	Loans and advances	—	—	—	—	—	—	—	—	—
18	Debt securities, including UoP	—	—	—	—	—	—	—	—	—
19	Equity instruments	—	—	—	—	—	—	—	—	—
20	Non-financial undertakings	—	—	—	—	196.68	43.85	—	1.62	24.76
21	Loans and advances	—	—	—	—	94.05	8.76	—	—	4.31
22	Debt securities, including UoP	—	—	—	—	102.64	35.10	—	1.62	20.45
23	Equity instruments	—	—	—	—	—	—	—	—	—
24	Households	—	—	—	—	26,337.96	4,448.16	4,448.16	—	—
25	of which loans collateralised by residential immovable property	—	—	—	—	24,603.27	3,368.61	3,368.61	—	—
26	of which building renovation loans	—	—	—	—	1,188.84	1,079.55	1,079.55	—	—
27	of which motor vehicle loans	—	—	—	—	545.85	—	—	—	—
28	Local governments financing	—	—	—	—	—	—	—	—	—
29	Housing financing	—	—	—	—	—	—	—	—	—
30	Other local government financing	—	—	—	—	—	—	—	—	—
31	Collateral obtained by taking possession: residential and commercial	—	—	—	—	—	—	—	—	—
32	Assets excluded from the numerator for GAR calculation (covered in	—	—	—	—	—	—	—	—	—
33	Financial and Non-financial undertakings	—	—	—	—	—	—	—	—	—
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure	—	—	—	—	—	—	—	—	—
35	Loans and advances	—	—	—	—	—	—	—	—	—
36	of which loans collateralised by commercial immovable property	—	—	—	—	—	—	—	—	—
37	of which building renovation loans	—	—	—	—	—	—	—	—	—
38	Debt securities	—	—	—	—	—	—	—	—	—
39	Equity instruments	—	—	—	—	—	—	—	—	—
40	Non-EU country counterparties not subject to NFRD disclosure	—	—	—	—	—	—	—	—	—
41	Loans and advances	—	—	—	—	—	—	—	—	—
42	Debt securities	—	—	—	—	—	—	—	—	—
43	Equity instruments	—	—	—	—	—	—	—	—	—
44	Derivatives	—	—	—	—	—	—	—	—	—
45	On demand interbank loans	—	—	—	—	—	—	—	—	—
46	Cash and cash-related assets	—	—	—	—	—	—	—	—	—
47	Other categories of assets (e.g. Goodwill, commodities etc.)	—	—	—	—	—	—	—	—	—
48	<b>Total GAR assets</b>	<b>0.02</b>	<b>0.01</b>	<b>—</b>	<b>—</b>	<b>26,795.37</b>	<b>4,513.72</b>	<b>4,457.94</b>	<b>2.88</b>	<b>27.87</b>
49	Assets not covered for GAR calculation	—	—	—	—	—	—	—	—	—
50	Central governments and Supranational issuers	—	—	—	—	—	—	—	—	—
51	Central banks exposure	—	—	—	—	—	—	—	—	—
52	Trading book	—	—	—	—	—	—	—	—	—
53	Total assets	—	—	—	—	—	—	—	—	—
Off-balance sheet exposures - Undertakings subject to NFRD disclosure										
54	Financial guarantees	—	—	—	—	—	—	—	—	—
55	Assets under management	—	—	—	—	70.75	28.34	2.60	13.62	—
56	Of which debt securities	—	—	—	—	23.33	11.25	1.30	5.05	—
57	Of which equity instruments	—	—	—	—	47.43	17.09	1.30	8.57	—

# BAWAG GROUP CONSOLIDATED ANNUAL REPORT 2025 — CONSOLIDATED NON - FINANCIAL REPORT

1.Assets for the calculation of GAR based on the CapEx KPI of the counterpart

		ag	ah	ai	aj	ak	al	am	an	ao	ap	
Million EUR		31.12.2024										
Total [gross]		carrying amount	Climate Change Mitigation (CCM)						Climate Change Adaptation (CCA)			
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)						Of which towards taxonomy relevant sectors (Taxonomy-			
			Of which environmentally sustainable (Taxonomy-aligned)						Of which environmentally sustainable			
			Of which Use of Proceeds	Of which transitional	Of which enabling				Of which Use of Proceeds	Of which enabling		
<b>GAR - Covered assets in both numerator and denominator</b>												
1	Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	26,475.68	25,350.37	3,046.48	3,035.49	—	—	0.03	0.02	—	—	
2	Financial undertakings	978.57	124.16	7.57	—	—	—	0.03	0.02	—	—	
3	Credit institutions	978.57	124.16	7.57	—	—	—	0.03	0.02	—	—	
4	Loans and advances	621.45	97.64	6.66	—	—	—	0.01	0.01	—	—	
5	Debt securities, including UoP	276.52	9.37	0.80	—	—	—	0.01	0.01	—	—	
6	Equity instruments	80.60	17.15	0.10	—	—	—	0.01	—	—	—	
7	Other financial corporations	—	—	—	—	—	—	—	—	—	—	
8	of which investment firms	—	—	—	—	—	—	—	—	—	—	
9	Loans and advances	—	—	—	—	—	—	—	—	—	—	
10	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	
11	Equity instruments	—	—	—	—	—	—	—	—	—	—	
12	of which management companies	—	—	—	—	—	—	—	—	—	—	
13	Loans and advances	—	—	—	—	—	—	—	—	—	—	
14	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	
15	Equity instruments	—	—	—	—	—	—	—	—	—	—	
16	of which insurance undertakings	—	—	—	—	—	—	—	—	—	—	
17	Loans and advances	—	—	—	—	—	—	—	—	—	—	
18	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	
19	Equity instruments	—	—	—	—	—	—	—	—	—	—	
20	Non-financial undertakings	304.07	33.17	3.42	—	—	—	—	—	—	—	
21	Loans and advances	185.95	10.73	—	—	—	—	—	—	—	—	
22	Debt securities, including UoP	118.11	22.44	3.42	—	—	—	—	—	—	—	
23	Equity instruments	—	—	—	—	—	—	—	—	—	—	
24	Households	25,193.04	25,193.04	3,035.49	3,035.49	—	—	—	—	—	—	
25	of which loans collateralised by residential immovable property	24,158.74	24,158.74	2,782.28	2,782.28	—	—	—	—	—	—	
26	of which building renovation loans	578.50	578.50	253.21	253.21	—	—	—	—	—	—	
27	of which motor vehicle loans	455.80	455.80	—	—	—	—	—	—	—	—	
28	Local governments financing	—	—	—	—	—	—	—	—	—	—	
29	Housing financing	—	—	—	—	—	—	—	—	—	—	
30	Other local government financing	—	—	—	—	—	—	—	—	—	—	
31	Collateral obtained by taking possession: residential and commercial immovable properties	—	—	—	—	—	—	—	—	—	—	
32	Assets excluded from the numerator for GAR calculation (covered in the denominator)	24,612.88	—	—	—	—	—	—	—	—	—	
33	Financial and Non-financial undertakings	16,400.43	—	—	—	—	—	—	—	—	—	
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	10,036.93	—	—	—	—	—	—	—	—	—	
35	Loans and advances	7,258.09	—	—	—	—	—	—	—	—	—	
36	of which loans collateralised by commercial immovable property	1,066.90	—	—	—	—	—	—	—	—	—	
37	of which building renovation loans	0.44	—	—	—	—	—	—	—	—	—	
38	Debt securities	2,519.57	—	—	—	—	—	—	—	—	—	
39	Equity instruments	259.28	—	—	—	—	—	—	—	—	—	
40	Non-EU country counterparties not subject to NFRD disclosure obligations	6,363.50	—	—	—	—	—	—	—	—	—	
41	Loans and advances	5,247.60	—	—	—	—	—	—	—	—	—	
42	Debt securities	1,109.27	—	—	—	—	—	—	—	—	—	
43	Equity instruments	6.63	—	—	—	—	—	—	—	—	—	
44	Derivatives	644.77	—	—	—	—	—	—	—	—	—	
45	On demand interbank loans	271.46	—	—	—	—	—	—	—	—	—	
46	Cash and cash-related assets	101.60	—	—	—	—	—	—	—	—	—	
47	Other categories of assets (e.g. Goodwill, commodities etc.)	7,194.62	—	—	—	—	—	—	—	—	—	
48	<b>Total GAR assets</b>	<b>51,088.56</b>	<b>25,350.37</b>	<b>3,046.48</b>	<b>3,035.49</b>	<b>—</b>	<b>—</b>	<b>0.03</b>	<b>0.02</b>	<b>—</b>	<b>—</b>	
49	Assets not covered for GAR calculation	20,257.72	—	—	—	—	—	—	—	—	—	
50	Central governments and Supranational issuers	3,146.80	—	—	—	—	—	—	—	—	—	
51	Central banks exposure	17,110.91	—	—	—	—	—	—	—	—	—	
52	Trading book	—	—	—	—	—	—	—	—	—	—	
53	<b>Total assets</b>	<b>71,346.27</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	
<b>Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations</b>												
54	Financial guarantees	11.57	1.78	0.35	—	—	0.17	—	—	—	—	
55	Assets under management	816.67	45.51	16.73	—	7.66	1.51	—	—	—	—	
56	Of which debt securities	356.05	19.29	8.77	—	4.37	0.91	—	—	—	—	
57	Of which equity instruments	404.48	26.22	7.95	—	3.29	0.59	—	—	—	—	

**BAWAG GROUP CONSOLIDATED ANNUAL REPORT 2025 — CONSOLIDATED NON - FINANCIAL REPORT**

1.Assets for the calculation of GAR based on the CapEx KPI of the counterpart

		aq	ar	as	at	au	av	aw	ax	ay	az	ba	bb
Million EUR		31.12.2024											
		Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)			
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)			
		Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)			
		Of which Use of Proceeds		Of which enabling	Of which Use of Proceeds		Of which enabling	Of which Use of Proceeds		Of which enabling	Of which Use of Proceeds		Of which enabling
GAR - Covered assets in both numerator and denominator													
1	Loans and advances, debt securities and equity instruments not	—	—	—	—	0.03	—	—	—	2.79	—	—	—
2	Financial undertakings	—	—	—	—	—	—	—	—	—	—	—	—
3	Credit institutions	—	—	—	—	—	—	—	—	—	—	—	—
4	Loans and advances	—	—	—	—	—	—	—	—	—	—	—	—
5	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—
6	Equity instruments	—	—	—	—	—	—	—	—	—	—	—	—
7	Other financial corporations	—	—	—	—	—	—	—	—	—	—	—	—
8	of which investment firms	—	—	—	—	—	—	—	—	—	—	—	—
9	Loans and advances	—	—	—	—	—	—	—	—	—	—	—	—
10	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—
11	Equity instruments	—	—	—	—	—	—	—	—	—	—	—	—
12	of which management companies	—	—	—	—	—	—	—	—	—	—	—	—
13	Loans and advances	—	—	—	—	—	—	—	—	—	—	—	—
14	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—
15	Equity instruments	—	—	—	—	—	—	—	—	—	—	—	—
16	of which insurance undertakings	—	—	—	—	—	—	—	—	—	—	—	—
17	Loans and advances	—	—	—	—	—	—	—	—	—	—	—	—
18	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—
19	Equity instruments	—	—	—	—	—	—	—	—	—	—	—	—
20	Non-financial undertakings	—	—	—	—	0.03	—	—	—	2.79	—	—	—
21	Loans and advances	—	—	—	—	0.03	—	—	—	—	—	—	—
22	Debt securities, including UoP	—	—	—	—	—	—	—	—	2.79	—	—	—
23	Equity instruments	—	—	—	—	—	—	—	—	—	—	—	—
24	Households												
25	of which loans collateralised by residential immovable property												
26	of which building renovation loans												
27	of which motor vehicle loans												
28	Local governments financing	—	—	—	—	—	—	—	—	—	—	—	—
29	Housing financing	—	—	—	—	—	—	—	—	—	—	—	—
30	Other local government financing	—	—	—	—	—	—	—	—	—	—	—	—
31	Collateral obtained by taking possession: residential and	—	—	—	—	—	—	—	—	—	—	—	—
32	Assets excluded from the numerator for GAR calculation	—	—	—	—	—	—	—	—	—	—	—	—
33	Financial and Non-financial undertakings												
34	SMEs and NFCs (other than SMEs) not subject to NFRD												
35	Loans and advances												
36	of which loans collateralised by commercial immovable												
37	of which building renovation loans												
38	Debt securities												
39	Equity instruments												
40	Non-EU country counterparties not subject to NFRD disclosure												
41	Loans and advances												
42	Debt securities												
43	Equity instruments												
44	Derivatives												
45	On demand interbank loans												
46	Cash and cash-related assets												
47	Other categories of assets (e.g. Goodwill, commodities etc.)												
48	<b>Total GAR assets</b>	—	—	—	—	0.03	—	—	—	2.79	—	—	—
49	Assets not covered for GAR calculation												
50	Central governments and Supranational issuers												
51	Central banks exposure												
52	Trading book												
53	Total assets	—	—	—	—	—	—	—	—	—	—	—	—
Off-balance sheet exposures - Undertakings subject to NFRD disclosure													
54	Financial guarantees	—	—	—	—	0.53	—	—	—	0.01	—	—	—
55	Assets under management	—	—	—	—	—	—	—	—	—	—	—	—
56	Of which debt securities	—	—	—	—	—	—	—	—	—	—	—	—
57	Of which equity instruments	—	—	—	—	—	—	—	—	—	—	—	—

# BAWAG GROUP CONSOLIDATED ANNUAL REPORT 2025 — CONSOLIDATED NON - FINANCIAL REPORT

1.Assets for the calculation of GAR based on the CapEx KPI of the counterpart

Million EUR		bc	bd	be	bf	bg	bh	bi	bj	bk	
		31.12.2024					TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
		Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)					
		Of which environmentally sustainable (Taxonomy-aligned)				Of which Use of Proceeds		Of which transitional		Of which enabling	
				Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling	
	GAR - Covered assets in both numerator and denominator										
1	Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	—	—	—	—	25,353.21	3,046.50	3,035.49	—	—	
2	Financial undertakings	—	—	—	—	124.19	7.59	—	—	—	
3	Credit institutions	—	—	—	—	124.19	7.59	—	—	—	
4	Loans and advances	—	—	—	—	97.65	6.67	—	—	—	
5	Debt securities, including UoP	—	—	—	—	9.38	0.81	—	—	—	
6	Equity instruments	—	—	—	—	17.16	0.10	—	—	—	
7	Other financial corporations	—	—	—	—	—	—	—	—	—	
8	of which investment firms	—	—	—	—	—	—	—	—	—	
9	Loans and advances	—	—	—	—	—	—	—	—	—	
10	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	
11	Equity instruments	—	—	—	—	—	—	—	—	—	
12	of which management companies	—	—	—	—	—	—	—	—	—	
13	Loans and advances	—	—	—	—	—	—	—	—	—	
14	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	
15	Equity instruments	—	—	—	—	—	—	—	—	—	
16	of which insurance undertakings	—	—	—	—	—	—	—	—	—	
17	Loans and advances	—	—	—	—	—	—	—	—	—	
18	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	
19	Equity instruments	—	—	—	—	—	—	—	—	—	
20	Non-financial undertakings	—	—	—	—	35.98	3.42	—	—	—	
21	Loans and advances	—	—	—	—	10.75	—	—	—	—	
22	Debt securities, including UoP	—	—	—	—	25.23	3.42	—	—	—	
23	Equity instruments	—	—	—	—	—	—	—	—	—	
24	Households	—	—	—	—	25,193.04	3,035.49	3,035.49	—	—	
25	of which loans collateralised by residential immovable property	—	—	—	—	24,158.74	2,782.28	2,782.28	—	—	
26	of which building renovation loans	—	—	—	—	578.50	253.21	253.21	—	—	
27	of which motor vehicle loans	—	—	—	—	455.80	—	—	—	—	
28	Local governments financing	—	—	—	—	—	—	—	—	—	
29	Housing financing	—	—	—	—	—	—	—	—	—	
30	Other local government financing	—	—	—	—	—	—	—	—	—	
31	Collateral obtained by taking possession: residential and commercial immovable properties	—	—	—	—	—	—	—	—	—	
32	Assets excluded from the numerator for GAR calculation (covered in the denominator)	—	—	—	—	—	—	—	—	—	
33	Financial and Non-financial undertakings	—	—	—	—	—	—	—	—	—	
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	—	—	—	—	—	—	—	—	—	
35	Loans and advances	—	—	—	—	—	—	—	—	—	
36	of which loans collateralised by commercial immovable property	—	—	—	—	—	—	—	—	—	
37	of which building renovation loans	—	—	—	—	—	—	—	—	—	
38	Debt securities	—	—	—	—	—	—	—	—	—	
39	Equity instruments	—	—	—	—	—	—	—	—	—	
40	Non-EU country counterparties not subject to NFRD disclosure obligations	—	—	—	—	—	—	—	—	—	
41	Loans and advances	—	—	—	—	—	—	—	—	—	
42	Debt securities	—	—	—	—	—	—	—	—	—	
43	Equity instruments	—	—	—	—	—	—	—	—	—	
44	Derivatives	—	—	—	—	—	—	—	—	—	
45	On demand interbank loans	—	—	—	—	—	—	—	—	—	
46	Cash and cash-related assets	—	—	—	—	—	—	—	—	—	
47	Other categories of assets (e.g. Goodwill, commodities etc.)	—	—	—	—	—	—	—	—	—	
48	<b>Total GAR assets</b>	—	—	—	—	<b>25,353.21</b>	<b>3,046.50</b>	<b>3,035.49</b>	—	—	
49	Assets not covered for GAR calculation	—	—	—	—	—	—	—	—	—	
50	Central governments and Supranational issuers	—	—	—	—	—	—	—	—	—	
51	Central banks exposure	—	—	—	—	—	—	—	—	—	
52	Trading book	—	—	—	—	—	—	—	—	—	
53	Total assets	—	—	—	—	—	—	—	—	—	
Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations											
54	Financial guarantees	—	—	—	—	2.32	0.35	—	—	0.17	
55	Assets under management	—	—	—	—	45.51	16.73	—	7.66	1.51	
56	Of which debt securities	—	—	—	—	19.29	8.77	—	4.37	0.91	
57	Of which equity instruments	—	—	—	—	26.22	7.95	—	3.29	0.59	

Template 2a – GAR sector information (revenue)

2. GAR sector information based on the turnover KPI of the counterpart

Breakdown by sector - NACE 4 digits level (code and label)	a	b	c	d	e	f	g	h	i	j	k	l
	Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				Water and marine resources (WTR)			
	Non-Financial corporates		SMEs and other NFC not		Non-Financial corporates		SMEs and other NFC not		Non-Financial corporates		SMEs and other NFC not	
	(Subject to NFRD)		subject to NFRD		(Subject to NFRD)		subject to NFRD		(Subject to NFRD)		subject to NFRD	
[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		
Mn EUR	Of which	Mn EUR	Of which	Mn EUR	Of which	Mn EUR	Of which	Mn EUR	Of which	Mn EUR	Of which	
1 C1104	—	—			—	—			—	—		
2 C1520	—	—			—	—			—	—		
3 C1712	0.02	—			—	—			—	—		
4 C2120	—	—			—	—			—	—		
5 C2530	—	—			—	—			—	—		
6 C2893	2.10	0.16			0.01	—			—	—		
7 C2895	—	—			—	—			—	—		
8 D351	5.93	5.67			—	—			0.29	0.29		
9 D3511	—	—			—	—			—	—		
10 F4120	1.48	—			—	—			0.03	—		
11 J6190	—	—			—	—			—	—		
12 J6399	5.70	—			—	—			—	—		
13 L6820	100.45	9.88			—	—			—	—		
14 M7120	—	—			—	—			—	—		
15 N7711	7.95	0.08			7.95	0.08			—	—		

2. GAR sector information based on the turnover KPI of the counterpart

Breakdown by sector - NACE 4 digits level (code and label)	m	n	o	p	q	r	s	t	u	v	w	x	y	z	aa	ab
	Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)			
	Non-Financial corporates		SMEs and other NFC not		Non-Financial corporates		SMEs and other NFC not		Non-Financial corporates		SMEs and other NFC not		Non-Financial corporates		SMEs and other NFC not	
	(Subject to NFRD)		subject to NFRD		(Subject to NFRD)		subject to NFRD		(Subject to NFRD)		subject to NFRD		(Subject to NFRD)		subject to NFRD	
[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		
Mn EUR	Of which	Mn EUR	Of which	Mn EUR	Of which	Mn EUR	Of which	Mn EUR	Of which	Mn EUR	Of which	Mn EUR	Of which	Mn EUR	Of which	
1 C1104	—	—			—	—			—	—			—	—		
2 C1520	—	—			—	—			—	—			—	—		
3 C1712	—	—			—	—			—	—			0.02	—		
4 C2120	6.02	—			—	—			—	—			6.02	—		
5 C2530	—	—			—	—			—	—			—	—		
6 C2893	0.03	—			0.01	—			0.01	—			2.16	0.16		
7 C2895	—	—			—	—			—	—			—	—		
8 D351	1.21	1.21			0.11	0.11			—	—			7.54	7.28		
9 D3511	—	—			—	—			—	—			—	—		
10 F4120	0.40	—			—	—			—	—			1.91	—		
11 J6190	—	—			—	—			—	—			—	—		
12 J6399	0.09	—			—	—			—	—			5.79	—		
13 L6820	—	—			—	—			—	—			100.45	9.88		
14 M7120	—	—			7.96	7.80			—	—			7.96	7.80		
15 N7711	—	—			—	—			—	—			15.90	0.16		

Template 2b – GAR sector information (CapEx)

2. GAR sector information based on the CapEx KPI of the counterpart

Breakdown by sector - NACE 4 digits level (code and label)	a	b	c	d	e	f	g	h	i	j	k	l
	Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				Water and marine resources (WTR)			
	Non-Financial corporates		SMEs and other NFC not		Non-Financial corporates		SMEs and other NFC not		Non-Financial corporates		SMEs and other NFC not	
	(Subject to NFRD)		subject to NFRD		(Subject to NFRD)		subject to NFRD		(Subject to NFRD)		subject to NFRD	
	[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount	
Mn EUR	Of which	Mn EUR	Of which	Mn EUR	Of which	Mn EUR	Of which	Mn EUR	Of which	Mn EUR	Of which	
1 C1104	9.27	1.10			—	—			—	—		
2 C1520	8.31	0.22			—	—			—	—		
3 C1712	0.68	0.04			—	—			—	—		
4 C2120	0.28	—			—	—			—	—		
5 C2530	—	—			—	—			—	—		
6 C2893	2.13	0.18			0.01	—			—	—		
7 C2895	—	—			—	—			—	—		
8 D351	24.62	24.59			—	—			1.77	1.77		
9 D3511	—	—			—	—			—	—		
10 F4120	10.75	—			—	—			0.03	—		
11 J6190	—	—			—	—			—	—		
12 J6399	2.01	—			—	—			—	—		
13 L6820	101.67	4.74			—	—			—	—		
14 M7120	—	—			—	—			—	—		
15 N7711	8.11	0.16			8.11	0.16			—	—		

2. GAR sector information based on the CapEx KPI of the counterpart

Breakdown by sector - NACE 4 digits level (code and label)	m	n	o	p	q	r	s	t	u	v	w	x	y	z	aa	ab
	Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)			
	Non-Financial corporates		SMEs and other NFC not		Non-Financial corporates		SMEs and other NFC not		Non-Financial corporates		SMEs and other NFC not		Non-Financial corporates		SMEs and other NFC not	
	(Subject to NFRD)		subject to NFRD		(Subject to NFRD)		subject to NFRD		(Subject to NFRD)		subject to NFRD		(Subject to NFRD)		subject to NFRD	
	[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount	
Mn EUR	Of which	Mn EUR	Of which	Mn EUR	Of which	Mn EUR	Of which	Mn EUR	Of which	Mn EUR	Of which	Mn EUR	Of which	Mn EUR	Of which	
1 C1104	0.12	0.12			—	—			—	—			9.39	1.22		
2 C1520	—	—			—	—			—	—			8.31	0.22		
3 C1712	0.13	—			—	—			—	—			0.81	0.04		
4 C2120	2.02	—			—	—			—	—			2.30	—		
5 C2530	—	—			—	—			—	—			—	—		
6 C2893	0.02	—			0.01	—			—	—			2.17	0.18		
7 C2895	—	—			—	—			—	—			—	—		
8 D351	1.91	1.91			1.51	1.51			—	—			29.81	29.78		
9 D3511	—	—			—	—			—	—			—	—		
10 F4120	5.68	—			—	—			—	—			16.46	—		
11 J6190	—	—			—	—			—	—			—	—		
12 J6399	—	—			—	—			—	—			2.01	—		
13 L6820	—	—			—	—			—	—			101.67	4.74		
14 M7120	—	—			7.53	7.36			—	—			7.53	7.36		
15 N7711	—	—			—	—			—	—			16.22	0.32		

Template 3a – GAR KPI stock (revenue)

3. GAR KPI stock based on the turnover KPI of the counterpart

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
		31.12.2025																
% (compared to total covered assets in the denominator)		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					Water and marine resources (WTR)				Circular economy (CE)		
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)		
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		
		Of which Use of Proceeds		Of which transition		Of which enabling	Of which Use of Proceeds		Of which transition		Of which enabling	Of which Use of Proceeds		Of which transition		Of which enabling	Of which Use of Proceeds	
	GAR - Covered assets in both numerator and denominator																	
1	Loans and advances, debt	48.51%	8.14%	8.10%	0.02%	0.02%	0.03%	—	—	—	—	—	—	—	—	—	—	—
2	Financial undertakings	0.43%	0.03%	0.02%	0.01%	0.01%	0.02%	—	—	—	—	—	—	—	—	—	—	—
3	Credit institutions	0.43%	0.03%	0.02%	0.01%	0.01%	0.02%	—	—	—	—	—	—	—	—	—	—	—
4	Loans and advances	0.05%	—	—	—	—	0.01%	—	—	—	—	—	—	—	—	—	—	—
5	Debt securities, including UoP	0.39%	0.03%	0.01%	0.01%	0.01%	—	—	—	—	—	—	—	—	—	—	—	—
6	Equity instruments	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
7	Other financial corporations	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
8	of which investment firms	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
9	Loans and advances	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
10	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
11	Equity instruments	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
12	of which management	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
13	Loans and advances	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
14	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
15	Equity instruments	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
16	of which insurance	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
17	Loans and advances	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
18	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
19	Equity instruments	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
20	Non-financial undertakings	0.22%	0.03%	—	—	0.01%	0.01%	—	—	—	—	—	—	—	—	—	—	—
21	Loans and advances	0.12%	0.01%	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
22	Debt securities, including UoP	0.10%	0.02%	—	—	0.01%	0.01%	—	—	—	—	—	—	—	—	—	—	—
23	Equity instruments	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
24	Households	47.86%	8.08%	8.08%	—	—	—	—	—	—	—	—	—	—	—	—	—	—
25	of which loans collateralised	44.70%	6.12%	6.12%	—	—	—	—	—	—	—	—	—	—	—	—	—	—
26	of which building renovation	2.16%	1.96%	1.96%	—	—	—	—	—	—	—	—	—	—	—	—	—	—
27	of which motor vehicle loans	0.99%	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
28	Local governments financing	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
29	Housing financing	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
30	Other local government	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
31	Collateral obtained by taking	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
32	Total GAR assets	48.51%	8.14%	8.10%	0.02%	0.02%	0.03%	—	—	—	—	—	—	—	—	—	—	—

**BAWAG GROUP CONSOLIDATED ANNUAL REPORT 2025 — CONSOLIDATED NON - FINANCIAL REPORT**

3. GAR KPI stock based on the turnover KPI of the counterpart

		r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af
% (compared to total covered assets in the denominator)		31.12.2025													
		Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					
		Of which Use of Proceeds		Of which enabling		Of which Use of Proceeds		Of which enabling		Of which Use of Proceeds		Of which transitiona l		Of which enabling	
GAR - Covered assets in both numerator and denominator															
1	Loans and advances, debt securities and equity instruments not	0.02%	0.01%	—	0.01%	—	—	—	—	48.58%	8.16%	8.10%	0.02%	0.04%	100.00%
2	Financial undertakings	—	—	—	—	—	—	—	—	0.45%	0.03%	0.02%	0.01%	0.01%	0.93%
3	Credit institutions	—	—	—	—	—	—	—	—	0.45%	0.03%	0.02%	0.01%	0.01%	0.93%
4	Loans and advances	—	—	—	—	—	—	—	—	0.06%	—	—	—	—	0.12%
5	Debt securities, including UoP	—	—	—	—	—	—	—	—	0.40%	0.03%	0.01%	0.01%	0.01%	0.81%
6	Equity instruments	—	—	—	—	—	—	—	—	—	—	—	—	—	—
7	Other financial corporations	—	—	—	—	—	—	—	—	—	—	—	—	—	—
8	of which investment firms	—	—	—	—	—	—	—	—	—	—	—	—	—	—
9	Loans and advances	—	—	—	—	—	—	—	—	—	—	—	—	—	—
10	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—	—	—
11	Equity instruments	—	—	—	—	—	—	—	—	—	—	—	—	—	—
12	of which management companies	—	—	—	—	—	—	—	—	—	—	—	—	—	—
13	Loans and advances	—	—	—	—	—	—	—	—	—	—	—	—	—	—
14	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—	—	—
15	Equity instruments	—	—	—	—	—	—	—	—	—	—	—	—	—	—
16	of which insurance undertakings	—	—	—	—	—	—	—	—	—	—	—	—	—	—
17	Loans and advances	—	—	—	—	—	—	—	—	—	—	—	—	—	—
18	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—	—	—
19	Equity instruments	—	—	—	—	—	—	—	—	—	—	—	—	—	—
20	Non-financial undertakings	0.01%	0.01%	—	0.01%	—	—	—	—	0.27%	0.05%	—	—	0.02%	0.55%
21	Loans and advances	0.01%	0.01%	—	0.01%	—	—	—	—	0.14%	0.01%	—	—	0.01%	0.29%
22	Debt securities, including UoP	0.01%	0.01%	—	0.01%	—	—	—	—	0.13%	0.03%	—	—	0.01%	0.26%
23	Equity instruments	—	—	—	—	—	—	—	—	—	—	—	—	—	—
24	Households									47.86%	8.08%	8.08%	—	—	98.52%
25	of which loans collateralised by residential immovable property									44.70%	6.12%	6.12%	—	—	92.03%
26	of which building renovation loans									2.16%	1.96%	1.96%	—	—	4.45%
27	of which motor vehicle loans									0.99%	—	—	—	—	2.04%
28	Local governments financing	—	—	—	—	—	—	—	—	—	—	—	—	—	—
29	Housing financing	—	—	—	—	—	—	—	—	—	—	—	—	—	—
30	Other local government financing	—	—	—	—	—	—	—	—	—	—	—	—	—	—
31	Collateral obtained by taking possession: residential and	—	—	—	—	—	—	—	—	—	—	—	—	—	—
32	<b>Total GAR assets</b>	<b>0.02%</b>	<b>0.01%</b>	<b>—</b>	<b>0.01%</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>48.58%</b>	<b>8.16%</b>	<b>8.10%</b>	<b>0.02%</b>	<b>0.04%</b>	<b>100.00%</b>

3. GAR KPI stock based on the turnover KPI of the counterpart

		ag	ah	ai	aj	ak	al	am	an	ao	ap	aq	ar	as	at	au	av	aw			
% (compared to total covered assets in the denominator)		31.12.2024																			
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					Water and marine resources (WTR)				Circular economy (CE)					
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					
		Of which Use of Proceeds			Of which transition		Of which enabling		Of which specialise d lending			Of which enabling		Of which Use of Proceeds		Of which enabling		Of which Use of Proceeds		Of which enabling	
GAR - Covered assets in both numerator and denominator																					
1	Loans and advances, debt	50.02%	6.02%	5.94%	—	0.01%	0.01%	—	—	—	—	—	—	—	—	—	—	—	—		
2	Financial undertakings	0.52%	—	—	—	—	0.01%	—	—	—	—	—	—	—	—	—	—	—	—		
3	Credit institutions	0.52%	—	—	—	—	0.01%	—	—	—	—	—	—	—	—	—	—	—	—		
4	Loans and advances	0.34%	—	—	—	—	0.01%	—	—	—	—	—	—	—	—	—	—	—	—		
5	Debt securities, including UoP	0.14%	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—		
6	Equity instruments	0.03%	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—		
7	Other financial corporations	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—		
8	of which investment firms	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—		
9	Loans and advances	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—		
10	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—		
11	Equity instruments	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—		
12	of which management	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—		
13	Loans and advances	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—		
14	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—		
15	Equity instruments	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—		
16	of which insurance	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—		
17	Loans and advances	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—		
18	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—		
19	Equity instruments	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—		
20	Non-financial undertakings	0.18%	0.04%	—	—	0.01%	—	—	—	—	—	—	—	—	—	—	—	—	—		
21	Loans and advances	0.14%	0.03%	—	—	0.01%	—	—	—	—	—	—	—	—	—	—	—	—	—		
22	Debt securities, including UoP	0.04%	0.01%	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—		
23	Equity instruments	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—		
24	Households	49.31%	5.94%	5.94%	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—		
25	of which loans collateralised	47.29%	5.45%	5.45%	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—		
26	of which building renovation	1.13%	0.50%	0.50%	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—		
27	of which motor vehicle loans	0.89%	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—		
28	Local governments financing	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—		
29	Housing financing	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—		
30	Other local government	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—		
31	Collateral obtained by taking	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—		
32	<b>Total GAR assets</b>	<b>50.02%</b>	<b>6.02%</b>	<b>5.94%</b>	<b>—</b>	<b>0.01%</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>		

3. GAR KPI stock based on the turnover KPI of the counterpart

		ax	ay	az	ba	bb	bc	bd	be	bf	bg	bh	bi	bj	bk	
% (compared to total covered assets in the denominator)	31.12.2024															
		Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)						
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)						Proportion of total assets covered
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)						
	Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitiona l	Of which enabling					
	GAR - Covered assets in both numerator and denominator															
1	Loans and advances, debt	—	—	—	—	—	—	—	—	50.03%	6.02%	5.94%	—	0.01%	100.00%	
2	Financial undertakings	—	—	—	—	—	—	—	—	0.53%	—	—	—	—	1.05%	
3	Credit institutions	—	—	—	—	—	—	—	—	0.53%	—	—	—	—	1.05%	
4	Loans and advances	—	—	—	—	—	—	—	—	0.35%	—	—	—	—	0.70%	
5	Debt securities, including UoP	—	—	—	—	—	—	—	—	0.14%	—	—	—	—	0.29%	
6	Equity instruments	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
7	Other financial corporations	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
8	of which investment firms	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
9	Loans and advances	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
10	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
11	Equity instruments	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
12	of which management	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
13	Loans and advances	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
14	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
15	Equity instruments	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
16	of which insurance	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
17	Loans and advances	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
18	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
19	Equity instruments	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
20	Non-financial undertakings	—	—	—	—	—	—	—	—	0.19%	0.04%	—	—	0.01%	0.38%	
21	Loans and advances	—	—	—	—	—	—	—	—	0.14%	0.03%	—	—	0.01%	0.28%	
22	Debt securities, including UoP	—	—	—	—	—	—	—	—	0.05%	0.01%	—	—	—	0.10%	
23	Equity instruments	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
24	Households									49.31%	5.94%	0.06	—	—	98.56%	
25	of which loans collateralised									47.29%	5.45%	0.05	—	—	94.52%	
26	of which building renovation									1.13%	0.50%	0.01	—	—	2.26%	
27	of which motor vehicle loans									0.89%	—	—	—	—	1.78%	
28	Local governments financing	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
29	Housing financing	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
30	Other local government	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
31	Collateral obtained by taking	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
32	Total GAR assets	—	—	—	—	—	—	—	—	50.03%	6.02%	5.94%	—	0.01%	100.00%	

Template 3b – GAR KPI stock (CapEx)

3. GAR KPI stock based on the CapEx KPI of the counterpart

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
		31.12.2025																
% (compared to total covered assets in the denominator)	Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)					
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					
	Of which Use of Proceeds			Of which transition	Of which enabling			Of which Use of Proceeds			Of which enabling	Of which Use of Proceeds			Of which enabling	Of which Use of Proceeds		
	Of which Use of Proceeds	Of which transition	Of which enabling			Of which Use of Proceeds	Of which enabling	Of which Use of Proceeds			Of which enabling	Of which Use of Proceeds	Of which enabling	Of which Use of Proceeds				
	GAR - Covered assets in both numerator and denominator																	
1	Loans and advances, debt	48.61%	8.18%	8.10%	0.01%	0.04%	0.04%	—	—	—	—	—	—	—	0.02%	—	—	—
2	Financial undertakings	0.45%	0.04%	0.02%	—	0.01%	0.03%	—	—	—	—	—	—	—	—	—	—	—
3	Credit institutions	0.45%	0.04%	0.02%	—	0.01%	0.03%	—	—	—	—	—	—	—	—	—	—	—
4	Loans and advances	0.05%	0.01%	—	—	—	0.02%	—	—	—	—	—	—	—	—	—	—	—
5	Debt securities, including UoP	0.39%	0.03%	0.01%	—	0.01%	0.01%	—	—	—	—	—	—	—	—	—	—	—
6	Equity instruments	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
7	Other financial corporations	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
8	of which investment firms	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
9	Loans and advances	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
10	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
11	Equity instruments	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
12	of which management	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
13	Loans and advances	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
14	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
15	Equity instruments	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
16	of which insurance	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
17	Loans and advances	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
18	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
19	Equity instruments	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
20	Non-financial undertakings	0.30%	0.06%	—	—	0.03%	0.01%	—	—	—	—	—	—	—	0.02%	—	—	—
21	Loans and advances	0.15%	0.01%	—	—	—	—	—	—	—	—	—	—	—	0.01%	—	—	—
22	Debt securities, including UoP	0.16%	0.05%	—	—	0.03%	0.01%	—	—	—	—	—	—	—	—	—	—	—
23	Equity instruments	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
24	Households	47.86%	8.08%	8.08%	—	—	—	—	—	—	—	—	—	—	—	—	—	—
25	of which loans collateralised	44.70%	6.12%	6.12%	—	—	—	—	—	—	—	—	—	—	—	—	—	—
26	of which building renovation	2.16%	1.96%	1.96%	—	—	—	—	—	—	—	—	—	—	—	—	—	—
27	of which motor vehicle loans	0.99%	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
28	Local governments financing	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
29	Housing financing	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
30	Other local government	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
31	Collateral obtained by taking	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
32	Total GAR assets	48.61%	8.18%	8.10%	0.01%	0.04%	0.04%	—	—	—	—	—	—	—	0.02%	—	—	—

3. GAR KPI stock based on the CapEx KPI of the counterpart

		r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af	
% (compared to total covered assets in the denominator)		31.12.2025														
		Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)						Proportion of total assets covered
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)						
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)						
Of which Use of Proceeds		Of which enabling		Of which Use of Proceeds		Of which enabling		Of which Use of Proceeds		Of which transitiona l		Of which enabling				
GAR - Covered assets in both numerator and denominator																
1	Loans and advances, debt	0.02%	0.02%	—	0.01%	—	—	—	—	48.69%	8.20%	8.10%	0.01%	0.05%	100.00%	
2	Financial undertakings	—	—	—	—	—	—	—	—	0.47%	0.04%	0.02%	—	0.01%	0.97%	
3	Credit institutions	—	—	—	—	—	—	—	—	0.47%	0.04%	0.02%	—	0.01%	0.97%	
4	Loans and advances	—	—	—	—	—	—	—	—	0.07%	0.01%	—	—	—	0.15%	
5	Debt securities, including UoP	—	—	—	—	—	—	—	—	0.40%	0.03%	0.01%	—	0.01%	0.83%	
6	Equity instruments	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
7	Other financial corporations	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
8	of which investment firms	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
9	Loans and advances	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
10	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
11	Equity instruments	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
12	of which management	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
13	Loans and advances	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
14	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
15	Equity instruments	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
16	of which insurance	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
17	Loans and advances	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
18	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
19	Equity instruments	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
20	Non-financial undertakings	0.02%	0.02%	—	0.01%	—	—	—	—	0.36%	0.08%	—	—	0.04%	0.73%	
21	Loans and advances	0.01%	0.01%	—	0.01%	—	—	—	—	0.17%	0.02%	—	—	0.01%	0.35%	
22	Debt securities, including UoP	0.01%	0.01%	—	0.01%	—	—	—	—	0.19%	0.06%	—	—	0.04%	0.38%	
23	Equity instruments	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
24	Households									47.86%	8.08%	8.08%	—	—	98.29%	
25	of which loans collateralised									44.70%	6.12%	6.12%	—	—	91.82%	
26	of which building renovation									2.16%	1.96%	1.96%	—	—	4.44%	
27	of which motor vehicle loans									0.99%	—	—	—	—	2.04%	
28	Local governments financing	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
29	Housing financing	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
30	Other local government	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
31	Collateral obtained by taking	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
32	Total GAR assets	0.02%	0.02%	—	0.01%	—	—	—	—	48.69%	8.20%	8.10%	0.01%	0.05%	100.00%	

**BAWAG GROUP CONSOLIDATED ANNUAL REPORT 2025 — CONSOLIDATED NON - FINANCIAL REPORT**

3. GAR KPI stock based on the CapEx KPI of the counterpart

		ag	ah	ai	aj	ak	al	am	an	ao	ap	aq	ar	as	at	au	av	aw				
% (compared to total covered assets in the denominator)		31.12.2024																				
		Climate Change Mitigation (CCM)						Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)						
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)						Proportion of total covered assets funding taxonomy relevant sectors				Proportion of total covered assets funding taxonomy relevant sectors				Proportion of total covered assets funding taxonomy relevant sectors						
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)						Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)						
		Of which Use of Proceeds			Of which transitional			Of which enabling			Of which Use of Proceeds			Of which enabling			Of which Use of Proceeds			Of which enabling		
GAR - Covered assets in both numerator and denominator																						
1	Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	49.57%	5.96%	5.94%	—	—	—	—	—	—	—	—	—	—	—	—	—	—				
2	Financial undertakings	0.20%	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—				
3	Credit institutions	0.20%	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—				
4	Loans and advances	0.15%	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—				
5	Debt securities, including UoP	0.02%	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—				
6	Equity instruments	0.03%	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—				
7	Other financial corporations	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—				
8	of which investment firms	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—				
9	Loans and advances	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—				
10	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—				
11	Equity instruments	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—				
12	of which management companies	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—				
13	Loans and advances	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—				
14	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—				
15	Equity instruments	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—				
16	of which insurance undertakings	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—				
17	Loans and advances	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—				
18	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—				
19	Equity instruments	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—				
20	Non-financial undertakings	0.06%	0.01%	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—				
21	Loans and advances	0.02%	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—				
22	Debt securities, including UoP	0.04%	0.01%	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—				
23	Equity instruments	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—				
24	Households	49.31%	5.94%	5.94%	—	—	—	—	—	—	—	—	—	—	—	—	—	—				
25	of which loans collateralised by residential immovable property	47.29%	5.45%	5.45%	—	—	—	—	—	—	—	—	—	—	—	—	—	—				
26	of which building renovation loans	1.13%	0.50%	0.50%	—	—	—	—	—	—	—	—	—	—	—	—	—	—				
27	of which motor vehicle loans	0.89%	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—				
28	Local governments financing	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—				
29	Housing financing	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—				
30	Other local government financing	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—				
31	Collateral obtained by taking possession: residential and commercial	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—				
32	<b>Total GAR assets</b>	<b>49.57%</b>	<b>5.96%</b>	<b>5.94%</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>				

3. GAR KPI stock based on the CapEx KPI of the counterpart

		ax	ay	az	ba	bb	bc	bd	be	bf	bg	bh	bi	bj	bk	
% (compared to total covered assets in the denominator)		31.12.2024														
		Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)						
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)						Proportion of total covered assets covered
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)						
GAR - Covered assets in both numerator and denominator																
1	Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	0.01%	—	—	—	—	—	—	—	49.58%	5.96%	5.94%	—	—	100.00%	
2	Financial undertakings	—	—	—	—	—	—	—	—	0.20%	0.01%	—	—	—	0.40%	
3	Credit institutions	—	—	—	—	—	—	—	—	0.20%	0.01%	—	—	—	0.40%	
4	Loans and advances	—	—	—	—	—	—	—	—	0.15%	0.01%	—	—	—	0.29%	
5	Debt securities, including UoP	—	—	—	—	—	—	—	—	0.02%	—	—	—	—	0.04%	
6	Equity instruments	—	—		—	—	—		—	0.03%	—		—	—	0.07%	
7	Other financial corporations	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
8	of which investment firms	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
9	Loans and advances	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
10	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
11	Equity instruments	—	—		—	—	—		—	—	—		—	—	—	
12	of which management companies	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
13	Loans and advances	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
14	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
15	Equity instruments	—	—		—	—	—		—	—	—		—	—	—	
16	of which insurance undertakings	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
17	Loans and advances	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
18	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
19	Equity instruments	—	—		—	—	—		—	—	—		—	—	—	
20	Non-financial undertakings	0.01%	—	—	—	—	—	—	—	0.07%	0.01%	—	—	—	0.14%	
21	Loans and advances	—	—	—	—	—	—	—	—	0.02%	—	—	—	—	0.04%	
22	Debt securities, including UoP	0.01%	—	—	—	—	—	—	—	0.05%	0.01%	—	—	—	0.10%	
23	Equity instruments	—	—		—	—	—		—	—	—		—	—	—	
24	Households									49.31%	5.94%	5.94%	—	—	99.46%	
25	of which loans collateralised by residential immovable property									47.29%	5.45%	5.45%	—	—	95.38%	
26	of which building renovation loans									1.13%	0.50%	0.50%	—	—	2.28%	
27	of which motor vehicle loans									0.89%	—	—	—	—	1.80%	
28	Local governments financing	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
29	Housing financing	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
30	Other local government financing	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
31	Collateral obtained by taking possession: residential and commercial immovable properties	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
32	Total GAR assets	0.01%	—	—	—	—	—	—	—	49.58%	5.96%	5.94%	—	—	100.00%	

Template 4a – GAR KPI flow (revenue)

4. GAR KPI flow based on the turnover KPI of the counterpart

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q				
% (compared to flow of total eligible assets)		31.12.2025																				
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					Water and marine resources (WTR)				Circular economy (CE)						
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)						
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)						
		Of which Use of Proceeds			Of which transition		Of which enabling		Of which Use of Proceeds			Of which transition		Of which enabling		Of which Use of Proceeds			Of which transition		Of which enabling	
	GAR - Covered assets in both numerator and denominator																					
1	Loans and advances, debt	92.84%	34.92%	34.91%	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—			
2	Financial undertakings	0.85%	0.03%	0.02%	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—			
3	Credit institutions	0.85%	0.03%	0.02%	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—			
4	Loans and advances	0.34%	0.02%	0.02%	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—			
5	Debt securities, including UoP	0.51%	0.01%	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—			
6	Equity instruments	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—			
7	Other financial corporations	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—			
8	of which investment firms	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—			
9	Loans and advances	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—			
10	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—			
11	Equity instruments	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—			
12	of which management	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—			
13	Loans and advances	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—			
14	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—			
15	Equity instruments	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—			
16	of which insurance	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—			
17	Loans and advances	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—			
18	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—			
19	Equity instruments	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—			
20	Non-financial undertakings	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—			
21	Loans and advances	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—			
22	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—			
23	Equity instruments	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—			
24	Households	91.99%	34.89%	34.89%	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—			
25	of which loans collateralised	49.31%	6.31%	6.31%	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—			
26	of which building renovation	30.45%	28.58%	28.58%	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—			
27	of which motor vehicle loans	12.23%	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—			
28	Local governments financing	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—			
29	Housing financing	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—			
30	Other local government	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—			
31	Collateral obtained by taking	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—			
32	<b>Total GAR assets</b>	<b>92.84%</b>	<b>34.92%</b>	<b>34.91%</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>			

4. GAR KPI flow based on the turnover KPI of the counterpart

		r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af	
% (compared to flow of total eligible assets)		31.12.2025														
		Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)						Proportion of total new assets covered
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)						
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)						
Of which Use of Proceeds		Of which enabling		Of which Use of Proceeds		Of which enabling		Of which Use of Proceeds		Of which transitiona l		Of which enabling				
GAR - Covered assets in both numerator and denominator																
1	Loans and advances, debt	0.18%	0.18%	—	0.18%	—	—	—	—	93.03%	35.10%	34.91%	—	0.18%	100.00%	
2	Financial undertakings	—	—	—	—	—	—	—	—	0.85%	0.03%	0.02%	—	—	0.91%	
3	Credit institutions	—	—	—	—	—	—	—	—	0.85%	0.03%	0.02%	—	—	0.91%	
4	Loans and advances	—	—	—	—	—	—	—	—	0.34%	0.02%	0.02%	—	—	0.37%	
5	Debt securities, including UoP	—	—	—	—	—	—	—	—	0.51%	0.01%	—	—	—	0.55%	
6	Equity instruments	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
7	Other financial corporations	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
8	of which investment firms	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
9	Loans and advances	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
10	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
11	Equity instruments	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
12	of which management	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
13	Loans and advances	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
14	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
15	Equity instruments	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
16	of which insurance	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
17	Loans and advances	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
18	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
19	Equity instruments	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
20	Non-financial undertakings	0.18%	0.18%	—	0.18%	—	—	—	—	0.18%	0.18%	—	—	0.18%	0.19%	
21	Loans and advances	0.18%	0.18%	—	0.18%	—	—	—	—	0.18%	0.18%	—	—	0.18%	0.19%	
22	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
23	Equity instruments	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
24	Households									91.99%	34.89%	34.89%	—	—	98.88%	
25	of which loans collateralised									49.31%	6.31%	6.31%	—	—	53.00%	
26	of which building renovation									30.45%	28.58%	28.58%	—	—	32.73%	
27	of which motor vehicle loans									12.23%	—	—	—	—	13.15%	
28	Local governments financing	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
29	Housing financing	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
30	Other local government	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
31	Collateral obtained by taking	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
32	<b>Total GAR assets</b>	<b>0.18%</b>	<b>0.18%</b>	<b>—</b>	<b>0.18%</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>93.03%</b>	<b>35.10%</b>	<b>34.91%</b>	<b>—</b>	<b>0.18%</b>	<b>100.00%</b>	

Template 4b – GAR KPI flow (CapEx)

4. GAR KPI flow based on the CapEx KPI of the counterpart

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q				
% (compared to flow of total eligible assets)		31.12.2025																				
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					Water and marine resources (WTR)				Circular economy (CE)						
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)						
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)						
		Of which Use of Proceeds			Of which transition		Of which enabling		Of which Use of Proceeds			Of which transition		Of which enabling		Of which Use of Proceeds			Of which transition		Of which enabling	
	GAR - Covered assets in both numerator and denominator																					
1	Loans and advances, debt	92.85%	34.93%	34.91%	—	0.01%	—	—	—	—	—	—	—	—	—	—	—	—				
2	Financial undertakings	0.86%	0.04%	0.02%	—	0.01%	—	—	—	—	—	—	—	—	—	—	—	—				
3	Credit institutions	0.86%	0.04%	0.02%	—	0.01%	—	—	—	—	—	—	—	—	—	—	—	—				
4	Loans and advances	0.34%	0.02%	0.02%	—	—	—	—	—	—	—	—	—	—	—	—	—	—				
5	Debt securities, including UoP	0.52%	0.01%	—	—	0.01%	—	—	—	—	—	—	—	—	—	—	—	—				
6	Equity instruments	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—				
7	Other financial corporations	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—				
8	of which investment firms	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—				
9	Loans and advances	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—				
10	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—				
11	Equity instruments	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—				
12	of which management	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—				
13	Loans and advances	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—				
14	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—				
15	Equity instruments	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—				
16	of which insurance	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—				
17	Loans and advances	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—				
18	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—				
19	Equity instruments	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—				
20	Non-financial undertakings	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—				
21	Loans and advances	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—				
22	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—				
23	Equity instruments	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—				
24	Households	91.99%	34.89%	34.89%	—	—	—	—	—	—	—	—	—	—	—	—	—	—				
25	of which loans collateralised	49.31%	6.31%	6.31%	—	—	—	—	—	—	—	—	—	—	—	—	—	—				
26	of which building renovation	30.45%	28.58%	28.58%	—	—	—	—	—	—	—	—	—	—	—	—	—	—				
27	of which motor vehicle loans	12.23%	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—				
28	Local governments financing	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—				
29	Housing financing	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—				
30	Other local government	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—				
31	Collateral obtained by taking	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—				
32	Total GAR assets	92.85%	34.93%	34.91%	—	0.01%	—	—	—	—	—	—	—	—	—	—	—	—				

4. GAR KPI flow based on the CapEx KPI of the counterpart

		r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af	
% (compared to flow of total eligible assets)		31.12.2025														
		Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)						Proportion of total new assets covered
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)						
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)						
Of which Use of Proceeds		Of which enabling		Of which Use of Proceeds		Of which enabling		Of which Use of Proceeds		Of which transitiona l		Of which enabling				
GAR - Covered assets in both numerator and denominator																
1	Loans and advances, debt	0.17%	0.17%	—	0.17%	—	—	—	—	93.03%	35.10%	34.91%	—	0.18%	100.00%	
2	Financial undertakings	—	—	—	—	—	—	—	—	0.86%	0.04%	0.02%	—	0.01%	0.92%	
3	Credit institutions	—	—	—	—	—	—	—	—	0.86%	0.03%	0.02%	—	—	0.92%	
4	Loans and advances	—	—	—	—	—	—	—	—	0.35%	0.02%	0.02%	—	—	0.38%	
5	Debt securities, including UoP	—	—	—	—	—	—	—	—	0.52%	0.01%	—	—	—	0.56%	
6	Equity instruments	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
7	Other financial corporations	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
8	of which investment firms	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
9	Loans and advances	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
10	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
11	Equity instruments	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
12	of which management	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
13	Loans and advances	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
14	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
15	Equity instruments	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
16	of which insurance	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
17	Loans and advances	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
18	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
19	Equity instruments	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
20	Non-financial undertakings	0.17%	0.17%	—	0.17%	—	—	—	—	0.17%	0.17%	—	—	0.17%	0.18%	
21	Loans and advances	0.17%	0.17%	—	0.17%	—	—	—	—	0.17%	0.17%	—	—	0.17%	0.18%	
22	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
23	Equity instruments	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
24	Households									91.99%	34.89%	34.89%	—	—	98.88%	
25	of which loans collateralised									49.31%	6.31%	6.31%	—	—	53.00%	
26	of which building renovation									30.45%	28.58%	28.58%	—	—	32.73%	
27	of which motor vehicle loans									12.23%	—	—	—	—	13.15%	
28	Local governments financing	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
29	Housing financing	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
30	Other local government	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
31	Collateral obtained by taking	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
32	<b>Total GAR assets</b>	<b>0.17%</b>	<b>0.17%</b>	<b>—</b>	<b>0.17%</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>93.03%</b>	<b>35.10%</b>	<b>34.91%</b>	<b>—</b>	<b>0.18%</b>	<b>100.00%</b>	

Template 5a – KPI off-balance sheet exposures based on the turnover KPI of the counterparty (stock)

5. KPI off-balance sheet exposures based on the turnover KPI of the counterpart (stock)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q		
% (compared to total eligible off-balance sheet assets)		31.12.2025																		
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					Water and marine resources (WTR)				Circular economy (CE)				
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
		Of which Use of Proceeds			Of which transitional enabling		Of which Use of Proceeds			Of which enabling		Of which Use of Proceeds			Of which enabling	Of which Use of Proceeds			Of which enabling	
1	Financial guarantees	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%		
2	Assets under management	18.39%	2.08%	0.15%	1.01%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%		

5. KPI off-balance sheet exposures based on the turnover KPI of the counterpart (stock)

		r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae	
% (compared to total eligible off-balance sheet assets)		31.12.2025													
		Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					
		Of which Use of Proceeds		Of which enabling		Of which Use of Proceeds		Of which enabling		Of which Use of Proceeds			Of which transitional enabling	Of which enabling	
1	Financial guarantees	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	
2	Assets under management	—%	—%	—%	—%	—%	—%	—%	—%	18.39%	2.08%	0.15%	1.01%	—%	

Template 5b – KPI off-balance sheet exposures based on the CapEx KPI of the counterpart (stock)

5. KPI off-balance sheet exposures based on the CapEx KPI of the counterpart (stock)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	
% (compared to total eligible off-balance sheet assets)		31.12.2025																	
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					Water and marine resources (WTR)				Circular economy (CE)			
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
		Of which Use of Proceeds			Of which transitional enabling		Of which Use of Proceeds			Of which enabling		Of which Use of Proceeds		Of which enabling		Of which Use of Proceeds		Of which enabling	
1	Financial guarantees	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	
2	Assets under management	8.34%	3.34%	0.31%	1.61%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	

5. KPI off-balance sheet exposures based on the CapEx KPI of the counterpart (stock)

		r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae	
% (compared to total eligible off-balance sheet assets)		31.12.2025													
		Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					
		Of which Use of Proceeds		Of which enabling		Of which Use of Proceeds		Of which enabling		Of which Use of Proceeds		Of which transitional enabling		Of which enabling	
1	Financial guarantees	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	
2	Assets under management	—%	—%	—%	—%	—%	—%	—%	—%	8.34%	3.34%	0.31%	1.61%	—%	

Template 5c – KPI off-balance sheet exposures based on the turnover KPI of the counterparty (flow)

5. KPI off-balance sheet exposures based on the turnover KPI of the counterpart (flow)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	
% (compared to total eligible off-balance sheet assets)		31.12.2025																	
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					Water and marine resources (WTR)				Circular economy (CE)			
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
		Of which Use of Proceeds			Of which transitional enabling		Of which Use of Proceeds			Of which enabling		Of which Use of Proceeds		Of which enabling		Of which Use of Proceeds		Of which enabling	
1	Financial guarantees	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	
2	Assets under management	13.98%	3.13%	—%	0.25%	1.29%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	

5. KPI off-balance sheet exposures based on the turnover KPI of the counterpart (flow)

		r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae	
% (compared to total eligible off-balance sheet assets)		31.12.2025													
		Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					
		Of which Use of Proceeds		Of which enabling		Of which Use of Proceeds		Of which enabling		Of which Use of Proceeds		Of which transitional enabling		Of which enabling	
1	Financial guarantees	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	
2	Assets under management	—%	—%	—%	—%	—%	—%	—%	—%	13.98%	3.13%	—%	0.25%	1.29%	

Template 5d – KPI off-balance sheet exposures based on the CapEx KPI of the counterparty (flow)

5. KPI off-balance sheet exposures based on the CapEx KPI of the counterpart (flow)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	
% (compared to total eligible off-balance sheet assets)		31.12.2025																	
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					Water and marine resources (WTR)				Circular economy (CE)			
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
		Of which Use of Proceeds			Of which transitional enabling		Of which Use of Proceeds			Of which enabling		Of which Use of Proceeds		Of which enabling		Of which Use of Proceeds		Of which enabling	
1	Financial guarantees	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	
2	Assets under management	26.73%	11.68%	—%	1.25%	5.07%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	

5. KPI off-balance sheet exposures based on the CapEx KPI of the counterpart (flow)

		r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae	
% (compared to total eligible off-balance sheet assets)		31.12.2025													
		Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					
		Of which Use of Proceeds		Of which enabling		Of which Use of Proceeds		Of which enabling		Of which Use of Proceeds		Of which transitional enabling		Of which enabling	
1	Financial guarantees	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	—%	
2	Assets under management	—%	—%	—%	—%	—%	—%	—%	—%	26.73%	11.68%	—%	1.25%	5.07%	

DISCLOSURES ACCORDING TO ANNEX XII - NUCLEAR ENERGY AND FOSSIL GAS RELATED ACTIVITIES

Economic activities based on turnover KPI

<b>Template 1: Nuclear and fossil gas related activities</b>			
<b>Row</b>	<b>Nuclear energy related activities</b>	<b>Stock</b>	<b>Flow</b>
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	YES	NO
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	YES	NO
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	YES	NO
<b>Fossil gas related activities</b>			
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	YES	NO
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	YES	NO
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	YES	NO

**Template 2: Taxonomy-aligned economic activities (denominator)**

Economic activities based on turnover KPI in € million		Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	—	—%	—	—%	—	—%
2	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	—	—%	—	—%	—	—%
3	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	21	—%	21	—%	—	—%
4	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	—	—%	—	—%	—	—%
5	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	1	—%	1	—%	—	—%
6	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	—	—%	—	—%	—	—%
7	Amount and proportion of other taxonomy- aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	4,460	8%	4,460	8%	—	—%
8	Total applicable KPI	4,482	8%	4,482	8%	—	—%

**Template 3: Taxonomy-aligned economic activities (numerator)**

Economic activities based on turnover KPI in € million		Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	—	—%	—	—%	—	—%
2	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	—	—%	—	—%	—	—%
3	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	21	—%	21	—%	—	—%
4	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	—	—%	—	—%	—	—%
5	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	1	—%	1	—%	—	—%
6	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	—	—%	—	—%	—	—%
7	Amount and proportion of other taxonomy- aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI	4,460	99%	4,460	99%	—	100.00%
8	Total amount and proportion of taxonomy- aligned economic activities in the numerator of the applicable KPI	4,482	100%	4,482	100%	—	100.00%

**Template 4: Taxonomy-eligible but not taxonomy-aligned economic activities**

Row	Economic activities based on turnover KPI in € million	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	—	—%	—	—%	—	—%
2	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	—	—%	—	—%	—	—%
3	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	9	—%	9	—%	—	—%
4	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	72	—%	72	—%	—	—%
5	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	9	—%	9	—%	—	—%
6	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	2	—%	2	—%	—	—%
7	Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	22,142	100%	22,125	100%	16	100%
8	Total amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI	22,234	100%	22,218	100%	16	100%

In agreement with our auditor, Template 5 is not reported since the included activities are taxonomy-eligible by definition.

Economic activities based on CapEx KPI

<b>Template 1: Nuclear and fossil gas related activities</b>			
<b>Row</b>	<b>Nuclear energy related activities</b>	<b>Stock</b>	<b>Flow</b>
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	YES	NO
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	YES	NO
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	YES	NO
<b>Fossil gas related activities</b>			
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	YES	NO
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	YES	NO
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	YES	NO

**Template 2: Taxonomy-aligned economic activities (denominator)**

Economic activities based on CapEx KPI in € million		Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	—	—%	—	—%	—	—%
2	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	—	—%	—	—%	—	—%
3	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	17	—%	17	—%	—	—%
4	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	—	—%	—	—%	—	—%
5	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	1	—%	1	—%	—	—%
6	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	1	—%	1	—%	—	—%
7	Amount and proportion of other taxonomy- aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	4,482	8%	4,482	8%	—	—%
8	Total applicable KPI	4,501	8%	4,501	8%	—	—%

**Template 3: Taxonomy-aligned economic activities (numerator)**

Economic activities based on CapEx KPI in € million		Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	—	—%	—	—%	—	—%
2	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	—	—%	—	—%	—	—%
3	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	17	—%	17	—%	—	—%
4	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	—	—%	—	—%	—	—%
5	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	1	—%	1	—%	—	—%
6	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	1	—%	1	—%	—	—%
7	Amount and proportion of other taxonomy- aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI	4,482	100%	4,482	100%	—	100%
8	Total amount and proportion of taxonomy- aligned economic activities in the numerator of the applicable KPI	4,501	100%	4,501	100%	—	100%

**Template 4: Taxonomy-eligible but not taxonomy-aligned economic activities**

Economic activities based on CapEx KPI in € million		Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	—	—%	—	—%	—	—%
2	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	—	—%	—	—%	—	—%
3	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	—	—%	—	—%	—	—%
4	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	5	—%	5	—%	—	—%
5	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	8	—%	8	—%	—	—%
6	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	1	—%	1	—%	—	—%
7	Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	22,259	100%	22,237	100%	22	99%
8	Total amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI	22,273	100%	22,251	100%	22	100%

In agreement with our auditor, Template 5 is not reported since the included activities are taxonomy-eligible by definition.

## E1: Climate change

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Climate change is amongst the most significant challenges for the world to address, and we recognize that the financial sector plays a vital role in supporting the achievement of global climate goals. Mitigating or adapting to climate change is a long-lasting process that requires contributions from all stakeholders, including policymakers, companies, and private individuals who all can contribute by setting the framework as well as by altering consumption patterns for a more sustainable future. Our responsibility in addressing climate change encompasses various aspects, from adhering to our business principles including managing respective risks associated with climate change, to actively engaging with our stakeholders.

Our climate and environmental strategy is in full alignment with our strategic pillars:

- **Growth:** We aim to grow our business organically as well as through M&A. We do this in consideration of our transition plan which aims to reduce the intensity of our largest GHG emitting portfolios. We also support the transition to a more sustainable future by providing financing for renewable energy and home improvements.
- **Efficiency:** Optimizing our use of resources in our own operations aligns with our strategy of minimizing our environmental footprint.
- **Safe and secure:** Our focus is on risk-adjusted returns, leading us to already having a low exposure to high-emitting sectors today. We integrate climate-related risks into our overall risk management framework to manage the resilience against these risks across our portfolios.

## Strategy

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### E1-1: Transition plan for climate change mitigation

Transition planning for BAWAG Group did not just start with the development of our initial transition plan; it began when we established our strategy a decade ago, focusing on risk-adjusted returns. Our financed emissions are a reflection of our business model with a favorable balance of the lower financed emission intensity of residential real estate and the smaller share of corporate exposure overall, as well as a

marginal share of high-emission heavy industry and energy sectors. Following the acquisition of Knab and of Barclays Consumer Bank Europe in 2024 and 2025 respectively, we cover approximately 65% of our balance sheet (excluding cash) with our GHG calculations. Given the product focus of the acquired Barclays Consumer Bank Europe, there was no impact on that. Our GHG equivalent portfolio is composed as follows:

- **36%** of the GHG emissions of the in-scope assets result from lending to energy producers mostly under the control of public authorities. The significant decline of 24 percentage points compared with the previous year's share of 60% is attributable both to the decarbonization progress of our customers and to the change in the portfolio mix.
- **34%** of the GHG emissions of the in-scope assets relate to mortgages (2024: 19%). Despite the low emission intensity, mortgages are a substantial contributor of absolute emissions financed due to the scope of the lending volume. After the acquisition of Knab in 2024, approximately 45% of our assets (excluding cash) are mortgages.
- The **remaining 30%** arise from the commercial real estate business, motor vehicles and low-volume, well diversified corporate exposure across industries (2024: 21%).

Our transition plan highlights our decarbonization priorities, levers and initiatives to provide transparency on how we reduce our impact on climate change as well as mitigate transition risk through active portfolio management. While we have full control over the decarbonization of our operations, the transition of our lending portfolio heavily depends on our customers' behavior and their initiatives towards a sustainable future. This makes collaboration with our customers crucial in reaching our goals. As we focus on retail business, climate change mitigation will require support from governments to ensure a fair transition for all income levels, ensuring that everyone can participate and that social inequalities resulting from climate change are avoided. Consequently, we not only need to execute on our own initiatives, we strongly rely on coordinated initiatives from various stakeholders, including government bodies setting frameworks and policies, providing (financial) incentives to combat climate change, and raising societal awareness of the related consequences of not acting and solutions, to foster collective progress.

Our carbon footprint from our own operations primarily stems from emissions associated with operating our branches and headquarters, procuring goods and services, business travel, and employee commuting. The optimization of our branch footprint in response to changing customer behavior has also contributed to reducing our greenhouse gas emissions over the past years. As the optimization of our branch footprint and headquarters is largely complete, our main focus will now be on driving initiatives aimed at operating at a lower carbon intensity.

### E1-1.14: Transition plan for climate change mitigation

#### E1-1.16a: Compatibility with limiting global warming to 1.5 degree Celsius in line with the Paris Agreement

In our transition plan, we commit to achieving net-zero for our Scope 1 and 2 emissions by 2050 and align our largest GHG equivalent portfolio power generation with the 1.5-degree maximum global warming scenario of the sector-specific SBTi pathway.

For mortgages, our largest balance sheet item, net-zero emissions can be achieved by 2050 in principle if all European measures and national climate ambitions are executed in full and in a timely manner. If these measures are not implemented to the required extent or not at currently planned, this would make a deviation from the 1.5-degree target likely. As this also involves private individuals for the most part, a fair and socially balanced transition must also be ensured.

The mortgage portfolio of Knab, acquired in November 2024, has been incorporated into the updated targets, resetting the baseline to full-year 2025. As BAWAG Group will not become the lender of record for the vast majority of Knab's mortgage portfolio until the first half of 2026, customer-related measures can only be initiated after this point in time.

For both our commercial real estate and motor vehicle (auto leasing) portfolios, which each account for around 10% of our GHG emissions, we have implemented appropriate monitoring measures. However, we have not set specific targets due to the short-term nature of these businesses. We are striving to continuously improve data quality, allowing us to replace estimates with actual data wherever possible so, we can ensure a more robust foundation for managing emissions.

BAWAG Group's decarbonization pathway for Scope 1 and Scope 2 will not be recalculated despite the acquisitions made since the base year. Although it is not aligned with a scientifically robust 1.5-degree target pathway (science-based pathway), our initiatives to date exceed the level of progress envisaged under such a pathway. Only in the later years does

our plan gradually converge with the science-based target pathway.

Detailed information on the target setting can be found in the standard E1-4.

#### E1-1.16b: Decarbonization levers and key actions

A collective effort throughout the organization is driving the transition within the Bank. Our first climate transition plan is based on following strategic focus areas:

- To align our power generation portfolio, BAWAG Group is committed to engaging with our customers and to broaden the diversification of this portfolio. To facilitate this alignment, we are also working diligently on improving data quality in close collaboration with our customers, which will not only enhance the accuracy of our portfolio management but also refine the effectiveness of our initiatives. This approach ensures we can more precisely track and reduce emissions in line with our goals.
- For the mortgage portfolio, progress on decarbonization largely depends on the transition of the national energy grid. We have also defined our own measures to this end. For mortgages in Austria, we are focused on collecting EPCs to enhance data accuracy and enable better steering and more effective planning of targeted initiatives. These initiatives include engaging with customers who own less energy-efficient homes and offering incentives on new business for properties with higher energy efficiency.
- To achieve net-zero emissions by 2050 in our own operations (Scope 1 and 2), BAWAG Group is primarily focused on increasing the use of lower GHG-intensive energy sources and increasing energy efficiency.

The specific measures are described in detail in E1-3.

#### E1-1.16c: Financial resources (OpEx and CapEx) allocated to the implementation of the transition plan

BAWAG Group invests in the decarbonization of its own operations as well as the respective tools and data to enable a more accurate steering. One example of this is the investment in a real-time tracking tool of the energy consumption in the vast majority of our Austrian locations, which represent the largest share of our physical footprint. We also invest in tools for reporting data such as physical risk. These kinds of investments are not material in comparison to our overall cost or capex base. Details of investments in our own operations are disclosed in E1-3.

#### E1-1.16d: Potential locked-in GHG emissions

Our initiatives for Scope 1 and Scope 2 emissions aim to achieve net zero emissions by 2050. As BAWAG Group leases its buildings, we have the flexibility to relocate to more energy-efficient buildings should our transition pathway

deviate from the current plan. Most of our lease agreements are structured in such a way that they can be terminated at short notice if required to meet our 2030 and 2050 targets. Locations with long-term leases already have a low carbon footprint today.

With regard to the overall portfolio, the greenhouse gas emissions of the portfolio with the longest maturity – the mortgage portfolio – depend most heavily on measures at national and European level. If these measures are implemented as envisaged in the transition plan, achieving the net-zero target in 2050 is feasible for the mortgage portfolio. However, if the measures are not implemented or are delayed, greenhouse gas emissions may remain locked in for a longer period. The other portfolio classes have short- to medium-term financing maturities and can therefore be managed more actively.

**E1-1.16f: Significant CapEx for coal-, oil- and gas-related economic activities**

This is not material for BAWAG's own operations. In its a lending portfolio, BAWAG Group has no exposure to coal and only low exposure to oil and gas.

**E1-1.16g: EU Paris-aligned benchmarks**

BAWAG Group is not excluded from the EU Paris-Aligned Benchmarking.

**E1-1.16h: Alignment of the transition plan with the overall business strategy and financial planning**

Our transition plan is in full alignment with our overarching business strategy and financial planning, thereby ensuring the integration of decarbonization efforts into our business operations, control functions and governance processes. Since the launch of our transformation in 2012, we have prioritized risk-adjusted returns in our decision-making processes. As a result, BAWAG Group maintains a low exposure to high-emitting sectors, thus we do not anticipate the need to divest from certain sectors or terminate business relationships during our transition.

The primary focus of our transition plan is to set targets for reducing greenhouse gas emissions from our own operations and our two largest GHG emitting portfolios, which are strategically significant to our business model, from an asset class perspective and a customer segment perspective. This approach not only bolsters our long-term stability by embedding sustainability into our decision-making processes, but also facilitates the transition. Consequently we can effectively manage transition risks and capitalize on emerging opportunities from new low-carbon solutions for our customers.

**E1-1.16i: Approval of the transition plan**

The transition plan for the own operations is applicable to all entities and for the portfolio to all entities with the respective product lines. It was approved by both the Management Board

and the target setting by the Supervisory Board of BAWAG Group to ensure comprehensive oversight and alignment with BAWAG's strategic objectives. The targets and plans were communicated to the employees responsible for the execution of the initiatives.

**E1-1.16j: Progress in implementing the transition plan**

Since setting our 2025 targets for our own operations in 2021, we have made considerable progress in implementing the measures. In 2025, we completed the full transition of our vehicle fleet to electric vehicles. In addition, consumption meters providing real-time usage data were installed in most buildings where technically feasible. We will continue to execute on our further initiatives to reach our 2030 milestone, as detailed in section (E1.6.44-52). In order to roll out the efforts to the affected business units, respective employees have received dedicated training and a monitoring mechanism was established. All of these measures contributed to exceeding our interim target for 2025 by 17 percentage points and, despite acquisitions not included in the base year, to a reduction of Scope 1 and Scope 2 emissions by 67% compared to 2020.

We launched a pilot for collecting energy performance certificates for the mortgage stock in Austria 2024, so as to increase the availability of energy performance certificates for current business in Austria. We also launched a process for annual engagement with our customers in the energy sector in terms of data, transition plans, and other disclosures in 2024.

While there was limited response for the existing stock business, we will run a new campaign again over the coming years. These initiatives are part of our transition plan to aim for higher accuracy of data for better steering as well higher customer engagement. We also offer incentives for energy-efficient mortgages in most countries. However, for mortgages the main lever is the decarbonization of the national energy grid. If the necessary progress is not made here, especially in Austria and the Netherlands, the 1.5-degree target will not be attainable for the mortgage portfolio. For the Knab mortgage portfolio, which was purchased in 2024, the transition initiatives have not yet been launched as we will only become lender of record for the majority of this portfolio in the first half 2026.

Impact, risk, and opportunity management

E1-2: Policies related to climate change mitigation and adaptation

E1-2.24: Climate change mitigation and adaptation policies

<b>Transition plan power generation - policy</b>	
Key impacts, risks and opportunities covered	Climate change mitigation - portfolio decarbonization and management of transition risks
Achievement	Align the portfolio to the 1.5-degree maximum global warming scenario
Key contents of the policy	The policy defines the governance for managing the portfolio in alignment with the sector-specific Science Based Targets initiative (SBTi) pathway for a 1.5-degree global warming scenario.
Scope	Portfolio of customers active in power generation
Third-party standard	Sector-specific SBTi pathway tool applied
Availability of policy	The policy is made available as part of the ESG Risk Policy in the intranet.
Most senior accountable	Management Board
<b>Transition plan residential real estate - policy</b>	
Key impacts, risks and opportunities covered	Climate change mitigation - portfolio decarbonization and management of transition risks
Achievement	Align the portfolio to the 1.5 degree maximum global warming scenario in 2050
Key contents of the policy	The policy defines the governance framework for managing the portfolio in alignment with the 1.5-degree target for 2050. The 2050 target corresponds to the sector-specific Science Based Targets initiative (SBTi) pathway for a 1.5-degree warming scenario. The 2030 target deviates from the SBTi pathway.
Scope	Mortgage portfolio
Third-party standard	Sector-specific SBTi framework for 2050 target. The 2030 target deviates from the SBTi pathway.
Availability of policy	The policy is made available as part of the ESG Risk Policy in the intranet.
Most senior accountable	Management Board
<b>ESG Risk Policy</b>	
Key impacts, risks and opportunities covered	Climate change mitigation - portfolio - management of transition and physical risks
Achievement	Maintain low exposure to high-transition-risk sectors
Key contents of the policy	The policy provides the framework for managing ESG risks through due diligence, restricted and prohibited lending criteria, the limits we have in place, and the reporting framework.
Scope	Group
Third-party standard	None
Availability of policy	The policy is made available in the intranet.
Most senior accountable	Chief Risk Officer
<b>Transition plan own operations - policy</b>	
Key impacts, risks and opportunities covered	Climate change mitigation - own operations
Achievement	Net zero emissions by 2050 including targets for 2030
Key contents of the policy	The policy provides the internal framework for achieving the milestones of our long-term target of achieving net zero emissions by 2050. It defines the governance, respective measures and timelines.
Scope	Group
Third-party standard	None
Availability of policy	The policy is made available in the intranet.
Most senior accountable	Chief Executive Officer

**E1-2.25: Areas addressed through the policies****E1-2.25a: Climate change mitigation**

With regard to climate protection, decarbonization targets have been established both for our own operations and for the lending portfolio. In addition, criteria have been defined that either exclude certain industries from the portfolio or require enhanced due-diligence reviews.

**E1-2.25b: Climate change adaptation**

BAWAG Group is exposed to physical risk through its lending activities, as financing of mortgages, be they residential or commercial, is a significant part of its business model. We manage this risk by having set limits for exposures in areas with high physical risk exposure as part of our risk management framework as well as by having set risk mitigation measures. The overall risk management approach is defined in our Sustainability Policy.

**E1-2.25c-d: Energy efficiency, renewable energy deployment**

BAWAG Group does not have a specific policy for energy efficiency or the type of deployed energy, as we already utilize green energy for the majority of our needs today and this is thus not a meaningful lever for decarbonization towards our 2030 or 2050 target. However, the Group aims to use green electricity at its locations in Europe, where it has the control to do so. In case of acquisitions, this may deviate during the integration.

## E1-3 – Actions and resources in relation to climate change policies

### E1-3.28-29: Disclosure of actions and resources related to climate change mitigation and adaptation

To facilitate the transition of our own operations and those of our largest portfolios, BAWAG Group has implemented a broad range of initiatives aimed at delivering against our decarbonization targets for climate change mitigation.

<b>Full switch of our fleet to electric vehicles</b>	
Material topic	Climate change mitigation - own operations
Impact, risks or opportunities	The switch of the entire fleet to electric vehicles reduces our impact on climate change from GHG emissions from our own operations.
Policy	Climate transition plan
Contribution to the achievement of the policy's objectives	We fully transitioned our fleet to electric vehicles by the end of 2025. Nevertheless, after the transition, electricity usage will remain a consideration, as the consumption at charging stations cannot yet be fully distinguished by source or type of electricity. The development of these charging stations is beyond our control. In collaboration with local grid operators and in compliance with the applicable regulations, we are establishing a network of wallbox charging stations at selected locations to ensure that our drivers can charge their vehicles with 100% green electricity.
Decarbonization lever	Increasing usage of less GHG intensive energy sources
Start/implementation status/planned end	The vehicle switch was completed by the end of 2025, while the usage of green electricity is planned to be 100% by 2030.
Result of the measure and progress	Since the electricity provided at public charging stations cannot currently be classified to the required granular level, BAWAG aims to achieve zero emissions for its fleet by 2030 at the latest.
GHG emission reduction	Target reduction by 2030: 534 tGHGe vs baseline 2020 Reduction as of 2025: 484 tGHGe vs baseline 2020 Additional reduction of 50t necessary for 2030 target.
Scope	Own operations
Affected stakeholders	Employees
Allocated resources and dependencies	The remaining part for target achievement is limited to reducing the emissions from electricity consumed at public charging stations, where the availability of more accurate data is required.

<b>Technical measures improving low-carbon features in our branches</b>	
Material topic	Climate change mitigation - own operations
Impact, risks and opportunities	The implementation of low-carbon solutions in our branches reduces the impact of our operations on climate change by lowering GHG emissions.
Policy	Climate transition plan
Contribution to the achievement of the policy's objectives	For locations where measures are already in place, their effects will become apparent in the coming years following previous fit-out in the branches and space reductions. Investments for lower carbon solutions within our retail franchise are planned in our construction roadmap: The progress of this roadmap is monitored at the Management Board level.  In addition, potential measures to reduce GHG emissions at locations, which have already been rebuilt, are being considered and assessed for feasibility.
Decarbonization lever	Increasing energy efficiency
Start/implementation status/planned end	The measure is in progress and will be continuously carried out until respective branches have been rebuilt.
Result of the measure and progress	By improving the buildings of our branches we expect to increase our energy efficiency and therefore lower our absolute emissions.
GHG emission reduction	A total reduction of 172 tons by 2030 and 198 tons in total by 2050 (compared with 2025).
Scope	Own operations
Affected stakeholders	Employees, customers
Allocated resources and dependencies	The investments in a lower GHG-solution will be part of the ongoing refurbishments. Therefore, a separation from dedicated transition-plan related investments is not intended. Technical solutions are expected to improve over time as we implement our measures. In addition, the technical solutions also need to materialize for our energy providers in order to achieve this target. In the financial statements, this is reflected in the notes on real estate investments.

<b>Real-time tracking of energy consumption</b>	
Material topic	Climate change mitigation - own operations
Impact, risks and opportunities	The more accurate tracking of energy consumption should enable us to reduce our impact on climate change from GHG emissions from our own operations.
Policy	Climate transition plan
Contribution to the achievement of the policy's objectives	Once all measures described previously have been implemented, the key for reduction will remain steering the usage of energy and using it more efficiently. Therefore, we are investing in real-time tracking of energy consumption by installing metering systems due to the fact that smart meter coverage (not only for electricity) is still very limited (not only for electricity).
Decarbonization lever	Increasing energy efficiency
Start/implementation status/planned end	The implementation of the real-time tracking was launched in 2024 and was completed for the planned locations in Austria in 2025. The remaining locations do not allow for sufficient, so no further installments are planned at this stage.
Result of the measure and progress	By improving the tracking of our energy consumption we expect to increase our energy efficiency and therefore lower our absolute emissions.
GHG emission reduction	The implementation does not have a direct impact on the reduction of GHG emissions. The effect of the ongoing real-time tracking is not directly attributable as the energy consumption is dependent on seasonal conditions and can thus vary from year to year.
Scope	Own operations
Affected stakeholders	Employees
Allocated resources and dependencies	The investments were concluded in 2025.

<b>Diversifying business towards renewable energy opportunities</b>	
Material topic	Climate change mitigation - portfolio: power generation
Impact, risks and opportunities	We cause an impact on climate change through our lending activities, while at the same time reducing our transition risk by actively steering the portfolio so as to align it with the 1.5 degree maximal global warming scenario.
Concept	Climate transition plan
Contribution to the Achievement of the policy's Objectives and Goals	We aim to invest in the diversification of our power generation portfolio either by granting loans to companies with lower intensity or for renewable energy in order to align the portfolio with the 1.5 degree maximum global warming scenario.
Decarbonization lever	Portfolio decarbonization
Start/implementation status/planned end	This measure was launched in 2025 and will continue until having achieved our target (long-term 2050).
Result of the measure and progress	The diversification of the portfolio can lead to a lower energy intensity. Engaging with our customers to understand what their investment needs are, can also support the diversification of the portfolio.
GHG emission reduction	This contributes to reducing GHG intensity. As we manage the portfolio at the global level, this measure depends on progress made by customers. Because of this, no separate value can be indicated.
Scope	Lending portfolio
Affected stakeholders	Customers

<b>Annual engagement with largest power generation customers to assess progress of transition plan</b>	
Material (sub) topic	Climate change mitigation - portfolio: power generation
Impact, risks and opportunities	We cause an impact on climate change through our lending activities, while at the same time reducing our transition risk by actively steering the portfolio so as to align it with the 1.5-degree maximal global warming scenario
Policy	Climate transition plan
Contribution to the achievement of the policy's objectives	The power generation portfolio is the highest GHG emitting portfolio. The decarbonization of this portfolio is therefore a key driver for our overall decarbonization efforts. Engaging with our customers on this topic is an important means to assess what plans are available or in development and one to assess the progress being made.
Decarbonization lever	Customer engagement
Start/implementation status/planned end	The outreach was launched in 2024 and was established as continuous engagement measure until the target has been achieved.
Result of the measure and progress	By engaging with our customers on the status of their transition plans, we can also assess the steering of the portfolio in order to anticipate deviations from the customers' own transition plans. We sent a questionnaire to the largest customers in our power generation portfolio from an exposure perspective. This should establish a basis of which customers already have a transition plan and which ones plan to introduce one in the next years.
GHG emission reduction	Currently only as intensity
Scope	Loan and investment portfolio
Affected stakeholders	Customers

<b>Customer engagement with improvement of EPC levels for better steering</b>	
Material topic	Climate change mitigation - portfolio: mortgages
Impact, risks and opportunities	We cause an impact on climate change through our lending activities, while at the same time limiting our transition risk through actively steering the mortgage portfolio as our largest asset class so as to align it with the 1.5 degree maximal global warming scenario.
Concept	Climate transition plan
Contribution to the achievement of the policy's objectives	The policy aims to plan for a transition of the mortgage portfolio in line with the scenario of a maximum global warming of 1.5 degrees by 2050, and the associated initiatives thus contribute to this plan. This comprises the collection of energy performance certificates of the collaterals, running campaigns for new businesses dedicated to raising awareness of providing energy performance certificates and running campaigns for the stock business. However, it will take time to achieve impact with these measures due to the long-term nature of the business as well as the low volume on a single transaction level.
Decarbonization lever	Customer engagement
Start/implementation status/planned end	We piloted outreaches to customers with existing mortgages in 2024 and enhanced our EPC label collection process for new mortgages in 2025. The response rate for stock business was limited. Therefore, we will work on formats to achieve a better response rate in the future. This will be an integral part of our initiatives until target achievement in 2050.
Result of the measure and progress	Improving the EPC coverage in existing and new business, supports us in the more accurate steering of the portfolio and in making targeted decisions.
GHG emission reduction	Intensity level
Scope	Loan and investment portfolio
Affected stakeholders	Customers
Allocated resources and dependencies	This measure depends on the customer response rate.

<b>Diversification of the portfolio - mortgages</b>	
Material topic	Climate change mitigation - portfolio: mortgages
Impact, risks and opportunities	We influence climate change through our lending activities while at the same time mitigating our transition risk by actively managing the mortgage portfolio—our largest asset class—to align it with the 1.5-degree global warming target for 2050.
Policy	Climate transition plan
Contribution to the achievement of the policy's objectives	By further diversifying the portfolio—both in new business and through campaigns aimed at improving the existing portfolio, such as renovation initiatives—we contribute to the decarbonization of the portfolio. However, a key driver is also the passive decarbonization lever, namely the implementation of government measures and climate ambitions, particularly in the Netherlands and Austria.
Decarbonization lever	Diversification of the portfolio toward more energy-efficient residential buildings
Start/implementation status/planned end	The transition plan was launched in 2025 and will cover the entire residential mortgage portfolio starting in 2026.
Result of the measure and progress	The shift toward a higher share of residential mortgage loans with good energy efficiency contributes to reducing emissions intensity. Since housing should remain accessible to everyone, we do not apply exclusion criteria in this area but instead rely on incentives.
GHG emission reduction	intensity level
Scope	Loan and investment portfolio
Affected stakeholders	Customers
Allocated resources and dependencies	This measure depends on the development of the market.

**Differences in EU Taxonomy disclosure under ESRS E1**

As BAWAG Group discloses in the E1-Standard information using EU Taxonomy templates relevant for financial institutions, the disclosure under E1-3.29c cannot be adapted.

## Metrics and targets

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### **E1-4 – Targets related to climate change mitigation and adaptation**

#### **E1-4.30-33: GHG emission reduction targets or any other climate-related targets**

BAWAG causes greenhouse gas emissions through its own business activities and through its lending. To reduce these emissions and ensure a structured transition, BAWAG has defined GHG reduction targets. These targets are applicable across the entire Group and relevant product lines. Progress towards these targets is measured quarterly and reported annually as part of the sustainability report. Targets may be revised over time if the assumptions or scope have changed, for example following acquisitions. The target for the decarbonization of the mortgage portfolio was adjusted to include the Knab mortgage portfolio. The baseline was therefore set to 2025.

For physical risk, we have defined key risk indicators for the material portfolios as part of our risk management framework and risk mitigation measures and monitor these indicators on a quarterly basis.

In 2021, BAWAG Group set the target of generating more than € 1.6 billion in new business with an energy-efficient purpose by 2025. This is based on an internal definition that includes, for example, the financing of residential housing, renewable energy, and similar activities. In 2025, new business amounting to €1.67 billion was achieved.

**E1-4.34: GHG emission reduction targets in detail**

## E1-4.34a, b, c: Disclosure of GHG emission reduction targets

Values in tCO <sub>2</sub> , if not stated differently	Base year	Baseline	2025	Milestones and target years			Scope	Science-based
TARGETS				2025	2030	2050		
<b>Own operations (Scope 1 and 2, market based)</b>	<b>2020</b>	<b>3,477</b>	<b>1,157</b>	<b>1,739</b>	<b>1,043</b>		Targets have been reaffirmed despite acquisitions since 2020	Pathway aligned
Change to electric vehicles	2020	534	50	217	—	—		
Remaining measures outlined in E1-1 and E1-3	2020	2,943	1,107	1,522	1,043	—		
<b>Scope 3.15</b>								
Mortgage portfolio (kgCO <sub>2</sub> e per m <sup>2</sup> )	2025	38.9	38.9		26.6	0.4	Mortgage portfolio updated for Knab portfolio; 34% of GHG emissions scope 3.15	2050 target according to the SBTi framework, 2030 target is above the SBTi pathway.
Power generation (gCO <sub>2</sub> /kWh)	2023	286.5	192.9		92	0.5	Energy producers; 36% of GHG emissions scope 3.15	1.5 degree SBTi scenario toolset applied

As a financial institution, our largest decarbonization lever is the financed portfolio. As the success of the measures depends on the decarbonization initiatives of our customers and hinges largely on the implementation of the national measures, the achievement of these targets is tied to the responsiveness of our customers and primarily to government action. The targets were derived from the GHG Protocol as shown under E1.6, setting targets for Scope 1 and 2 as well as our financed emissions (Scope 3.15). The targets were set primarily with the involvement of the Management Board, the respective business functions, risk management and the sustainability function. Other stakeholders were not included.

The base year of 2020 was originally chosen for our operations due to the externally communicated targets set in 2021. Despite our acquisitions, the 2030 and 2050 target for Scope 1+2 was not adjusted. The base year for the power generation target was chosen as the first year of having applied a target, whereas the baseline for mortgages was reset to 2025 in 2024 due to the inclusion of the acquired Knab portfolio. Based on the current initiatives, BAWAG is well on its way to reaching its targets. The mortgage portfolio exhibits the greatest dependency on external measures. The progress is shown under E1.6.

**E1-4.34e: Targets**

The targets for the energy production portfolio were set in accordance with the framework for the respective 1.5 degree SBTi scenario. The 1.5-degree SBTi scenario also served as the basis for the mortgage portfolio, though the 2030 target deviates from the pathway. Due to the higher intensity in the Dutch portfolio, which accounts for the largest share of the overall portfolio, the 2030 target is above the 1.5-degree SBTi pathway. The fixed market share assumption was chosen because detailed data are not available. The targets were not externally verified.

**E1-4.34f:** The decarbonization levers are disclosed in E1-1.

## E1-5 – Energy consumption and mix

### E1-5.35; 37: Energy consumption and mix

BAWAG's energy consumption stems from the operation of offices, branches, and its fleet of vehicles. We have set forth measures in the transition plan to continue the shift towards a less carbon-intensive energy mix over time as described in E1-3.28-29.

	2025	2024
<b>Total energy consumption (MWh)</b>	<b>12,297</b>	<b>12,052</b>
<b>Total fossil energy consumption (MWh)</b>	<b>6,010</b>	<b>6,611</b>
<b>Share of fossil sources in total energy consumption (in %)</b>	<b>49%</b>	<b>55%</b>
Consumption from nuclear sources (MWh)	n/a	n/a
<b>Share of consumption from nuclear sources in total energy consumption (in %)</b>	<b>n/a</b>	<b>n/a</b>
<b>Total renewable energy consumption (MWh)</b>	<b>6,287</b>	<b>5,441</b>
Fuel consumption from renewable sources, including biomass (Scope 1)	n/a	n/a
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	6,287	5,441
Consumption of self-generated non-fuel renewable energy	n/a	n/a
<b>Share of renewable sources in total energy consumption (in %)</b>	<b>51 %</b>	<b>45 %</b>

All operational entities of BAWAG Group are fully consolidated and therefore included in the total energy consumption figures. Consumption values are obtained from internal measurements, recent invoices, or estimates. Adopting a conservative approach, district heating and cooling were assumed to be derived from fossil energy. Biomass combustion does not fall under Scope 1, and the biomass content in district heating (Scope 2) is unknown. There has been no third-party review of the figures.

## E1-6: Gross Scope 1, 2, 3 and total GHG emissions

### E1-6.44-52: Disclosure of gross Scope 1,2,3 and total GHG emissions in metric tons of CO<sub>2</sub>e

	2020 (base year)	2024	2025	% 2025/2024	Milestones and target years		
					2025	2030	Target /base year in %
<b>Scope 1 GHG emissions</b>							
Gross Scope 1 GHG emissions (tCO <sub>2</sub> e)	1,543	812	611	(25%)	S1+S2 combined	S1+S2 combined	n/a
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)	—	-	-	-	-	—	—
<b>Scope 2 GHG emissions</b>							
Gross location-based Scope 2 GHG emissions (tCO <sub>2</sub> e)	5,379	1,802	1,806	—%	n/a	n/a	n/a
Gross market-based Scope 2 GHG emissions (tCO <sub>2</sub> e)	1,934	570	547	(4%)	S1+S2 combined	S1+S2 combined	n/a
<b>Scope 1 and 2 emissions (location-based)</b>	<b>6,922</b>	<b>2,614</b>	<b>2,417</b>	<b>(8%)</b>	<b>n.a.</b>	<b>n/a</b>	<b>n/a</b>
<b>Scope 1 and 2 emissions (market-based)</b>	<b>3,477</b>	<b>1,382</b>	<b>1,157</b>	<b>(16%)</b>	<b>1,739</b>	<b>1,043</b>	<b>30%</b>
<b>Significant Scope 3 GHG emissions</b>							
1 Purchased goods and services	n/a	20,145	35,140	74%	S1+S2 combined	n/a	n/a
thereof purchased cloud computing and data center services	n/a	2,736	3,656	34%	n/a	n/a	n/a
2 Capital goods	n/a	975	2,799	187%	n/a	n/a	n/a
6 Business travel	n/a	3,803	3,451	(9%)	n/a	n/a	n/a
7 Employee commuting	n/a	1,097	1,291	18%	n/a	n/a	n/a
15 Investments <sup>1</sup>	n/a	2,505,424	2,439,224	(3%)	n/a	n/a	n/a
<b>Total GHG emissions</b>							
Total GHG emissions (location-based) (tCO <sub>2</sub> e) 2)	6,922	2,534,058	2,484,322	(2%)	n/a	n/a	n/a
Total GHG emissions (market-based) (tCO <sub>2</sub> e) 2)	3,477	2,532,826	2,483,062	(2%)	n/a	n/a	n/a

<sup>1</sup> The targets for Scope 3.15 are defined as intensity and are therefore not shown in this overview. The targets for the financed portfolio are disclosed in E1.4-34. Motor vehicle loans and car leasing business are included in "investments". <sup>2</sup> The total GHG emissions were corrected for 2024, as the thereof position "Purchased cloud computing and data center services" was double-counted.

In 2025, BAWAG Group had total GHG emissions of 2,483,062 tCO<sub>2</sub>e (market-based).

**Scope 1 and 2 emissions**, resulting from our own operations, decreased by 16% compared to the prior year and by 67% compared to the base year. The reduction is a reflection of our decarbonization measures resulting from lower energy consumption and the progress of the switch of our entire fleet to electric cars. District heating and cooling were assumed to be derived from fossil energy.

As a financial institution, our biggest emissions are related to our lending and investment book. Emissions from investments declined in 2025, with details provided under E1-6.AR 46g. The increase in the categories of purchased goods and services as well as capital goods is attributable to the acquisitions completed in 2024 and 2025.

**E1-6.AR 46g: Disclosure of the measurement of Scope 3 GHG emissions and data sources (FY2025)  
FY 2025**

Asset Class	Total (gross) carrying amount in € million	Financed Scope 1+2 GHG emissions (kt CO2)	Financed Scope 1+2 GHG emissions (tCO2e/EUR millions)	Financed Scope 3 GHG emissions (kt CO2)	Financed Scope 3 GHG emissions (tCO2e/EUR millions)	Blended data quality score
Mortgages	25,123	464	18	—	—	3.6
CRE	6,448	148	23	—	—	4.2
Listed equity & corporate bonds	2,913	354	121	777	267	3.0
Business loans & unlisted equity	3,198	272	85	294	91	4.6
Motor vehicle Loans	1,053	122	116	—	—	2.4
Sovereigns	52	5	89	3	65	3.0
<b>Total</b>	<b>38,787</b>	<b>1,365</b>	<b>35</b>	<b>1074</b>	<b>174</b>	<b>3.7</b>

**FY 2024**

Asset Class	Total (gross) carrying amount in € million	Financed Scope 1+2 GHG emissions (kt CO2)	Financed Scope 1+2 GHG emissions (tCO2e/EUR millions)	Financed Scope 3 GHG emissions (kt CO2)	Financed Scope 3 GHG emissions (tCO2e/EUR millions)	Blended data quality score
Mortgages	25,109	474	19	—	—	3.6
CRE	6,089	205	34	—	—	4.3
Listed equity & corporate bonds	3,386	600	177	549	162	3.6
Business loans & unlisted equity	3,284	271	83	257	78	4.5
Motor Vehicle Loans	998	132	133	—	—	2.3
Sovereigns	115	11	92	7	65	1.3
<b>Total</b>	<b>38,981</b>	<b>1,692</b>	<b>43</b>	<b>813</b>	<b>120</b>	<b>3.7</b>

BAWAG Group has joined the Partnership for Carbon Accounting Financials (PCAF), which provides financial institutions with a framework for assessing and disclosing greenhouse gas (GHG) emissions. This enables financial institutions to produce transparent climate reporting on their GHG emissions, identify climate-related transition risks and opportunities, and determine baseline emissions for the Paris Agreement targets.

The quantitatively assessed portion of our portfolio amounts to € 38 billion, or 65% of total assets, after excluding cash and cash-equivalent reserves. The PCAF standard provides detailed methodological calculation guidance for seven asset classes: listed equity and corporate bonds, business loans and unlisted equity, project finance, and commercial real estate. The remaining assets not covered by the calculation relate to asset classes such as consumer loans and credit cards for which emission calculations are not yet available. Data was calculated as of each year-end. The 2025 results reflect the most recent PCAF emissions factors. The update primarily affected mortgage loans and commercial real estate. The PCAF

calculation is based on the second edition; implementation of the third edition is planned.

While the gross carrying amount of the financed asset classes remained largely stable, our financed greenhouse gas emissions declined by 3% compared with the previous year, primarily due to improved data quality for listed equities. This also partially reflects lower energy intensity in the portfolio of energy producers. Since 2024, we have conducted an annual survey among a selected group of customers, which has enabled us to replace industry averages with actual data in some cases.

**E1-6.AR 46h: Disclosure of boundaries, calculation methods and tools for each Scope 3 GHG category**

All metrics were calculated internally, with no additional verification by an external third party. The material Scope 3 emissions were defined based on the classification in the GHG Protocol.

**Scope 1 and 2**

Consumption data was collected by various means. Whenever possible, directly measured values were used. When not available, the latest invoice was used - or an estimate as a last resort. The sources for CO2 factors were Wien-Energie, the Austrian and Germany environment agencies and the IEA emissions factor database. For market-based Scope 2 GHG emissions, no unbundled instruments were purchased as BAWAG only procures "green" electricity with declarations of origin or other renewable certificates whenever possible.

**Scope 3.1 and 3.2**

The emissions were calculated based on total expenses per relevant expense account for each subsidiary. BAWAG applies the emission code for UK Standard Industrial Classification of Economic Activities published by the Government of the United Kingdom, Department for Environment, Food & Rural Affairs in 2021. With this spend based approach, the biomass combustion share is not separately available. We aim to include this aspect in the future if possible. In 2024, we carried out a survey of our goods and services suppliers to develop an understanding how we can improve the data quality or methodology in the future.

**Scope 3.6**

Business travel emissions were calculated using a combination of spend-based approach with emission factors same as applied for the Scope 3.1 and 3.2 emissions.

**Scope 3.7**

Employees' commuting data is based on a survey or on voluntary information regarding the modes of transportation typically used for commuting. The emissions were calculated using a conversion factor provided by the Environment Agency or other public sources.

**Scope 3.15**

The financed emissions are calculated based on the PCAF standard for the respective asset class. The data quality score shows the level of accuracy of the data sources. GHG emissions shown contain Scope 1 and 2 emissions as value chain emissions data for companies we lend to or invest in are still limited. The calculations are largely semi-automated using SQL or Microsoft Excel and are based on the central database warehouse. The available data are sourced directly from the customer, or a third-party provider, or estimates are applied.

**E1-6.AR 46i: List of scope 3 GHG emissions categories**

Following Scope 3 categories are not included in the inventory as they are deemed as immaterial for our operations under the GHG Protocol.

3.3. Fuel and energy-related activities not included in Scope 1 and 2
3.4. Upstream transportation and distribution
3.5. Waste generated in operations
3.8. Upstream leased assets
3.9. Downstream transportation and distribution
3.10. Processing of sold products
3.11. Use of sold products
3.12. End-of-life treatment of sold products
3.13. Downstream leased assets
3.14. Franchises

**E1-6.47: Disclosure of significant changes in the reporting undertaking and their effect on the comparability of the reported GHG emissions**

On 1 November 2024, BAWAG Group acquired Knab and on 1 February 2025, Barclays Consumer Bank Europe (renamed to easybank in February 2026). The disclosed emissions are aligned with the financial accounting methodology; thus, the profit or loss related emissions (Scope 3.1, 3.2, 3.6) only include the pro-rata share of the respective year. Consequently, 2025 includes the full impact of Knab as well as eleven months of the entity acquired in Germany. The financed emissions are calculated based on the balance sheets as of year-end 2024 and 2025.

**E1-6.53-54: GHG emissions intensity**

The GHG emissions intensity can provide a comparison across industries for stakeholders. However, there are limits when using this indicator as measurement of our decarbonization initiatives. The revenue streams for financial institutions depend on factors beyond just business volume growth, such as interest rates. Therefore, any comparison needs to be assessed in a broader context over time.

The GHG intensity was calculated internally without additional verification by an external party.

(tCO2eq/€)	2025	2024
GHG emissions intensity (location-based)	0.001	0.002
GHG emissions intensity (market-based)	0.001	0.002

**E1-6.55 Reconciliation to the relevant line item or notes in the financial statements**

The net revenues used in the denominator in the calculation of the GHG emissions intensity refers to the operating income reported in the management report.

**E1-9: Anticipated financial effects from material physical and transition risks and potential climate-related opportunities**

BAWAG Group makes use of the phase-in period.

## E4: Biodiversity and Ecosystems

### Strategy

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#### E4-1: Transition plan and consideration of biodiversity and ecosystems in the strategy and business model

##### E4-1.13: Resilience of the strategy and business model in relation to biodiversity and ecosystems, including:

###### E4-1.13a-f: Assessment of the resilience of the current strategy and business model to biodiversity and ecosystems-related physical, transition and systemic risks

In the 2024 financial year, BAWAG Group conducted analyses relating to biodiversity and ecosystems for its own operations and for the lending portfolio. The analysis was carried out with an external data provider to investigate the distance to biosensitive areas as well as the dependencies and pressure stemming from biodiversity and ecosystems. This is not material for own operations.

### SBM 3 – Material impacts, risks and opportunities and their interaction with the strategy and business model

#### E4-SBM 3.16a: Material sites of own operations

BAWAG Group does not have significant impacts or risks from its own operations. As detailed in section IRO-1, we have evaluated our branches and headquarters based on their proximity to biosensitive areas and threatened species as part of our materiality assessment. In addition, BAWAG Group solely rents branch and headquarters sites.

#### E4-SBM 3.16b: Material negative impacts with regards to land degradation, desertification or soil sealing have been identified

Approximately 50% of BAWAG's lending portfolio consists of mortgages, which is the largest asset class. While we only finance a small share of newly built houses in the Netherlands, we contribute to soil sealing through our financing activities in

Austria. Especially historic data are not available at the required level of detail, so the assessment includes a high level of estimation and therefore uncertainty.

#### E4-SBM 3.16c: Operations affecting threatened species

BAWAG Group has no branches or headquarters that impact threatened species.

### Impact, risk and opportunity management

#### E4-2: Policies related to biodiversity and ecosystems

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The materiality of this topic arises from the value chain. Therefore we apply the phase-in.

#### E4-3: Actions and resources related to biodiversity and ecosystems

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The materiality of this topic arises from the value chain. Therefore we apply the phase-in.

#### E4-4: Targets related to biodiversity and ecosystems

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BAWAG Group has not set a target with respect to biodiversity. A target will only be defined once the relevant BAWAG-specific data is available.

#### E4-5: Impact metrics related to biodiversity and ecosystems

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The materiality of this topic arises from the value chain. Therefore we apply the phase-in.

## Social

# Own workforce

## Our human capital

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### Our Employees – Growing Together as a Team

Our human capital is one of the most important pillars for executing on our strategy and building the BAWAG Group of tomorrow. Therefore, it is key for us to retain talent over the long term, attract and develop new staff and have an attractive work environment. Investing in our team's well-being, competencies and personal and professional growth, while instilling an entrepreneurship mentality are the focus areas of our human resources initiatives. We view it as our responsibility to promote diversity, equity, and inclusion among our employees.

Our three strategic pillars for human capital are as follow:

#### **GROWTH**

Having the right skills and talent in the right place are key for the development of the Bank. Embedding a culture of open dialogue through the employee journey enables us to grow together as a company by understanding what our employees' development needs are, investing in their skills and promoting diversity, equity and inclusion.

#### **EFFICIENCY**

We proactively address the challenges with which we are confronted. We especially ensure the long-term success of our business model by means of a continuous improvement mentality embedded in a dynamic work environment.

#### **SAFE AND SECURE**

We aim to foster an environment where employees feel empowered, engaged and supported through their journey, create a positive employee experience, and invest in the well-being of our employees.

## Strategy

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### ESRS 2 SBM-3: Policies for the management of material impacts, risks and opportunities

#### SBM-3.13a: Information about actual and potential direct and indirect impacts of the strategy and business model, and informing and contributing to adapting the strategy and business model

#### SBM-3.13b: Relationship between material risks and opportunities

BAWAG Group is fully committed to upholding internationally recognized labor and human rights standards. We have not identified any operations at significant risk of incidents of forced or compulsory labor or child labor in terms of the type of operation or the countries in which we operate. The successful execution of BAWAG Group's strategy depends on its employees. Therefore, developing our company culture has been an integral part of our transformation over the past decade. The identified impacts, risks and opportunities do not require any change in our strategy, but are incorporated as part of our human resources strategy, which forms an integral part of our business strategy.

#### SBM-3.14a-g; SBM-3.15: Disclosure

BAWAG Group has developed a comprehensive understanding of the risks that certain groups within the workforce may face and actively works to prevent these risks from arising, ensuring the continued protection of affected employees. Moreover, there are no specific groups within our workforce for which particular risks or opportunities are relevant; these apply equally to the entire workforce.

All measures described here apply to all employees. If a measure does not apply to a specific group, this is described in the standard.

BAWAG Group's workforce is composed of various categories of employees, each with distinct career paths and opportunities for growth. The types of employees include:

- Full-time employees regularly work between 38 and 41.5 hours per week. Full-time work is based primarily on good working conditions, a supportive job environment, career development, and health and safety.
- Part-time employees work less than full time. Part-time work is characterized by the flexibility of working hours and the remuneration determined according to the hours worked, but additional benefits such as participation in the employee participation program and other benefits are also open to part-time employees.
- Training interns complete an internship as part of their studies. A training internship lasts four to six months, which the interns spend in a specific department. The aim of the internship is professional development, and the students actively work on current projects and tasks in the department. Their experience with us should support them in their future professional career.
- Holiday interns work during the summer months. The aim for summer interns is to gain their first learning experience in the world of work and gain an initial insight into working life. The holiday interns are supervised by employees from the respective department and assist with simple tasks. They are paid for their work in line with industry standards.

Furthermore, BAWAG Group also works together with non-employees (e.g. contractors, consultants, freelancers and temporary workers), striving to keep their number as low as possible, maintain long-term partnerships and ensure compliance with country-specific regulations to guarantee their safety and stability. Non-regular employment (fixed contracts) only applies in specific cases, e.g. internships that provide students with required work experience or temporary replacements during parental leave. Overall, the number of employees on fixed-term contracts remains very limited.

No risks or opportunities were identified as material. The transition plan has no impact on our employees. In addition, there were no incidents of forced or child labor.

## S1-1: Policies related to own workforce

The policies addressing the material impacts, risks and opportunities apply to all employees.

### S1-1.19: Policies to manage material impacts, risks and opportunities

Code of conduct	See also G1
Key impacts, risks and opportunities covered	The Code of Conduct, which was revised in 2025, sets forth the understanding of banking and conduct ethics at BAWAG Group and was approved by the Management Board. The Code of Conduct defines the ethical standards and behavioral guidelines that all employees, managers, and stakeholders must adhere to. It serves as a guide for integrity, fairness, and honesty in all business activities and interactions. The code promotes a sense of responsibility and helps to strengthen stakeholder confidence in our business practices. Respect is a basic prerequisite for mutual trust, a good working atmosphere, and the willingness to make decisions. We consider the respectful interaction among employees as well as among supervisors and employees to be a fundamental aspect of collaboration and therefore an integral component of our modern management training. We expect open and fair interaction among all employees. Furthermore, we act with respect, appreciation and fairness towards our customers, stakeholders and competitors, as well as towards the media and the financial community. A violation of the Code of Conduct may lead to disciplinary consequences. Monitoring occurs through the Securities Compliance Office, and feedback is obtained via Complaint Management and Internal Audit.
Achievement	Setting the general framework on how we do business.
Contribution to the fulfillment of the policies	Alongside additional internal policies, the Code of Conduct reduces the risk of negative behavior, while at the same time promoting a positive attitude towards how we operate. The responsibility for implementation lies with the Management Board as well as the respective direct supervisors, who serve as ethical role models. It is reviewed annually.
Scope	All employees
Availability of the policies	The Code of Conduct is available on the internet as well as the intranet.
Most senior role accountable	Management Board
<b>Human Rights Policy</b>	
Key impacts, risks and opportunities covered	<p>Our Human Rights Policy covers the following key areas:</p> <ul style="list-style-type: none"> <li>• Equal rights and non-discrimination, including the commitment to ensuring that all employees are treated equally and given the same opportunities regardless of gender, gender identity, origin, religion, age, sexual orientation, or disability</li> <li>• Respect for human rights by integrating human rights principles into our operations and processes</li> <li>• Compliance with the labor law framework that applies in each of the countries in which we operate</li> <li>• Fair working conditions ensuring a healthy and secure work environment for all employees</li> <li>• Guaranteed freedom of trade unions and association as well as the right to collective bargaining</li> </ul> <p>Create a work environment grounded in mutual respect, exceptional commitment, and the protection of human rights and dignity. Monitoring progress through feedback via complaint management, feedback from employees, feedback from the Works Council and consequences under employment law in the event of violations as well as whistleblowing tools.</p>
Achievement	The Human Rights Policy contributes to a culture of diversity, inclusion and human rights by ensuring equal opportunities for all employees.
Contribution to the fulfillment of the policies	
Scope	All employees
Availability of policies	The Human Rights Policy is published on the internet as well as the intranet.
Most senior role accountable	Management Board

<b>Diversity and Inclusion Policy</b>	
Key impacts, risks and opportunities covered	The Diversity and Inclusion Policy promotes an inclusive work environment that respects and values diversity. We are committed to creating a work environment that is free from discrimination and provides equal opportunities for all employees, regardless of gender, gender identity, age, ethnicity, sexual orientation, religion, or physical disability. This policy promotes a positive working environment by encouraging diverse perspectives and experiences. The Recruiting Policy also emphasizes equal opportunities and diversity, while our plan for the advancement of women in BAWAG Group is a binding framework for promoting gender equality at all levels. It also refers to the women’s empowerment plan as well as the women’s initiatives, which can make a contribution.
Achievement	Create a work environment with equal opportunities
Contribution to the fulfillment of the policies	The Diversity and Inclusion Policy provides the framework for providing all employees with equal opportunities. Monitoring aspects are provided via the complaint process, employee surveys, and feedback talks, for example. The Management Board is responsible for the implementation, and it is reviewed annually.
Scope	All employees
Availability of policies	The Diversity and Inclusion Policy is published on the internet as well as the intranet.
Most senior role accountable	Management Board

<b>Human Resources (HR) strategy</b>	
Key impacts, risks and opportunities covered	The HR strategy aims to enhance employee satisfaction, foster a positive company culture, and improve hiring success. It addresses potential topics like fluctuation and talent/expert shortages while promoting opportunities through talent development, ongoing training, employer branding, and improved retention. Feedback from employees, e.g. through dialogue sessions with the Management Board, feedback and exit interviews, and feedback from the Works Council is included in the considerations.
Achievement	Create an attractive work environment for all employees and new hires and strengthen BAWAG’s position as an employer.
Contribution to the fulfillment of the policies	The HR strategy supports the company’s goals and aligns with all related HR policies. The Management Board is responsible for the implementation, and it is reviewed annually.
Scope	All employees
Availability of policies	The HR strategy is published on the intranet.
Most senior role accountable	CEO

**S1-1.20,20a: Respect for human rights**

We recognize human rights as universal standards and consider them the foundation of our business practices. Our corporate culture is built on mutual respect, commitment and customer focus, in alignment with the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises, the UN Global Compact Women’s Empowerment Principles and the employee rights defined by the International Labour Organization (ILO). Our Code of Conduct outlines the ethical principles we adhere to, while our Human Rights Policy - whose implementation is overseen by the Management Board - is reviewed annually and defines our guidelines and principles for addressing human rights. We integrate these principles into our daily operations and strive to create a working environment that respects and promotes the well-being and dignity of all employees. Human rights considerations are part of our ongoing efforts to maintain responsible practices.

Monitoring and feedback are crucial to this process, including the Grievance Policy, feedback from employees and the Works Council, as well as employment law measures for violations.

In addition to the internal Human Rights Policy, the company is committed to complying with the labor law framework in all countries in which it operates and to promoting diversity and equal opportunities as key success factors, with all employees treated equally and fairly. We support the freedom of trade unions and associations as well as the collective bargaining rights of employees.

**S1-1.20b: Engagement with people in our workforce**

The procedures outlined in S1-2 for involving employees and employee representatives in relation to impacts can also be used by employees to address and discuss human rights issues with BAWAG Group or related entities.

### **S1-1.20c: Measures to provide and/or enable remedy for human rights impacts**

The procedures outlined in S1-3 for addressing adverse impacts and channels through which employees can raise concerns can also be used to address impacts on employees' human rights, where appropriate.

### **S1-1.21: Alignment with internationally recognized instruments**

For the respect of human rights in relation to its own workforce, BAWAG Group adheres to internationally recognized human rights frameworks, including the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, and the standards set by the International Labor Organization (ILO).

### **S1-1.22: Trafficking, forced or compulsory labor and child labor**

BAWAG Group operates in countries which human trafficking, forced or compulsory labor, and child labor are prohibited by law. While this is also stated in the Human Rights Policy, we view this as a fundamental prerequisite for us and for our business partners.

### **S1-1.23: Workplace accident prevention policy or management system**

BAWAG Group places great emphasis on preventing workplace accidents through comprehensive safety guidelines and regular inspections. These guidelines are based on external regulations and laws, accessible to employees via the intranet and internal manuals. Compliance with these guidelines is ensured through internal audits and reviews.

**S1-1.24: Policies aimed at eliminating discrimination and advancing diversity and inclusion**

24a	BAWAG Group has specific policies aimed at the elimination of discrimination (including harassment), promoting equal opportunities and other ways to advance diversity and inclusion	YES
24b	The following grounds for discrimination are specifically covered in the policies:	
	Racial and ethnic origin	YES
	Color	YES
	Sex	YES
	Sexual orientation	YES
	Gender identity	YES
	Disability	YES
	Age	YES
	Religion	YES
	Political opinion	YES
	National extraction or social origin	YES
	Other forms of discrimination covered by Union regulations and national law	YES

**S1-1.24c: Policy commitments for people from groups at particular risk**

BAWAG Group has no additional policies in place.

**S1-1.24d: Procedures to ensure discrimination is prevented, mitigated, and acted upon as well as to advance diversity and inclusion**

To prevent, contain and combat discrimination, it is key to raise awareness and provide further training for employees where discrimination can occur, e.g. through training programs and awareness raising during the recruitment process etc. Our policies are published on the intranet and managers are informed about and trained in these policies as part of their leadership development. The policies are regularly reviewed and updated to ensure they meet current requirements and best practices.

Our culture and values are defined by accountability and embracing change. We value managers who are dynamic, lead with uncompromising integrity, have a strong work ethic and do not shy away from making hard decisions. Our corporate culture therefore focuses on achieving our common goals. At BAWAG Group, people from over 60 nations, from all age groups, with different sexual orientations, with limitations and with 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.

**S1-2: Processes for engaging with own workforce and workers’ representatives about impacts**

**S1-2.25, 27a: Engagement with employees**

An open feedback culture is of central importance to BAWAG Group. Ideas, new opportunities, and feedback on how we can improve are not only essential for the further development of our organization but also serve as a channel to enhance teamwork and better serve our stakeholders. Engagement occurs both directly with employees and through regular dialogue across hierarchies with representatives of the Works Council.

**S1-2.27b: Stage(s), type, and frequency of employee engagement**

BAWAG Group has established different formats for engaging with employees:

- feedback talks with direct leading supervisors on at least once per year
- regular town hall meetings followed by Q&A

- Listen & Learn sessions/dialogue sessions with members of the Management Board
- other formats like lunch talks and dedicated events that also provide the opportunity to directly interact with our Management Board and Senior Leadership Team

We place great importance on transparent and constructive communication with our employees. Therefore, several engagement channels have been established at different management levels in the organization:

- Semi-annual meetings are held between representatives of the Management Board and the Works Council to discuss strategic topics.
- The chairperson of the Works Council has regular meetings with the CEO, who is responsible for Human Resources.
- Regular meetings between the Works Council and Human Resources take place to address employee concerns.

Employee feedback is considered as part of our continuous improvement efforts, with the involvement of the Works Council. Employees are informed via town hall meetings and intranet articles.

### **S1-2.27c: Operational responsibility**

The Management Board and Human Resources are responsible for ensuring ongoing employee engagement measures. Among the Management Board members, the CEO oversees Human Resources and related activities. For example, feedback is collected through various dialogue rounds with employees on key topics and is reviewed and discussed at the Management Board level.

### **S1-2.27d: Global framework agreement**

Company-specific agreements are negotiated and concluded between BAWAG or related entities and the Works Council as the representative of the employees' interests. This process ensures that the views and interests of the employees are considered. Agreements govern issues including occupational health and safety, health protection including mental health, and social and other benefits. We employ a staggered approach for agreements: For certain areas, we aim to achieve globally aligned agreements (e.g. the share purchase program), while agreements are country-specific for other issues (e.g. health protection).

### **S1-2.27e: Effectiveness of engagement with the workforce**

To understand employee sentiment, we utilize multiple feedback channels to assess BAWAG Group as an employer and identify areas for improvement. We have ongoing HR initiatives to translate feedback from our employees into concrete actions and address priority topics. We maintain an ongoing dialogue through town hall meetings, dialogue sessions like "Listen & Learn" with Management Board members and focused discussion rounds. Country-specific quick checks are conducted occasionally for specific purposes. Based on our employees' feedback, we dedicate financial, time and personnel resources to strengthen engagement and collaboration through initiatives such as breakfast weeks, after-work events, leadership workshops, BAWAG insights and community days. In addition, we foster development and talent attraction through mentoring programs, internships, and participation in recruiting events and student fairs.

### **S1-2.28: Vulnerable groups**

We ensure that representatives of people with disabilities are appointed to the Works Council. These issues are addressed on a country-specific basis to meet special needs.

We also promote equal opportunities for women, strengthen the exchange of experience and knowledge, and encourage networking within and outside the company. Specific events are organized such as lunch talks with top female managers from other companies and the joint development of specific women's workshops in collaboration with Human Resources.

Job applicants from abroad are actively supported by Human Resources throughout the complex process of obtaining a work visa and relocating. This ensures that our commitment to diversity within the company is upheld and that this group of applicants has equal opportunity in the hiring process.

### **S1-3: Processes to remediate negative impacts and channels for own workforce to raise concerns**

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#### **S1-3.30, 32a: Approach to and processes for providing and contributing to remedy where the company has caused or contributed to material negative impact**

Remediation of material impacts has priority, as it helps to increase employee motivation, avoid resignations through preventative measures, use complaints to implement quality improvement initiatives, and promote a positive corporate culture. The procedure for handling complaints initially emphasizes informal discussions between the complainant and the direct superior. All managers are required to address complaints and to respect data protection and anonymity. If an informal resolution is not possible, a formal grievance can be submitted to Human Resources. Remedial actions are taken efficiently and the Works Council is involved, depending on the specific case. These guidelines for the grievance mechanisms are designed to create an environment in which employees can feel safe to raise their concerns and in which complaints are dealt with efficiently and fairly.

#### **S1-3.32b: Channels in place to raise concerns or needs**

We appreciate an environment where employees are welcome to voice their concerns and see this as an opportunity to continuously improve and further develop our processes, customer service, and entire organization. Therefore, we have established the following channels where employees can address concerns through direct engagement but also anonymously. The channels are provided by the company itself or as part of participation in third-party mechanisms, e.g. the external whistleblower tool.

- Regular feedback talks between employees and managers provide a suitable and confidential platform for raising concerns.
- Human Resources
- Dialogue rounds with Management Board
- Works Council
- Whistleblower tool

In line with our general business approach, we aim to address developments, whether positive or negative, proactively. While some impacts can be remediated within a shorter period, there are others that require structural changes. We

aim to continuously strengthen positive impacts within the organization. Therefore, we anticipate that these impacts will be reduced over the medium-term. The effectiveness of the chosen measures is tracked and reviewed across management functions, e.g. the female leadership quota, training hours, and feedback talks.

#### **S1-3.32c: Grievance/complaints handling**

BAWAG Group's Grievance Policy sets out how employees can report concerns and complaints regarding their working conditions, discrimination, or other employee-related issues. This policy ensures a fair and transparent process for investigating and resolving complaints and promotes a supportive work environment to ensure the well-being of employees.

#### **S1-3.32d: Processes through which the undertaking supports the availability of the mentioned channels**

The Grievance Policy as well as the contact details for the Works Council are available on the intranet and accessible to all employees. This information is published on the intranet.

#### **S1-3.32e: Tracking and monitoring of issues raised and addressed and effectiveness of the channels**

The channels through which employees can express their concerns and needs are firmly established and well-known. Dialogue with managers takes place regularly. Due to the determined rhythm of these formats, measures taken to address employee concerns are regularly monitored and assessed. Monitoring is described in the Grievance Policy.

#### **S1-3.33: Assessment of awareness within own workforce of structures and processes for raising concerns**

Employee awareness of the structure and processes in place to raise concerns is promoted through regular communication via the intranet, training, and feedback mechanisms. With the Works Council, employees have an independent point of contact where they can raise concerns. The Works Council regularly informs employees about their rights and any other developments. Therefore, BAWAG Group believes that there is adequate awareness among employees. For the protection of individuals raising concerns, please refer to G1-1.

**S1-4: Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions**

**S1-4.38a,b,d: Actions taken, planned or underway to prevent or mitigate material negative impacts on our workforce**

<b>Advancement of women</b>	
Measure	BAWAG Women’s Initiative Women’s workshops specific Mentoring program Lunch talks with top female managers Information sessions for expectant mothers and those returning from parental leave Part-time leadership roles Ensuring a balanced gender ratio in training programs Raising awareness among hiring managers on the topic of recruiting Women’s Advancement Plan
Achievement	Create an equitable culture where all individuals have equal opportunities to advance their careers, regardless of gender.
Contribution of the fulfillment of policies	Our advancement of women aims to increase their visibility and strengthen engagement. In order to evaluate the effectiveness of our measures, we regularly ask for feedback in our training sessions and workshops. In addition, employees can use a dedicated email address to submit questions regarding feedback on initiatives and general suggestions.
Scope	All employees
Time horizon	Initiatives are ongoing
Target	2025 (target set before the two strategic acquisitions): Achieve 33% female representation in the Senior Leadership Team 2027: Achieve 30% female representation in the Senior Leadership Team (based on the enlarged group of companies)
Progress	2025: 28% female representation in the Senior Leadership Team compared to 15% in 2020 at the time of target setting. The 2025 target was set before BAWAG made two strategic acquisitions in 2024 and 2025. The target for 2027 was set on the basis of the enlarged group of companies.

## S1-4.38c,d: Achieving positive material impacts for the own workforce

<b>Becoming an attractive employer with attractive benefit schemes to foster ownership mentality</b>	
Measure	Part of the corporate culture is the ownership mentality, which also drives the continuous improvement mindset. A new system of employee benefits was introduced in 2023, including: BAWAG employee participation program: Employees receive one share per month of service, which is transferred to their securities account every three years BAWAG "3+1" matching program: In years without a share transfer, we offer a matching program under which employees receive one share free of charge (matching share) for every three BAWAG Group shares they acquire, with a maximum amount of €3,000 in matching shares. BAWAG (cash) profit participation: The first payout, based on the financial year 2023, was made in July 2024 at a rate of €1 per €1 million of BAWAG Group's net profit in the previous year, and the second payment was made analogously in 2025.
Achievement	Fostering the ownership mentality and having our employees participate in the company's success.
Contribution to the fulfillment of the policies	Our employee benefits program promotes employee participation and increases our attractiveness as an employer.
Scope	The benefit program is generally available to all employees with an active employment contract. For our new colleagues in Hamburg, this is currently in negotiation.
Time horizon	The benefits are available on an ongoing basis.
Progress	The program was established in 2023. The annual payout of the third part, the BAWAG profit participation, started in 2024.

<b>Being an attractive employer with flexible work models</b>	
Measure	We offer efficient and employee-friendly working hours, with flexible working time models and remote work available to employees in specific countries where this is possible in relation to their assigned tasks.
Achievement	Contribute to a better work-life balance for our employees.
Contribution to the fulfillment of the policies	The flexible work models (working hours, remote work) are perceived positively by the employees.  BAWAG Group offers flexible work models to employees in all countries, with exceptions like in branches. In addition, the company offers working time models that can be quickly and flexibly adapted to the respective activity and the private needs of the employees. In crisis situations, the company supports employees in a wide variety of ways in caring for family members, for example. We continuously monitor whether adjustments are necessary.
Scope	
Time horizon	The flexible work models are available on an ongoing basis.
Progress	Flexible work models, such as flexible hours and remote work, will remain an integral part of how we collaborate. To further strengthen communication and collaboration while preserving our corporate culture, remote work arrangements will be balanced from 2026 onwards.

Since 2013, BAWAG P.S.K. (Austria) has been participating in the *berufundfamilie* (Work and Family) audit conducted by the Austrian Federal Ministry of Economy, Family and Youth. This award is valid for three years and certifies that the company has undergone the full auditing process and has developed further goals and measures to implement a family-conscious Human Resources Policy. In the course of the last re-audit, we also participated in the new "Home Office/Mobile Working" certification and successfully received this award on the basis of the corresponding FlexOffice Guide.

As part of the re-audit for the *berufundfamilie* audit, new targets and measures were again developed to improve the compatibility of family and career. With the signing of the target agreement in September 2024, the company is once again working on the implementation of defined measures such as active employer branding as a family-friendly company, revision of the parental leave management process, and management training and awareness raising. The current "*berufundfamilie*" certificate is valid until 2027.

**S1-4.38c,d: Additional actions or initiatives in place with the primary purpose to deliver positive impacts**

**Continuous training for our employees**

Measure	<p>Employee training and development is an essential building block for the continued success of BAWAG Group. We promote the professional and personal development of employees by offering an extensive internal training program combined with external training offerings. We also promote and encourage our employees to take part in industry- and topic-specific conferences. Development is based on three pillars:</p> <ul style="list-style-type: none"> <li>• career-enhancing working environment</li> <li>• target group-specific programs</li> <li>• individual development measures, with a special focus on a balanced gender ratio.</li> </ul> <p>The training programs and initiatives ensure effective employee life-cycle training, starting from entry in BAWAG Group, specific leadership training, a specific BAWAG Academy, trainee programs, individual coaching etc. In order to evaluate the effectiveness of our measures, we regularly conduct employee surveys on training measures and courses. To identify any negative impacts, we gather feedback from our employees and management team, and receive input from the Works Council and Human Resources. This feedback enables us to effectively address issues and implement necessary improvements.</p>
Achievement	<p>By offering a wide variety of training programs, BAWAG actively fosters and strengthens employee satisfaction. We have our own BAWAG Academy (run by internal senior experts), where every employee can take part in training measures. Sufficient financial resources are provided to enable both internal and external training. This includes external trainers for various programs that employees can complete. In addition, employees have access to a purchased international high end tool (Goodhabitzz) for individual learning. All employees are given adequate time resources to attend and complete training sessions. Furthermore, there are internal trainers available to conduct lectures and workshops. In addition, there are also HR employees who handle the organization of training sessions and the development of training and development programs for employees.</p>
Contribution to the fulfillment of policies	<p>The measures contribute to our target of being an attractive employer and ensuring that our employees enhance their skills and knowledge. This is part of the HR strategy.</p>
Scope	<p>The training measures are generally available to all employees, however specific programs are tailor-made for a dedicated target group of our employees.</p>
Time horizon	<p>The training offerings are available on an ongoing basis and can be amended based on the training needs.</p>
Progress	<p>Human Resources reviews the training offerings on a regular basis.</p>

**S1-4.39: Disclosure of the process to identify what action is needed in response to negative impacts**

To identify any negative impacts, we gather feedback from our employees and management team as well as feedback from the Works Council and Human Resources. Following the identification of actual or potential negative impacts, we employ a systematic evaluation process to determine the severity and scope of these impacts. We then assess what specific corrective or preventive measures are necessary and proportionate to effectively address each identified impact. This includes prioritizing actions, allocating resources, and establishing implementation timelines based on the urgency and significance of the negative impacts.

**S1-4.40a,b: Measures to address significant impacts on our workforce and the effectiveness of these measures**

The company is committed to be an attractive employer. To create a positive working environment, enable employee development, foster diversity and support employee well-being, the Bank focuses on a range of measures, including tailored training programs, a Women’s Advancement Plan, flexible work arrangements, initiatives to improve work-life balance, part-time leadership opportunities and a strong commitment to diversity. The effectiveness of these initiatives is evaluated in practice through employee feedback, regular employee conversations, surveys, and close collaboration with the Works Council.

These actions also support the goal of achieving a 30% female representation in the Senior Leadership Team (as of year-end 2025: 28%). By fostering inclusiveness and diversity in the Senior Leadership Team, BAWAG Group strengthens innovation, decision-making, and its position as an attractive employer.

### **S1-4.41: Taking measures to significantly impact our own workforce and the effectiveness of these measures**

To ensure that our own practices do not have a significant negative impact on our employees, there are the following dialogue formats:

- In Austria, Germany, and the Netherlands, where 95% of employees are based, the Works Council is also involved in fundamental decisions. Regular meetings are held between representatives of the Management Board (e.g. twice a year as part of Austria-wide employee representative meetings) to discuss strategic issues. In addition, the chairs of the Works Council have regular meetings with the Management Board member responsible for human resources issues and there are regular exchanges and meetings between the Works Council and Human Resources. Additionally, the chair of the European Works Council participates in the regular meetings of the European Works Council and also engages in discussions with members of the Management Board and Human Resources to bring forward employee-related matters and developments at the European level.
- All employees have direct channels of communication with management, including Q&A sessions at town hall meetings, local town hall meetings, and various initiatives and executive board tours at all locations for personal exchange.

These measures ensure that all employee concerns are dealt with constructively and can be integrated into the company's strategic planning.

### **S1-4.43: Taking measures to mitigate impacts**

BAWAG Group has implemented training programs for all employees and offers also targeted specialized trainings. We foster professional and personal development through various offers and take a proactive approach to continuous skills development.

## **S1-5: Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities**

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### **S1-5.44a, 45, 46: Targets related to the management of material impacts, risks and opportunities**

Our human capital is one of the most important pillars for executing on our strategy and building the BAWAG Group of tomorrow. Therefore, it is key for us to retain talent, attract and develop new staff and offer an attractive work environment. Investing in our team's competencies and personal and professional growth are the focus areas of our human resources initiatives.

Our targets align with national, EU or international policy goals. To set targets aligned with national, EU, or international policy goals, we identify relevant policies, define clear and measurable objectives, develop actions, monitor progress and conduct reviews on a regular basis. The effectiveness of those concepts and measures for which no targets have yet been defined is ensured through the evaluation of participants and the implementation process.

In 2025, the focus was on integrating all employees from the last acquisitions and strengthening collaboration across the organization, aligning processes and structures, and encouraging open communication. The goal is to grow together as a team, work side by side on a daily basis, and build good interpersonal connections.

In order to address the disparity of the share of female and male representation in leadership roles, we set the following target in 2021 and expanded due to the acquisitions:

	<b>2027</b>
Target	Increase the female share to 30% in the Senior Leadership Team.
Target-supporting objective of policy	The target is part of the ESG strategy and is supported by the Diversity and Inclusion Policy.
Target definition	Our Senior Leadership Team (SLT) has led our transformation over the past decade. It is comprised of Management Board members Members of the Executive Council Senior leaders Specialists.
Scope	See target definition
Base year	2020: 15% share of female representation in the SLT
Target year	2025: 33% share of female representation in the SLT (This target was defined before the acquisitions.) 2027: Following the two strategic acquisitions in 2024 and 2025, we aim to achieve a 30% share of female representation in the Senior Leadership Team.
Involvement of employees	The interests of employees were considered during the initial target-setting process as part of the engagement with representatives of the Works Council as well as representatives of female working groups.
Changes of the targets	A new 2027 target was set following two strategic acquisitions in 2024 and 2025.
Current status	123 employees as of year-end 2025 were members of the SLT, including Management Board members. The share of women was 28%.

**S1-5.47a: Process for target setting – involvement of employees or representatives**

Employees are not directly involved in the target setting, however the targets are outcomes of employee feedback. Listening to feedback of the underrepresented gender supports us in setting the right initiatives.

**S1-5.47b: Performance tracking**

Progress towards the targets is reported at least semi-annually to the Management Board as well as the Supervisory Board, where the Works Council is also represented. In addition, the head of Human Resources has regular meetings with the chair of the Works Council, where performance tracking of measures is part of the conversations.

**S1-5.47c: Process for target setting – identifications of lessons or improvement potential based on performance**

Feedback is gathered from managers, employees and the Works Council to gain insights and identify areas for improvement.

## S1-6: Characteristics of our workforce<sup>1</sup>

The increase in employees in Germany reflects the acquisition of Barclays Consumer Bank Europe (rebranded to easybank) in February 2025. Apart from this development the number of employees declined slightly.

### S1-6.50: Workforce overview

#### S1-6.50a: Number of employees (head count) by gender

Gender	2025	2024 <sup>1</sup>
Male	1,797	1,580
Female	2,245	2,039
Other	—	—
Not reported	—	—
Total employees	4,042	3,619

#### S1-6.50a: Number of employees (head count) by country

Country	2025	2024 <sup>1</sup>
Austria	2,575	2,650
Germany	828	276
Netherlands	457	519
Ireland	16	13
Switzerland	34	36
UK	27	24
USA	105	101
Group	4,042	3,619

#### S1-6.50a,b: Split of number of employees

	2025					2024 <sup>1</sup>				
	Female	Male	Other	Not Reported	Total	Female	Male	Other	Not Reported	Total
<b>Number of permanent employees</b>										
Head count	2,214	1,783	—	—	3,997	1,942	1,488	—	—	3,430
FTE	1,889	1,714	—	—	3,603	1,645	1,427	—	—	3,072
<b>Number of temporary employees</b>										
Head count	30	14	—	—	44	97	92	—	—	189
FTE	13	10	—	—	23	67	84	—	—	151
<b>Number of non-guaranteed hours employees</b>										
Head count	1	—	—	—	1	—	—	—	—	—
FTE	—	—	—	—	—	—	—	—	—	—
<b>Number of full-time employees</b>										
Head count	1,230	1,561	—	—	2,791	1,105	1,372	—	—	2,477
FTE	1,230	1,561	—	—	2,791	1,105	1,372	—	—	2,477
<b>Number of part-time employees</b>										
Head count	1,015	236	—	—	1,251	934	208	—	—	1,142
FTE	672	163	—	—	835	607	139	—	—	746

<sup>1</sup> In the previous year's report, the Board of Management was counted among the employees. The values for 2024 are now exclusive of the Management Board, so 6 FTEs and 6 Heads were deducted overall and for the permanent employees, as well as full-time employees.

**S1-6.50c: Employee turnover**

End of period	2025	2024
Number of employee who left the undertaking in the period annualized	628	348
Percentage of employee turnover	15.2 %	10.9 %

The increase in exits is primarily due to the acquisitions. As part of the integration, central functions will be largely merged. The number of exits and the turnover rate is reported based on headcounts and based on actual numbers.

**S1-6.50d: Methodologies**

All data are presented as a point-in-time view as of year-end 2025. The data is collected via SAP (BAWAG, start:bausparkasse, easyleasing, easybank Germany), Perbit (Südwestbank, Health AG, BFL) and manual employee lists (Zahnärztekasse AG, Idaho First Bank, Knab). Subsequently all data are combined in one Excel file and the KPIs are calculated with pivot tables. Based on the consolidated figures, the KPIs are calculated and verified via the dual control principle, but no external bodies verify them.

If figures are shown as FTE, the following definition is used: Employees working more than 38.5 hours (Knab: 38 hours, easybank Germany: 39 hours) per week are considered as 1 FTE; if employees work less than 38.5 hours (Knab: 38 hours, easybank Germany: 39 hours) per week, their weekly working hours are divided by their normal weekly working time on a full-time basis to obtain their FTE.

**S1-6.50e: Fluctuation**

Fluctuation is reported as a total of employees leaving the company. In order to set initiatives more adequately to retain employees, we monitor the share of employees leaving the BAWAG Group.

**S1-6.50f: Reference to financial statements**

Employees are stated section 65 of the notes.

**AR-58 Interpretation of part-time employees**

We track how many part-time employees work in parental part time, how many part-time employees work in our call center and in other departments and we also track how many part-time employees leave our company. By monitoring these key metrics across different types of part time employment, we can demonstrate that part-time employees enjoy employment security and are not subject to discrimination.

## S1.6-52a,b: Headcount by permanent/non-guaranteed/temporary by country

S1.6-52a,b Headcount by permanent/non-guaranteed/temporary by country		
	2025	2024 <sup>1</sup>
<b>Number of employees</b>	<b>4,042</b>	<b>3,619</b>
Austria	2,575	2,650
Germany	828	276
Switzerland	34	36
Netherlands	457	519
United Kingdom	27	24
United States	105	101
Ireland	16	13
<b>Number of permanent employees</b>	<b>3,997</b>	<b>3,430</b>
Austria	2,532	2,587
Germany	828	276
Switzerland	34	36
Netherlands	456	393
United Kingdom	27	24
United States	104	101
Ireland	16	13
<b>Number of temporary employees</b>	<b>44</b>	<b>189</b>
Austria	43	63
Germany	–	–
Switzerland	–	–
Netherlands	1	126
United Kingdom	–	–
United States	–	–
Ireland	–	–
<b>Number of non-guaranteed hours employees</b>	<b>1</b>	<b>–</b>
Austria	–	–
Germany	–	–
Switzerland	–	–
Netherlands	–	–
United Kingdom	–	–
United States	1	–
Ireland	–	–
<b>Number of full-time employees</b>	<b>2,791</b>	<b>2,477</b>
Austria	1,681	1,749
Germany	615	200
Switzerland	18	19
Netherlands	341	384
United Kingdom	26	23
United States	94	89
Ireland	16	13
<b>Number of part-time employees</b>	<b>1,251</b>	<b>1,142</b>
Austria	894	901
Germany	213	76
Switzerland	16	17
Netherlands	116	135
United Kingdom	1	1
United States	11	12
Ireland	–	–

## S1-7: Non-employees in own workforce

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Through the acquisition of Knab at the end of 2024, BAWAG Group had 256 non-employees operating onsite in Amsterdam. At the end of 2025, this number had fallen to 56 non-employees. The data concerning them is reported to us by Knab via an Excel file. We then calculate the KPI via a pivot table and cross-check it using the dual-control principle, but no external bodies verify the data.

Through the acquisition of Barclays Consumer Bank (easybank Germany), BAWAG Group had 95 non-employees operating onsite in Germany. At year-end 2025, we had 0 non-employees working at easybank Germany.

These developments in connection with the recent acquisitions are in line with BAWAG's strategic priorities of having the knowledge in-house, building key functions and not being dependent on third parties.

The non-employees are only shown in the KPIs explicitly concerning non-employees — they are not included in any other KPIs in this report.

## S1-8: Collective bargaining coverage and social dialogue

### S1-8.60a-c and 63a: Collective bargaining agreement coverage and social dialogue

2025				2024 <sup>1</sup>			
Coverage rate	Collective bargaining coverage		Social dialogue	Coverage rate	Collective bargaining coverage		Social dialogue
	Employees – EEA	Employees – non-EEA	Workplace representation (EEA only)		Employees – EEA	Employees – non-EEA	Workplace representation (EEA only)
0-19%	Switzerland (—%) Ireland (—%)	United Kingdom (11.1%) United States (1.0%)	Netherlands (—%) Switzerland (—%)	0-19%	Switzerland (—%) Ireland (—%) Netherlands (0.6%)	United Kingdom (12.5%) United States (0.9%)	Netherlands (—%) Switzerland (—%)
20-39%				20-39%			
40-59%				40-59%			
60-79%	Germany (78.6%)			60-79%	Germany (40.9%)		
80-100%	Austria (97.0%) Netherlands (99.6%)		Austria (99.2%) Germany (99.0%)	80-100%	Austria (96.9%)		Austria (99.5%) Germany (97.5%)
<b>Total</b>	<b>89.3%</b>		<b>83.5%</b>	<b>Total</b>	<b>74.1%</b>		<b>80.1%</b>

<sup>1</sup> In last year's report, the zero values in the total were not taken into account at this point. The value in this table also includes countries without collective bargaining coverage and social dialogue. The overall percentage has decreased from 87% to 74.1%, and the percentage for social dialogue has fallen from 98% to 80.1%. Furthermore, the proportion of UK employees changed from 12% to 12.5%, and the figure for social dialogue in Austria increased from 99.4% to 99.5%.

### **S1-8.63b: Employee representation**

Workers' representatives do not cover leading employees under the applicable national legislation. For employee representation and matters in Europe, BAWAG Group has a European Works Council.

### **S1-8.60,63: Methodologies**

The data are collected via tools and manual lists. Afterwards, all data are consolidated and the respective KPIs are calculated. Based on the consolidated figures, the KPIs are calculated and verified via the dual-control principle, but no external bodies verify the data.

## S1-9: Diversity metrics

### S1-9.66a: Gender distribution at top management level

	2025		2024	
	absolute	in %	absolute	in %
Female	35	28.5%	31	33.7%
Male	88	71.5%	61	66.3%
Other	—	—%	—	—%
Not reported	—	—%	—	—%
Total	123	100.0%	92	100.0%

At the top management level we have a gender distribution of 28% female employees and 72% male employees. The change in gender distribution compared to the previous year is primarily attributable to the acquisitions made in 2024 and 2025 and the subsequent appointments to the Senior Leadership Team.

### S1-9.66b: Gender distribution by age group

	2025			2024		
	<30	35-50	>50	<30	35-50	>50
Male	336	891	570	317	742	521
Female	428	1,192	625	431	1,053	555
Total age group	764	2,083	1,195	748	1,795	1,076
Total			4,042			3,619

Our Senior Leadership Team (SLT) has led our transformation over the past decade. It is composed of Management Board members, Executive Council members, senior leaders and specialists.

The data are collected via tools and manual lists. Once consolidated, the respective KPIs are calculated and controlled via the dual-control principle, but no external bodies verify the data.

## S1-10: Adequate wages

All our employees get paid adequate wages, with minimum wages being equal to or above statutory minimum wages in the respective country. BAWAG Group also offers additional benefits to promote the well-being of employees and to support them during exceptional events, such as the pandemic or periods of high inflation.

## S1-11: Social protection

Employees are covered by social protection through public programs or private programs against loss of income due to:

		Yes	No
74a	Illness	YES	
74b	Unemployment	YES	
74c	Workplace injury and acquired disability	YES	
74d	Parental leave	YES	
74e	Retirement	YES	

## S1-12: Persons with disabilities

### S1-12.79: Persons with disabilities

	2025	2024
S1-12.79: Employees with disabilities in %	2.5%	2.3%

### S1-12.79: Persons with disabilities by gender

	2025	2024
Male	2.2%	2.0%
Female	2.7%	2.5%
Total	2.5%	2.3%

Employees are counted as employees with a disability as soon as they furnish a disability ID card, regardless of their degree of disability.

The data are collected via tools and manual lists. Once consolidated, the KPIs are calculated and verified via the dual-control principle, but no external bodies verify the data.

## S1-13: Training and skills development metrics

### S1-13.83a: Regular performance and career development reviews

#### S1-13.83a: Percentage of employees that participated in regular performance and career development reviews

Total (in %)	2025	2024
Male	88%	74%
Female	92%	82%
Other	-	-
Not reported	-	-

#### AR 77a: Employees that participated in regular performance and career development reviews

Total (absolute)	2025	2024
Male	1,589	1,304
Female	2,069	1,518
Other	-	-
Not reported	-	-

The data are collected via our Learning Management System and manual lists. For the KPIs, that are based on training hours of the completed trainings, the data are broken down by gender, management level and employee status. Once consolidated, the KPIs are calculated and verified via the dual-control principle, but no external bodies verify the data.

## S1-13.83b: Average training hours per employee and by gender

### S1-13.83b: Average training hours by gender

Total (absolute)	2025	2024
Female	21	24
Male	25	28
Other	-	-
Not disclosed	-	-

### S1-13.83b: Training hours by gender

	2025	2024
Female	49,184	45,766
Male	47,400	39,768
Total	96,584	85,534

### S1-13.83b: Training hours by gender and position

	2025	2024
Management	13,408	11,905
Female	4,704	4,537
Male	8,704	7,368
Employees	83,176	73,629
Female	42,152	41,229
Male	41,024	32,400
Total	96,584	85,534

Management in this definition includes all employees with a managing function.

## S1-14: Health and safety metrics

Health protection and safety are not a material issue. Due to the interest of external stakeholders, this data is also disclosed. The data are collected via manual lists. Once consolidated, the KPIs are calculated and verified via the dual-control principle, but no external bodies verify the data.

### S1-14.88a: Workforce members covered by health and safety management system

	Employees		Non-employees	
	2025	2024	2025	2024
S1-14.88a: Percentage of people in the undertaking's own workforce who are covered by a health and safety management system based on legal requirements and (or) recognized standards or guidelines	100%	100%	100%	100%

### S1-14.88b: Number of fatalities due to work-related injuries and ill health

There have been no reported fatalities resulting from work-related injuries or ill health.

### S1-14.88c: Work-related accidents

	Employees		Non-employees	
	2025	2024	2025	2024
Number of recordable work-related accidents for own workforce	16	8	—	—
Rate of recordable work-related accidents for own workforce	0.4%	—%	—%	—%

**S1-14.88d: Work-related ill health, subject to legal restrictions on the collection of data**

There have been no reported cases of work-related ill health, subject to legal restrictions on data collection.

**S1-14.88e: Days lost to work-related accidents and fatalities**

	Employees		Non-employees	
	2025	2024	2025	2024
Number of days lost to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health	179	242	—	—

## S1-15: Work-life balance metrics

### S1-15.93a: Employees entitled to take family-related leave

All of our employees are entitled to take family-related leave. In addition to the social framework in the countries we operate in, BAWAG offers additional days for family related purposes.

	2025	2024
Employees entitled to take family-related leave	100%	100%

### S1-15.93b: Employees taking family-related leave

	2025	2024 <sup>1</sup>
Employees taking family-related leave	17%	20%
Female	74%	74%
Male	26%	26%
Total (in days)	44,667	41,709

<sup>1</sup> In the previous year's report, the value for Q4 2024 was given at this point, the value in this table covers the full year 2024, only data for austrian entities was available, therefore assumptions were made for 2024 for non-available data. The figures from the previous year were therefore corrected: 6% of employees became 20%, 10% of female employees became 74%, 2% of men became 26%, and the total number of days rose from 7,097 to 41,709.

The data is collected via tools and manual lists. Once consolidated, the respective KPIs are calculated and verified based on the dual-control principle, but no external bodies verify the data.

## S1-16: Remuneration metrics

### S1-16.97a: Gender pay gap

**S1-16.97a: Gender pay gap, defined as the difference of average hourly pay levels between female and male employees, expressed as percentage of the average hourly pay level of male employees (excl. MB1 and incl. bonus payments)**

	2025	2024
	Mean	Mean
Group	32%	32%

	2025		2024	
	AT	DE	AT	DE
ExCo	-6%	100%	-184%	n.a.
SLT	40%	42%	30%	n.a.
Manager	16 %	26 %	21%	36%
Staff	9%	21%	11%	27%
Total	25 %	28 %	23%	30%

The gender pay gap represents the difference in the hourly remuneration between women and men, irrespective of the type of work they do. The calculation excludes the Management Board members, ExCo are the executive council members (again excluding the Management Board member), so they are excluded in the SLT summary here. The Exco is a select number of senior leaders in key functions. In the calculation of the hourly base remuneration the overtime allowances are included as their exact hours and all-in allowances are included as 20 hours per month. For the calculation of the hourly bonus payments the working hours without overtime or all-in allowances were used. The hourly base remuneration and the hourly bonus payments were then added up to obtain the final average gross hourly pay. While more than 50% of recruitments are female, fewer women hold senior management positions than men. The gender pay gap was calculated as the difference in the average gross hourly pay of male and female employees, as a percentage of the male employees' remuneration. The calculation includes all active employees and employees on parental leave.

The data for all remuneration-related KPIs are collected via tools and manual lists. Once consolidated, the respective KPIs are calculated and verified based on the dual-control principle, but no external bodies verify the data.

The data are broken down into Austria and Germany because these are the two countries with the highest number of employees.

BAWAG Group has initiated several measures to address the disparity in seniority levels between female and male employees. Our goal is to develop leaders internally through our development programs, which include specific initiatives for women. Our 2027 target is to achieve a 30% female representation in our Senior Leadership Team (as of year-end 2025: 28%). We anticipate that these measures will contribute to reducing the gender pay gap in the mid-term. Due to our recent acquisitions, which have added a total of approximately 637 employees to our Group, we will reassess our initiatives in 2026.

**S1-16.97b: Ratio of total annual remuneration of highest-paid individual to median annual remuneration of all employees**

**S1-16.97b: Ratio of median salary to highest salary (excl. MB1 and incl. bonus payments)**

	2025	2024
Median salary of all employees excluding the highest paid person:	€ 70,000	€ 75,748
Ratio of highest salary to median salary (highest salary / median salary)	184	144

1) The ratio of the highest salary to median salary was corrected for 2024. The reported 2024 value was 132.

The calculation of the median salary is based on the base salary including bonus payments of all active employees and employees on parental leave of BAWAG Group including Management Board members but excluding the highest paid employee. The salary of the highest-paid employee is then divided by the median salary of all employees.

For all remuneration-related KPIs, the data are collected via tools and manual lists. Once all data is consolidated, the respective KPIs are calculated and verified via the dual-control principle, but no external bodies verify the data.

## S1-17: Incidents, complaints and severe human rights impacts

All reported cases are consolidated at the Group-level. The metrics are validated by the auditor, but not by an additional external body. All data are collected via manual lists. Once all data is consolidated, the respective KPIs are calculated and verified via the dual-control principle, but no external bodies verify the data.

### S1-17.103: Incidents of discrimination or harassment

	2025	2024
S1-17.103a: Reported number of incidents of discrimination or harassment	—	—
S1-17.103b: Number of complaints filed through channels for people in own workforce to raise concerns	—	—
S1-17.103b: Number of complaints filed to National Contact Points for OECD Multinational Enterprises	—	—
S1-17.103c: Amount of material fines, penalties, and compensation for damages as result of violations regarding social and human rights factors	—	—

### S1-17.104: Severe human rights incidents

	2025	2024
S1-17.104a: Number of severe human rights issues and incidents connected to own workforce	—	—
S1-17.104a: Number of severe human rights issues and incidents connected to own workforce that are cases of non respect of UN Guiding Principles and OECD Guidelines for Multinational Enterprises	—	—
S1-17.104b: Amount of material fines, penalties, and compensation for damages for severe human rights issues and incidents connected to own workforce	—	—
S1-17.AR 106: Number of severe human rights cases where undertaking played role securing remedy for those affected	—	—

## S4 Consumers and end-users

### Strategy

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Customers are looking for a more rewarding and engaging experience with targeted products and services while having 24/7 access to manage their financial lives. We aim to fulfill these needs and to better leverage new and existing technologies to enhance the overall customer experience. We are building a multi-channel and multi-brand Retail & SME franchise from branches-to-partners-to-brokers-to-platforms leveraging digital products and technology across our entire customer value chain. Our products are designed to be simple, and intuitive.

### SBM-3 – Material impacts, risks and opportunities and their interaction with the strategy and business model

#### S4-SBM 3.9: Strategy and business model

As a financial institution, BAWAG has to deal with a high number of customer interactions and works with sensitive data. This implies impacts, risks but also opportunities related to data processing, financial education and responsibility towards our customers. We have not identified any impacts or risks which require a change in strategy, but we have policies and initiatives in place to manage them.

#### S4-SBM 3.10: Scope of consumers and/or end-users materially impacted

At the end of the financial year 2025, BAWAG Group served more than four million customers with a primary focus on Retail & SME. While the majority of impacts, risks, and opportunities addressed in this standard are relevant to all customers, certain topics are relevant to specific customer groups. These specific instances are clearly identified in the respective disclosure standards.

#### S4-SBM 3.10a: Description of the types of consumers and/or end-users subject to material impacts from the undertaking's activities or its value chain

The types of consumers and/or end-users that are subject to material impacts include those using services that may negatively impact their rights to privacy, the protection of personal data, freedom of expression and non-discrimination. While not a material impact, we disclose information due to interest of stakeholders for consumers and/or end-users who are dependent on accurate and accessible product-or service-

related information, such as manuals and product labels, to avoid potentially harmful use of a product and those who may be impacted by marketing and sales strategies. All types of customers can be impacted by the potential impacts.

#### S4-SBM 3.10b: Information about material negative impacts, if there are any:

The negative impacts are related to individual incidents.

#### S4-SBM 3.10c: Description of activities that result in material positive impacts, if there are any

In order to foster financial education, BAWAG Group has entered into a collaboration with the Children's Office at the University of Vienna. The Children's Office at the University of Vienna brings together children from all social backgrounds and encourage lifelong curiosity.

As defined in our business strategy, we want to provide our customers 24/7 banking access through a multi-channel and multi-brand commercial banking platform. Over the last couple of years, we diversified our Retail & SME business away from branches, thereby increasing the accessibility of our products and services. While our branch footprint was reduced in response to changing customer behavior, we entered into partnerships, worked with brokers, and continuously enhanced our online/digital access.

#### S4-SBM 3.10d: Disclosure of material risks and opportunities arising from impacts and dependencies on consumers and/or end-users

The protection of information, data and IT systems as well as the protection of the interests and privacy of our customers, employees, suppliers and other stakeholders are of great importance to BAWAG Group. Protecting customer data is a top priority for BAWAG Group, which is why we have implemented a data protection strategy.

To promote awareness, BAWAG has established a policy for responsible sales and marketing.

#### S4-SBM 3.11: Understanding how consumers with particular characteristics, or those using particular products may be at a greater risk

We assess the different types of customers as well as locations, brands etc. We protect the characteristics of our customers through a variety of measures, including strong

data privacy. We develop this understanding through aspects including a risk-based segment and journey view, combined with product- and channel-related analyses (e.g., loan products, digital banking services, payment transactions) and the ongoing evaluation of feedback, fraud and security indicators, and indications of financial difficulties. The findings are incorporated into product and process design, understandable customer information, protection and support measures (including escalation channels); at the same time, we secure customer characteristics and data through strong data protection and information security measures (including data minimization, purpose limitation, role-based access and privacy by design).

**S4-SBM 3.12: Understanding for how consumers with particular characteristics, or those using particular products may be at a greater risk**

We do not see a differentiation and consider the specifics of customer groups as part of our product development and our product offering.

## Impact, risk and opportunity management

### S4-1 – Policies related to consumers and end-users

#### S4-1.15: Policies adopted to manage material impacts, risks and opportunities related to consumers and/or end-users

<b>Code of conduct</b>	See also G1
Key impacts, risks and opportunities covered	The Code of Conduct sets forth the understanding of banking and conduct ethics at BAWAG Group. It was updated in 2025 and approved by the Management Board. The Code of Conduct defines the ethical standards and behavioral guidelines that all employees, managers, and business partners must adhere to. It serves as a guide for integrity, fairness, and honesty in all business activities and interactions. The code promotes a sense of responsibility and helps to strengthen stakeholder confidence in our business practices. Respect is a basic prerequisite for mutual trust, a good working atmosphere, and the willingness to make decisions. We consider the respectful interaction among employees as well as among supervisors and employees to be a fundamental aspect of collaboration and therefore an integral component of our modern management training. We expect open and fair interaction among all employees. Furthermore, we act with respect, appreciation and fairness towards our customers, business partners, and competitors, as well as towards the media and the financial community. A violation of the Code of Conduct may lead to disciplinary consequences. Monitoring occurs through the Securities Compliance Office, and feedback is obtained via Complaint Management and Internal Audit.
Achievement	Setting the general framework on how we do business.
Contribution to the fulfillment of policies	Alongside additional internal policies, the Code of Conduct reduces the risk of negative behavior, while at the same time promoting a positive attitude towards how we operate. The responsibility for implementation lies with the Management Board as well as the respective direct supervisors who serve as ethical role models. It is reviewed annually.
Scope	All employees
Availability of the policy	The Code of Conduct is available on the internet as well as the intranet.

<b>Data Protection Policy</b>	
Key impacts, risks and opportunities covered	Data protection - protecting our customers' data
Achievement	<p>Through the implementation of the Data Protection Policy we ensure responsible use of customer data and strengthen trust in the companies of BAWAG Group. This policy lays down rules relating to the protection of natural persons with regard to the processing of personal data and rules relating to the free movement of personal data. This policy protects fundamental rights and freedoms of natural persons and in particular their right to the protection of personal data.</p> <ul style="list-style-type: none"> <li>• Regular updating of the Data Protection Policy to fulfill legal requirements and transparently explain the processing of personal data and customer rights.</li> <li>• Use of state-of-the-art security measures, to ensure the confidentiality, integrity and availability of customer data, including encryption technologies, access controls and regular security checks.</li> <li>• Transparent information for customers about the type and manner of data processing.</li> <li>• Evaluation and monitoring of data protection risks and implementation of suitable measures.</li> <li>• Performance of data protection assessments and impact assessments for (new) projects, products and services to identify potential risks and take security measures.</li> <li>• Taking into account data protection principles during the development of products and services. This includes data minimization, implementation of data-protection friendly default settings, and data protection through design.</li> <li>• Regular data protection training for employees to create awareness for the protection of personal data and to ensure that employees know and comply with the applicable Data Protection Policy.</li> <li>• Appointment of a data protection officer who is responsible for monitoring compliance with data protection regulations and acts as a contact person for data protection concerns.</li> <li>• Regular reporting about data protection activities and measures to the Management Board.</li> <li>• Definition of procedures for dealing with data breaches including the notification of affected persons and authorities according to the legal requirements. Through the implementation of the Data Protection Policy we ensure responsible use of customer data and strengthen trust in the companies of BAWAG Group.</li> </ul>
Key contents of the policy	The implementation of and compliance with the guidelines is regularly monitored by internal checks and audits.
Scope	Customers, employees, suppliers and other stakeholders
Third-party standard	
Availability of policy	The policy is published on the intranet and internet.
Most senior accountable	Management Board

<b>IT Security Policy</b>	
Key impacts, risks and opportunities covered	Data protection — IT security
Achievement	<p>BAWAG Group’s Chief Information Security Office and the IT Security Operations Team are committed to protecting the information, ICT systems and interests of customers, employees and other stakeholders in terms of confidentiality, integrity and availability. BAWAG Group has implemented a comprehensive set of security policies and controls covering both general and specific security topics such as identification management and access management.</p> <p>The security policy document is regularly adapted to address current challenges (e.g. regarding increasing social media and collaboration tool usage) and comprehensively expanded. State-of-the-art technologies and services are used to achieve the expected high level of internal and external security. A set of tools is deployed to detect and mitigate vulnerabilities. For detection, the experts utilize AI supported monitoring tools to identify anomalies across the entire technical estate. For mitigation, the experts deploy an automated framework for quick problem detection and resolution. In addition, organizational measures are implemented such as regular security awareness training for employees, security training on demand, security information blogs and security alerts for employees and customers (on our public BAWAG security portal).</p> <p>The security measures defined in collaboration between the CISO and technical experts are executed by certified security experts – both in the CISO and in the Security Operations Center Team. A special security focus has been placed on the development, implementation, operation, use and maintenance of ICT solutions in order to identify emerging security risks at an early stage and achieve compliance with new regulatory requirements.</p>
Key contents of the policy	
Scope	Customers, employees, and other stakeholders
Third-party standard	
Availability of the policy	The policy is published on the intranet and excerpts are published on the internet.
Most senior accountable	CISO, CEO

<b>Responsible Sales and Marketing Policy</b>	
Key impacts, risks and opportunities covered	No material impact, but to address interest of stakeholders: Responsible marketing practices — Responsible Sales and Marketing Policy
Achievement	<p>Responsible and respectful dealings with our customers are a priority to us and are laid down in various guidelines (including the Code of Conduct). We comply with the pertinent legal regulations and also set strict internal guidelines for ourselves. In this way, we aim to ensure that at every point in the company, the needs of our customers are put at the forefront. In 2020, we introduced the Group-wide Responsible Sales and Marketing Policy and communicated it to the employees who are directly responsible for its implementation. The policy serves as a strategic Code of Conduct for responsible behavior in marketing and sales and for building trust with our customers.</p> <p>The guideline’s fundamental principles include a commitment to legally compliant, respectful and ethical behavior, confidential handling of information, non-discrimination, expanding analytical capabilities, removing barriers and profitable and responsible growth. The guidelines in marketing include a commitment to transparent and clear language in communication measures, fair pricing, diversity in advertising and a respectful approach to all customer groups. In sales, we are committed to appropriate recommendations for our customers, ongoing training for our sales staff, continuous quality controls and a focus on our core competencies.</p>
Key contents of the policy	
Scope	Customers, employees
Third-party standard	
Availability of the policy	The policy is published on the intranet and internet.
Most senior accountable	Head of Digital channels

We do not have a policy for the financial education of children, as this is part of our overall corporate volunteering initiatives.

**S4-1.16: Description of human rights policy commitments that are relevant to consumers and/or end-users, including the general approach to:**

**S4-1.16a: Respect for the human rights of consumers and/or end-users**

In alignment with recognized international standards, including the UN Guiding Principles on Business and Human Rights, BAWAG Group upholds the dignity, rights, and fair treatment of consumers and end-users across all its operations. This commitment is reinforced through comprehensive policies, ongoing oversight and stakeholder engagement, ensuring that fairness, equality and respect remain at the core of its products, services and relationships.

**S4-1.16b: Engagement with consumers and/or end-users**

BAWAG Group maintains proactive engagement with consumers and end-users through open communication channels and regular consultations. This approach enables the Bank to identify concerns, tailor services, and continuously improve overall experiences, reflecting its commitment to responsible and inclusive banking.

**S4-1.16c: Measures to provide and/or enable remedy for human rights impacts**

BAWAG Group has established transparent grievance mechanisms to address potential human rights impacts promptly and effectively. These measures ensure stakeholders have access to fair and timely resolution, reinforcing BAWAG's commitment to accountability and continuous improvement.

**S4-1.17: Disclosure of whether and how the undertaking's policies are aligned with internationally recognised standards**

BAWAG Group regularly reviews its policies against internationally recognized standards, such as the UN Guiding Principles on Business and Human Rights, to ensure ongoing alignment and relevance. The Code of Conduct forms the basis for this, providing transparency and accountability to stakeholders. Through annual reviews and stakeholder engagement we ensure that any new developments are accounted for. BAWAG Group received no complaints regarding non-compliance.

## S4-2 – Processes for engaging with consumers and end-users about impacts

### S4-2.20: How perspectives of consumers and/or end-users inform decisions/actions aimed at managing impacts on consumers and/or end-users

#### S4-2.20a: Whether the engagement occurs directly or with credible proxies

We operate with a multi-brand and multi-channel approach tailored to geography, product offerings, and market segments. In alignment with this, we also employ a differentiated strategy for engaging with our customers. We aim to generally engage directly with our customers, in order to gather feedback.

#### S4-2.20b: Stage(s) of occurrence, type, and frequency of the engagement

BAWAG utilizes the customer satisfaction index to monitor the effectiveness of its customer engagement. This allows us to implement mitigating actions in the event of adverse developments and to assess the impact of any customer-related initiatives. Given our diverse customer segments and touchpoints, we differentiate both where and how we measure customer satisfaction. The index takes into account feedback from digital, branch, and service center touchpoints.

#### S4-2.20c: Function and most senior role in the undertaking that is responsible for ensuring this engagement happens (see also AR 15-16)

The most senior role responsible for engagement with retail customers is the Management Board member in charge of Retail & SME.

#### S4-2.20d: Where applicable, how the undertaking assesses effectiveness of the engagement, where relevant, including agreements or outcomes where relevant

In order to track the effectiveness of customer engagement, we monitor a customer satisfaction index on a monthly basis for our largest brands. This index was expanded during 2025 to include the newly acquired businesses in Germany and the Netherlands. This allows us to assess the effectiveness of our initiatives and respond to any adverse developments. The index is reported to the responsible Management Board member on a monthly basis and to the Management Board and Supervisory Board at least on a semi-annual basis.

### S4-2.21: Disclosure of the steps taken to gain insight into the perspectives of consumers and/or end-users that may be particularly vulnerable to impacts and/or marginalized

See standard S4-2.20d.

## S4-3 – Processes to remediate negative impacts and channels for consumers and end-users to raise concerns

### S4-3.25a: General approach and process for providing remedy, including how the effectiveness of the provided remedy is assessed

BAWAG Group received feedback as potential for improvement. We provide several ways to remediate negative impacts and diverse channels for customers to raise concerns. As part of the ongoing interaction, customers can contact the relationship manager, the branches, the service hotline etc. For data related impacts, BAWAG has a data protection officer who deals with such enquiries.

In order to track the development of impacts, risks and opportunities in relation to consumers and/or end-users, BAWAG has measurable indicators in place that are tracked on a regular basis and reported in the defined framework, in line with the identified topic.

### S4-3.25b: Channels in place for consumers and/or end-users to raise their concerns

Consumers and end-users have various channels to raise their concerns. In addition to our regular manner of engaging with our customers through the customer relationship manager, service center etc., BAWAG provides the following ways to raise concerns:

#### Complaint management

BAWAG's Complaint Management Policy ensures organizational and legal compliance in handling complaints. Our goal is to address complaints responsibly, restore customer satisfaction and enhance service quality. Complaints can be submitted by phone, via web forms, at branches, or by mail. All complaints are registered, and customers receive a receipt confirmation if the issue is not immediately resolved. Complaint Management coordinates further actions, involving specialist departments when necessary. Customers are informed about the resolution process and can also contact arbitration bodies for alternative dispute resolution under the Alternative Dispute Resolution Act (AStG). The law also stipulates that proceedings must be conducted swiftly. The Joint Conciliation Board of the Austrian Banking Industry (bankenschlichtung.at) has been established for the out-of-court settlement of disputes relating to certain customer complaints in the banking industry.

For contracts concluded online, the consumer also has the option of contacting the dispute resolution platform set up by the European Commission (ec.europa.eu/odr).

The Internet Ombudsman (ombudsmann.at) is responsible for the out-of-court settlement of disputes relating to contracts concluded over the internet or other issues of e-commerce, Internet law, data protection, copyright and trademark law in connection with the internet. Consumer Mediation Austria (www.verbraucherschlichtung.at) is the competent body for complaints relating to foreign currency loans. Consumers are already expressly informed of the possibility of appealing to these arbitration bodies in the contract documents. The Complaint Management department continuously analyzes the data and information received and, on the basis of this, formulates suggestions for improvements to products and internal processes.

#### Data protection officer

The data protection officer is responsible for monitoring compliance with data protection regulations and acts as a contact person for data protection concerns.

#### S4-3.25c: How the undertaking supports the availability of such channels through its business relationships

BAWAG values feedback as a means to understand if and where processes, products, or service offerings can be improved. In order to track customer requests better, we built an in-house tool where service requests are tracked.

#### S4-3.25d: Tracking and monitoring, and how the effectiveness of channels is ensured

Reports on the development of negative impacts are submitted quarterly to the Non-Financial Risk Committee and discussed in this meeting. Our customers are involved in tailored approaches when addressing the impacts. In some cases, these approaches are specifically designed for the individual customer — for example, in the event of a data breach, the customer is included in the remediation process. When we seek feedback from our customers in connection with developments in customer satisfaction, we aim for a broader-based solution.

#### S4-3.26: Whether and how consumers' and/or end-users' awareness of and trust in these processes are assessed

This is described in S4-3.25b.

BAWAG's complaint management guideline defines how customer complaints are handled and how this is set up in an organizational and legally compliant manner.

Customers have access to the respective contact details via the websites.

## S4-4 — Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions

### S4-4.30: Disclosure of actions and resources related to consumers and/or end-users

#### S4-4.31: Disclosures in relation to material impacts

S4-4.31a: Actions taken, planned or underway to prevent or mitigate material negative impacts

#### S4-4.34: Own practices do not cause or contribute to material negative impacts for consumers and/or end-users

BAWAG is committed to protecting the information, ICT systems and interests of customers, employees and other stakeholders in terms of confidentiality, integrity and availability. BAWAG is committed to an ongoing process of continuously adapting our practices to stay on top of evolving regulations and standards, recognizing this as a continuous commitment without a defined end-date.

The protection of customer data is a high priority. BAWAG has therefore established a data protection strategy which contains the following:

→ **Data security:** Use of state-of-the-art security measures, to ensure the confidentiality, integrity and availability of customer data, including encryption technologies, access controls and regular security checks. For all internal systems, BAWAG Group performs ongoing vulnerability scans to identify inadequacies in the internal IT landscape. Detected vulnerabilities are dealt with in a timely manner according to their criticality. In addition, BAWAG Group regularly performs penetration tests for all systems, especially for customer-facing and internet-connected systems (such as our digital banking solutions). The regular performance of penetration tests is required in BAWAG Group not only by financial market regulations, but also by the internal Penetration Testing Standard policy. The results of the penetration tests are used to further strengthen the security of the tested systems. To validate our comprehensive cybersecurity approach, we use a renowned cybersecurity rating service, to check the security status of all our internet connected systems and services. The rating reflects a strong cybersecurity posture of BAWAG Group (including all subsidiaries) in the financial sector.

- **Transparency and disclosure of information:** Transparent information for customers about the type and manner of data processing.
- **Risk management:** Evaluation and monitoring of data protection risks and implementation of suitable measures.
- **Data protection assessments and data protection impact assessments:** Performance of data protection assessments and impact assessments for (new) projects, products and services to identify potential risks and take security measures.
- **Data protection through privacy by design and privacy by default:** Taking into account data protection principles during the development of products and services. This includes data minimization, implementation of data protection default settings and data protection-friendly through design.
- **Training and awareness-raising:** Regular data protection training for employees to create awareness for the protection of personal data and to ensure that employees know and comply with the applicable Data Protection Policy.
- **Data breaches:** Definition of procedures for dealing with data breaches, including the notification of affected persons and authorities according to the legal requirements.

Through the implementation of the data protection strategy we ensure the responsible use of customer data and strengthen trust in the companies of BAWAG Group.

**S4-4.31b: Actions taken to achieve positive material impacts for consumers and/or end-users**

**S4-4.33: Disclosures in relation to material risks and opportunities**

**S4-4.33a: Actions planned or underway to mitigate material risks**

BAWAG is committed to driving transformational customer-centric initiatives, leveraging digital solutions and service excellence to enhance accessibility and promote inclusive banking experiences.

We are also committed to delivering comprehensive product innovations and robust customer protection mechanisms aligned with our mission to foster long-term relationships with our customers. We continuously optimize our omnichannel delivery platforms while maintaining rigorous standards for transparency, data governance and regulatory compliance.

We are committed to ensuring that customer satisfaction remains at the forefront of our value creation, supporting economic empowerment and contributing to the broader transition toward a more sustainable financial ecosystem.

**S4-4.31c: Additional actions or initiatives in place to deliver positive impacts for consumers and/or end-users**

In order to protect children and promote their financial knowledge, BAWAG has strengthened its commitment to financial education by collaborating with the Children’s Office at the University of Vienna. This initiative brings children from diverse backgrounds together and encourages lifelong curiosity. Education empowers individuals to make informed decisions and positively influences financial management. Supporting exceptional educational projects is a priority for us. We support this through dedicated employee volunteering days and by providing financial support.

**S4-4.31d: How the undertaking tracks and assesses the effectiveness of these actions and initiatives**

We have dedicated processes in place to track the effectiveness of our actions and initiatives. Fundamentally, we track our initiatives through the customer satisfaction index. This covers BAWAG’s largest brands and most important sales channels. The index stood at 88.4 at the end of December 2025. For the first time, the figure also includes the Barclays Consumer Bank Europe and Knab brands. The comparative figure from the previous year, which focused exclusively on Austria, was 90.5.

**S4-4.32a: Process to identify what action is needed in response to negative impacts**

The various feedback touchpoints, including complaint management and surveys, provide input for understanding if an impact arises more often and if so, how this can be resolved.

**S4-4.32b: Approaches to taking action**

BAWAG prioritizes the actions based on materiality and scope. The respective policies for managing the impacts are described in section S4.1.

**S4-4.32c: How it is ensured that processes to provide or enable remedy are effective**

See S4-4.31d. The effectiveness of these channels is evaluated by consistently monitoring and tracking the issues that are raised and resolved. Defined procedures support responsiveness to customers.

**S4-4.35: Disclosure of whether severe human rights issues and incidents connected to consumers and/or end-users have been reported and related information, if applicable**

No severe human rights issues were reported during 2025 nor 2024.

**S4-4.37: Disclosure of what resources are allocated to the management of material impacts and how they are managed**

BAWAG Group has dedicated teams to address negative impacts on consumers and/or end-users. Therefore, personnel and financial resources are allocated for both areas. Complaint management is described in S4-3.25b. For data-related topics,

the data protection office has been set up and a Chief Information Security Officer appointed.

## Metrics and Targets Relating to Consumers and End-Users

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### S4-5 – Targets

#### **S4-5.38a, c: Targets reducing negative impacts or for managing material risks and opportunities**

BAWAG has not set a target in these categories.

S4-5.38b: Promoting positive impacts on consumers and/or end-users

S4-5.41a, b: Targets and performance

<b>Access to products and services</b>	
Target	100% fully digitized retail products by 2026
Target-supporting objective of policy	The target is part of the tech/ops strategy.
Target definition	With the shift towards more digital engagement as a response to a change in customer behavior, we have adjusted our business towards advisory services in our branch network, while shifting more straightforward day-to-day tasks to our digital/online channels. Fundamental to that development is the continuous enhancement of our digital product offering. Customers increasingly expect traditional branch services to be available on e-banking and mobile platforms.
Scope	BAWAG
Base year	2021: 75% of retail products
Target year	2026: 100% of retail products
Involvement of customers	The interests of customers were considered as part of the change in customer behavior for banking products and services.
Changes of the targets	No changes during the reporting period
Current status	Harmonizing online and branch processes allowed us to digitize roughly ~90% of retail products by 2025.

BAWAG has not set further targets in relation to consumers and end-users. We do our utmost to protect customer data and have initiated respective initiatives and measures to do so.

In data protection, the aim is to keep the number of data breaches as low as possible. In 2025, BAWAG had 243 data breaches at the Group level, compared to 110 in 2024. The increase resulted from the acquisitions.

## Governance

## Business conduct

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Operating in a highly regulated sector, we embrace governance as a means to protect our franchise and not as a burden imposed upon us. We strongly believe that maintaining a strong governance structure protects our stakeholders - namely, our customers, shareholders and our employees - and by the same token enables and strengthens our business. Our corporate culture, a combination of our long-dated history combined with entrepreneurship mentality and meritocracy, allows us to execute our strategy and proactively address future challenges.

In line with our strategy, we focus on three strategic pillars when looking at corporate governance:

### GROWTH

It is key to have a strong corporate governance framework in place which ensures a healthy business and supports our growth, e.g. when entering new markets.

### EFFICIENCY

Corporate governance simplification includes the following:

- Simplification through branchification, i.e. intra-group mergers, which enhances Group oversight and reduces the overhead of managing separate regulated entities.
- Simplification through integration/centralization, to the extent legally permissible and commercially prudent by enhancing Group oversight and leveraging Group functions.

### SAFE AND SECURE

BAWAG Group's business model and strategy limit certain risk areas (e.g. by virtue of defining its core markets, which characteristically have strong and stable legal systems) and are additionally strengthened by a clear governance approach through centralization of functions and setting consistent standards, clear ownership of responsibilities and reporting lines, and embedding our corporate culture.

## ESRS 2 GOV-1: Governance

The administrative, management, and supervisory bodies are responsible for the implementation of an efficient governance structure and therefore take part in implementing these topics, approving respective policies, and monitoring and deciding on related initiatives. They receive quarterly updates on the anti-corruption management system, including changes to policies and processes as well as actions taken. Both the Management Board and Supervisory Board receive specific, targeted training. This training covers the definition of terms, the legal basis, compliance monitoring activities and regulations on the acceptance and granting of benefits and the related prohibitions. The responsibility for the management of business conduct matters lies with the Chief Compliance Officer, who has a direct reporting line to the full Management Board.

## ESRS 2 IRO-1: Material impacts, risks and opportunities

Through our materiality assessment, we identified our corporate culture, bribery and corruption prevention, protection of whistleblowers, securities compliance, and anti-money laundering as material. The detailed process is disclosed in the ESRS 2 standard describing the materiality assessment process.

## ESRS G1-1: Business conduct policies and corporate culture

### G1-1.10a: Establishment, development, promotion and evaluation of corporate culture

Corporate culture defines our values, how we work together, how we interact with our stakeholders and how we make decisions. It combines the best parts of our legacy as a trade union bank focused on serving local communities with a modern approach to business exemplified by entrepreneurship, accountability, meritocracy, diversity and inclusion.

Through our corporate culture, we create an environment that promotes high performance, a continuous improvement mindset and a prudent approach to risk. Our Code of Conduct incorporates our corporate culture and overall strategy. It contains the principles that provide guidance on appropriate

conduct in all our daily business, including for anti-corruption, suppliers and unlawful behavior.

### Promoting and evaluating corporate culture

We view our corporate culture as an important intangible asset. We measure the success of our corporate culture based on several factors, including our financial performance – with BAWAG Group having become one of the most profitable and efficient banks in Europe. We also consider compliance and ethics, and aim to minimize the risk of violations to the greatest extent possible, while promoting the ethical behavior of our employees. Employee surveys enable us to measure the satisfaction of our employees and identify areas for improvement, to remain an attractive employer and grow together with our employees. Our corporate culture also prioritizes diversity and inclusion as an opportunity for the organization.

## Code of Conduct

BAWAG Group's Code of Conduct sets forth the understanding of banking and conduct ethics that is applied in BAWAG Group. It defines the standards of conduct that are expected of every member of BAWAG Group and describes BAWAG Group's responsibility towards people and the environment. The Code of Conduct relates to all identified material impacts, risks and opportunities, namely corporate culture, bribery and corruption prevention, protection of whistleblowers, and anti-money laundering. In addition, the Code of Conduct defines material impacts, risks and opportunities in other areas, like human rights and the environment.

Employees are required to understand and follow the code of conduct, and undergo training to this end at least every two years. As part of the training, employees are familiarized with aspects of business ethics, anti-corruption rules, compliance and tax compliance and also gain an understanding of the general principles of conduct that apply in day-to-day business. The Code of Conduct also applies to members of the Management Board and Supervisory Board.

The responsibility for implementation lies with the Management Board as well as the respective direct supervisors, who serve as ethical role models. The Securities Compliance Office is responsible for monitoring compliance with the Code of Conduct through regular reviews and reports any findings to the Management Board and Supervisory Board.

The Code of Conduct includes BAWAG Group's commitment to applying the current provisions of the Austrian Code of Corporate Governance. Furthermore, BAWAG Group has committed to the ten Principles of the UN Global Compact, the seven UN Global Compact Women's Empowerment Principles, the UN Sustainable Development Goals, and the OECD guidelines.

## Supplier Code of Conduct

The Supplier Code of Conduct defines our expectations towards our business partners, ensuring they adhere to our standards of ethically correct and legally compliant behavior, environmental protection (including biodiversity), human rights, and the health and safety of employees. This includes complying with the applicable laws of the respective jurisdiction and refraining from actions that could unlawfully influence the decisions of government representatives and public bodies or authorities. It prohibits the acceptance of gifts and gratuities by employees in connection with their work and duties, in excess of customary gifts or other benefits. Suppliers are required to sign the Supplier Code of Conduct, as stipulated in the Group-wide Corporate Procurement Policy. This applies to all entities of BAWAG Group. The

implementation of the Supplier Code of Conduct is under the responsibility of the Management Board.

## Unlawful behavior

BAWAG Group does not tolerate financial crime or any kind of unlawful behavior. This includes any abuse of power, position, or resources in order to gain a personal advantage or an advantage for third parties, or to influence the behavior of the recipient in a particular direction.

We make every effort to ensure that we are not misused for illegal or dubious business practices, such as money laundering, terrorist financing, or financial crime. We clearly establish the identity of our customers and obtain sufficient information about their creditworthiness and business activities. We report suspicious transactions to the appropriate authorities, including the department responsible for anti-money laundering.

We work to prevent any form of market abuse, such as insider trading and market manipulation. We also maintain comprehensive conflict of interest guidelines that contain examples and behavioral rules, to ensure that personal self-interests do not conflict with our obligations to BAWAG Group and to our customers. Any potential conflict of interest must be reported to the Securities Compliance Office immediately.

## Anti-Corruption Policy

Our Anti Corruption Policy covers allowances, gifts, sponsorships, charitable donations and public officials. It details the levels of specific benefits that can be accepted up to certain thresholds and that are subject to documentation, approval, and reporting. It also defines benefits that are prohibited under all circumstances. The Anti Corruption Policy relates to bribery and corruption prevention.

All business areas of BAWAG Group are monitored as part of an annual risk assessment by the Securities Compliance Office. Departments that are particularly at risk are regularly informed of their obligations during compliance audits. In addition, compliance SPOCs (single points of contact) across the organization help raise awareness of the need to handle benefits in accordance with the rules. Based on the training that every employee receives, BAWAG Group expects its employees to act responsibly concerning anti-corruption and bribery. The responsibility for implementation lies with the Management Board.

The rules set out in this policy are based on both legal principles and market standards that comply with the United Nations Convention against Corruption. In order to comply with the legal framework, the rules in this policy are based on the ISO 37001 standards and also comply with the Business Principles for Countering Bribery by Transparency International.

### G1-1.10c: Whistleblower protection

Employees can report suspicious circumstances to their managers at any time as part of the open dialogue promoted between employees and managers. Employees can also submit reports anonymously and confidentially via a web-based whistleblowing system operated by an independent provider and certified under European data protection law. The implementation of whistleblower protection is under the responsibility of the Management Board.

The whistleblowing process is intended to ensure that information in connection with fraud, corruption or violations of laws, data protection and network or information security can be submitted anonymously and confidentially and will be investigated without exception. It also ensures that the whistleblower is protected at all times.

The whistleblowing process is part of the Compliance and Conduct self-learning training program for employees. Detailed information on the process is defined in the Group-wide Whistleblowing Policy, which is available to employees in German and English on the intranet. The regulations are intended to ensure that all reports of legal violations across the Group are followed up on in accordance with the Whistleblower Protection Act in Austria, the Whistleblower Protection Act in

Germany, and other laws that provide for whistleblowing, as well as violations of the Supplier Code of Conduct.

In order to protect whistleblowers, BAWAG Group applies the following protective measures of the Whistleblower Protection Act applicable in Austria (HSchG) and the Whistleblower Protection Act applicable in Germany (HinSchG): exemption from liability, exemption from the burden of proof, exemption from confidentiality obligations and protection against retaliation. Furthermore, BAWAG Group adopts protective measures from other laws that provide for whistleblowing (e.g. Section 99 g Banking Act (BWG) in Austria). These protective measures also cover whistleblowers who report a violation of the Supplier Code of Conduct.

### G1-1.10e: Investigating business conduct

The Securities Compliance Office monitors anti-corruption regulations in accordance with the Supplier Code of Conduct, for our business relationships with suppliers. Adherence to the Anti-Corruption Policy is assessed during compliance reviews. Further details on BAWAG Group's approach towards ethics and anti-corruption can be found in the Anti-Corruption Policy and Business Ethics Guidelines, published on our Sustainability website as well as the download center (<https://www.bawaggroup.com>).

### G1-1.10g: Internal business conduct training policy

Our organization conducts regular training on business conduct, targeting all employees of BAWAG Group and covering a wide range of topics such as anti-corruption, ethical business practices, and corporate social responsibility. This training takes place every two years and is designed to deepen the understanding and implementation of our business conduct policies. The Securities Compliance Office monitors the participation of all employees. In addition, the Securities Compliance Office conducts further training measures such as reviews, webinars and specialized training courses. The responsibility for implementation lies with the Management Board.

This topic relates to the identified material impacts, risks or opportunities of corporate culture and bribery and corruption prevention.

### G1-1.10h: At-risk departments

Functions most at risk in respect of corruption and bribery are those with external downstream and upstream business relationships, such as Procurement, Sales & Marketing, Supply Chain Management, and finance and business units.

### **G1-3: Prevention and detection of corruption or bribery**

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#### **G1-3.18a: Preventing, detecting and addressing allegations or incidents of corruption and bribery**

We take responsibility for helping to protect the broader financial system and consequently the economy, with zero tolerance for corruption, financial crime, and bribery. Before taking measures for prevention, we start by minimizing the risk of corruption and bribery. This approach defines our strategy in terms of the markets we operate in and the kind of business we do.

The implementation and monitoring of regulations in regard to corruption and bribery is the responsibility of the Securities Compliance Office. This unit is independent from the operating business. To be able to fulfill our responsibilities and minimize the risks for the bank, we continuously improve our processes, controls, and policies based on advances in technology and better knowledge. We have established various procedures to prevent, detect and address potential cases of corruption and bribery, be it internally or externally. The Anti-Corruption Policy defines our framework for managing the risk of corruption from employees, clients, us as an organization, and other third parties, and applies to all subsidiaries and branches of the Group.

Other policies such as the Code of Conduct, support this framework. It raises awareness of the fact that all attempts at bribery or other unlawful gratuities, such as facilitation payments, must be refused. All our employees are obligated to sign and follow the Code of Conduct.

Benefits must be documented after the approval process by supervisors to enable subsequent review and ensure transparency. Benefits and their approval by supervisors are recorded in good time before a benefit is accepted or given in the Group-wide Compliance Portal, which is accessible to all employees. In addition to documenting benefits, the Compliance Portal also enables benefits to be reviewed and finally approved by the Securities Compliance Office.

Based on an annual risk assessment, the Securities Compliance Office also conducts audits of selected organizational units at least once a year to address anti-corruption and ethics issues.

#### **G1-3.18b: Committee separate from the chain of management involved in the matter**

BAWAG Group established a whistleblowing system for the anonymous receipt and processing of information tips as early as 2013. The third-party system is an internet-based system accepting tip-offs concerning acts of economic crime in German and English. In addition, employees can report suspected cases confidentially to the Securities Compliance Office, which investigates independently and separately from the chain of management.

#### **G1-3.18c: Reporting of outcomes to the administrative, management and supervisory bodies**

Every violation of the Anti-Corruption Policy by our employees or third parties and any major risk stemming from clients is reported to the Securities Compliance Office and, in the event that it materializes, also to the respective regulatory bodies. We refrain from entering into client relationships where we see potential issues. In the case of existing clients, any unacceptable risk can lead to the termination of the business relationship.

#### **G1-3.20: Communication of policies**

The Anti-Corruption Policy is available in the intranet, both in German and English. In addition, a guide summarizing the most important anti-corruption obligations of employees is provided.

#### **G1-3.21a,c: Nature, scope and depth of anti-corruption and anti-bribery training programs**

All employees (including part-time) of BAWAG Group complete tailored training on ethics and anti-corruption at least every two years, including a mandatory test. In addition, ad hoc training may be conducted following specific incidents or as a result of a regular anti-corruption risk assessment. Ad hoc training can be specifically designed for individuals or departments or provided as information for the entire organization.

Members of the Management Board and the Supervisory Board also receive specific training on ethics and anti-corruption without a mandatory test.

In 2025, BAWAG Group provided training (e.g., self-learning programs) to its employees. For at-risk functions, the training is mandatory.

	At-risk functions	Managers	Administrative, management and supervisory body.	Other own workers
<b>Training coverage</b>				
Total employees receiving training	100%	100%	100%	98%
<b>Delivery method and duration</b>				
Classroom training (hours)	—	—	1	—
Computer-based training (hours)	1	1	—	1
Voluntary computer-based training (hours)	—	—	—	—
<b>Frequency</b>				
How often training is required (in years)	Every 2 years	Every 2 years	Every 2 years	Every 2 years
<b>Topics covered</b>				
Definition of corruption	YES	YES	YES	YES
Explanation: benefits and consequences of violations	YES	YES	YES	YES
Differences between benefits in the private and public sector	YES	YES	YES	YES
Public administration	YES	YES	YES	YES
Procedures in the event of suspicion/detection	YES	YES	YES	YES

### G1-3.21b: Percentage of at-risk functions covered by training programs

100% of the at-risk functions (which are Procurement, Sales and Marketing, Supply Chain Management, and finance and sales units) are covered by the training programs.

### G1-4: Incidents of corruption

#### G1-4.24: Incidents of corruption or bribery

Incidents of corruption or bribery	2025	2024
Number of convictions for violation of anti-corruption and anti- bribery laws	—	—
Amount of fines for violation of anti-corruption and anti- bribery laws	—	—

These data are derived from a list of incidents that the Securities Compliance Office maintains and updates continuously. As there were no incidents of corruption or bribery in 2025, no external validation was carried out.

## Securities compliance

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The topic of securities compliance was identified as relevant in the materiality analysis, but does not meet the thresholds for classification as an impact, risk, or opportunity (IRO) according to ESRS. Nevertheless, the topic is addressed in the sustainability reporting due to its significance for corporate governance and stakeholder confidence in the company's business activities. Reporting is voluntary in order to create transparency about the relevant management approaches and activities.

Securities Compliance is a group-wide second-line function responsible for ensuring compliance with all material legal and regulatory requirements in the securities business and for maintaining an effective control environment to prevent market abuse (in particular insider trading and market manipulation) and to avoid and manage conflicts of interest. The function operates across the Group's key securities-related activities, including product development, advisory services, sales, trading, and settlement, and addresses in particular functions and employee groups with increased risk or access to information in sensitive areas. Overall responsibility for the effectiveness of this framework lies with the Management Board; Securities Compliance reports regularly to the Management Board and relevant governance bodies.

The securities compliance framework is implemented through binding Group-wide guidelines and process standards, which are available on the intranet and provide employees with clear, mandatory guidelines on securities-related conduct, control obligations, and escalation procedures. In terms of content, this framework includes organizational information barriers (permanent and temporary confidentiality areas) based on the need-to-know principle, the management of watch lists and restricted lists and rule-based trading restrictions during sensitive periods (e.g., around quarterly, half-yearly, and annual financial statements). For defined groups of persons, there are also pre-clearance obligations prior to transactions in group financial instruments. In addition, reporting and control obligations for employee transactions have been implemented, including regulations on third-party securities accounts and declarations of completeness, in order to make external securities transactions transparent and controllable. In suspicious cases, there are defined escalation and reporting processes, up to and including regulatory communication.

Securities Compliance uses a combination of ongoing and periodic measures to implement and monitor this framework. These include system-based controls of employee transactions and securities transactions, including documented alert and

review handling, ongoing maintenance of confidentiality areas and watch/restricted mechanisms, implementation and monitoring of pre-clearance processes, and control of external securities accounts and annual completeness reports. For prevention and detection purposes, relevant communication channels are also monitored and evaluated. The effectiveness of the measures is reviewed through annual compliance reviews and risk-based audits; corrective measures, retraining, and, if necessary, sanctions derived from these reviews are documented and tracked. Overall, this approach serves to continuously improve compliance processes and ensure consistent, group-wide standards.

The target management of the securities compliance framework is geared towards complete coverage of key prevention and control mechanisms. First, the aim is for 100% of the defined target groups to complete the mandatory securities compliance training within the specified time limits and for compliance to be monitored regularly. Second, the plan is for 100% of the verifications specified in the annual securities compliance controlling and review plan to be carried out; any deviations are documented and addressed through compensating measures. Third, the timely processing of findings from reviews and audits is managed by closing a defined proportion of the findings within a specified time frame, including proof of implementation of corrective measures. Fourth, the bank's timely alignment with new or amended regulatory requirements is managed by transposing such requirements into guidelines, processes, and control mechanisms within a defined period after they come into force or become applicable, and by documenting them in a traceable manner.

## Anti-money laundering and combating terrorism financing

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The topic of combating money laundering and terrorist financing was classified as an insignificant IRO (impact, risk, or opportunity) in accordance with ESRS as part of the materiality analysis and therefore does not meet the defined thresholds for mandatory reporting. However, due to the high importance of this topic for rating agencies and external stakeholders, voluntary reporting is carried out in order to create transparency about the existing compliance structures and management approaches. The company has not currently defined any specific sustainability targets for this non-material IRO, as the existing regulatory requirements and internal compliance processes are considered sufficient

We are committed to combating financial crime and ensuring that accounts held at our organization are not misused for illegal activities, such as money laundering or terrorism financing. We have implemented Group-wide policies, processes, and controls concerning anti-money laundering (AML) and combating terrorism financing (CTF). These policies are based on the applicable legal frameworks, such as the Austrian Financial Market Money Laundering Act and the applicable EU regulations

Our AML/CTF strategy is closely aligned with the defined ESG risks and aims for customers with a low AML/CTF risk profile. The strategy defines any prohibited and restricted countries, customers, industries and products and it sets the minimum requirements for know your customer (KYC), customer due diligence (CDD) and enhanced due diligence (EDD). We fully support international and national authorities in combating illicit activities, including terrorism financing, tax fraud, and other illegal activities.

AML/CTF prevention is supported by risk classification, customer transaction screening, and by an automated monitoring system that screens customers against internationally recognized lists. Transactions are monitored in real-time (for sanctions and CTF) and ex-post via specific AML/CTF scenarios and defined thresholds, depending on the customer risk class.

BAWAG Group has internal control systems in line with applicable laws. These systems ensure efficient and high-quality processes, with potential customer cases and transactions reported on a regular basis to BAWAG Group's AML & CTF Office; any anomalous findings are reported immediately.

Our AML/CTF policies provide for clear instructions and guidance for employees on all AML, CTF- and sanctions-related topics, with mandatory, designated training conducted via self-learning programs and via face-to-face training by compliance officers or external companies.

Adherence to the guidelines is reviewed by the AML & CTF Office in compliance reviews, which are conducted in line with a risk-analysis-based annual plan approved by the Audit and Compliance Committee of the Supervisory Board. These reviews also include subsidiaries of BAWAG Group. Further details on BAWAG Group's approach towards AML and CTF can be found in the Anti-Money Laundering Policy, which is published on our Sustainability website <https://www.bawaggroup.com/en/downloads>.

Vienna, 25 February 2026  
The Management Board

Anas Abuzaakouk m.p.  
Chief Executive Officer

Enver Sirucic m.p.  
Member of the Management Board

Andrew Wise m.p.  
Member of the Management Board

David O’Leary m.p.  
Member of the Management Board

Sat Shah m.p.  
Member of the Management Board

Guido Jestädt m.p.  
Member of the Management Board

## Independent assurance report on the non-financial reporting pursuant to Section 267a UGB

We have conducted an audit to obtain limited assurance on the consolidated non-financial report of BAWAG Group AG (hereinafter “the company”) for the fiscal year ending December 31, 2025.

### Summary Assessment based on an Audit with Limited Assurance

Based on the audit procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the consolidated non-financial report is not, in all material respects, in accordance with the requirements of § 267a UGB (NaDiVeG), including

- compliance with the voluntarily applied European Sustainability Reporting Standards (hereinafter ESRS),
- implementation of the procedure for identifying information to be reported according to ESRS (hereinafter "Materiality Assessment Process") and its presentation in the chapter “Impact, risk and opportunity management”,
- compliance with the reporting requirements according to Art. 8 of the Taxonomy Regulation (EU) 2020/852. (hereinafter EU-Taxonomy Regulation).

### Basis for the Summary Assessment

We conducted our audit with limited assurance in accordance with the legal provisions and relevant Austrian professional standards for other assurance engagements and supplementary statements, as well as with the International Standard on Assurance Engagements (ISAE 3000 (Revised)) applicable to such engagements. An engagement with limited assurance involves less extensive assurance procedures than an engagement with reasonable assurance, thereby resulting in a lower level of assurance.

Our responsibilities under these regulations and standards are further described in the section "Responsibilities of the Auditor of the Consolidated Non-Financial Report" of our assurance report.

We are independent of the group in accordance with the Austrian professional standards and Art. 22 ff. AP-RL, and we

have fulfilled our other professional duties in accordance with these requirements.

Our audit firm is subject to the provisions of the KSW-PRL 2022, which essentially correspond to the requirements of ISQM 1, and applies a comprehensive quality management system, including documented policies and procedures to comply with ethical requirements, professional standards, and applicable legal and regulatory requirements.

We believe that the audit evidence we have obtained up to the date of the assurance report is sufficient and appropriate to provide a basis for our summary assessment as of that date.

### Reference to another matter

We point out that the prior year's comparative information was not part of our limited assurance and is therefore not covered by our summary assessment.

### Other Information

The legal representatives are responsible for the other information. The other information comprises all information in the group annual report for the financial year 2025 of the company, except for the consolidated non-financial report and our assurance report.

Our summary assessment of the consolidated non-financial report does not cover the other information and we will not express any form of assurance conclusion thereon. In connection with our audit of the consolidated non-financial report, our responsibility is to read the other information and, in doing so, consider whether it is material inconsistent with the consolidated non-financial report or with our knowledge obtained during the engagement with limited assurance or otherwise appears to be materially misstated. If, based on the work we performed, we conclude that a material misstatement of the other information exists, we are required to report that fact. We have nothing to report in this regard

## Responsibilities of the Legal Representatives and the Supervisory Board

The legal representatives are responsible for preparing a consolidated non-financial report, including developing and implementing the Materiality Assessment Process in accordance with applicable requirements and voluntarily applied standards. This responsibility includes

- identifying actual and potential impacts, risks, and opportunities related to sustainability aspects and assessing the materiality of these impacts, risks, and opportunities,
- preparing the consolidated non-financial report in compliance with the requirements of § 267a UGB (NaDiVeG),
- including information in the consolidated non-financial report in accordance with the EU-Taxonomy Regulation and
- designing, implementing, and maintaining internal controls determined necessary by the legal representatives to enable the preparation of the consolidated non-financial report that is free from material misstatement, whether due to fraud or error, and conducting the Materiality Assessment Process in accordance with ESRS requirements.

This responsibility also includes selecting and applying appropriate methods for consolidated non-financial reporting and making assumptions and estimates about individual sustainability information, which are reasonable under the given circumstances.

The supervisory board is responsible for overseeing the Materiality Assessment Process and the preparation of the consolidated non-financial report.

## Inherent limitations in the Preparation of the Consolidated Non-Financial Report

When reporting on future-oriented information, the group is required to prepare this future-oriented information based on disclosed assumptions about events that may occur in the future, as well as possible future actions of the group. Deviations are likely as expected events often do not occur as assumed.

When determining information in accordance with the EU Taxonomy Regulation, the legal representatives are obliged to interpret ambiguous legal terms. These terms can be subject to various interpretations, including their legal compliance and are therefore subject to uncertainties.

## Responsibilities of the Auditor of the Consolidated Non-Financial Report

Our objectives are to plan and conduct an audit to obtain limited assurance as to whether the consolidated non-financial report, including the Materiality Assessment Process presented therein and the reporting according to the EU Taxonomy Regulation is free from material misstatement, whether due to fraud or error, and to issue a report that includes our summary assessment. Misstatements can result from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of intended users taken on the basis of the consolidated non-financial report.

Throughout the engagement with limited assurance, we exercise professional judgment and maintain professional skepticism

Our responsibilities include

- performing risk-based procedures to identify and assess the risks of material misstatement in the consolidated non-financial report, whether due to fraud or error, and obtaining sufficient appropriate evidence to address those risks, but not for the purpose of expressing an opinion on the effectiveness of the group's internal controls, and;
- developing and performing audit procedures related to information in the consolidated non-financial report, where material misstatements are likely. The risk of not detecting material misstatements resulting from fraud is higher than those resulting from errors, as fraudulent activities may involve collusion, forgery, intentional omissions, misleading representations, or the override of internal controls.

## Summary of the Work Performed

An engagement with limited assurance involves performing procedures to obtain evidence about the consolidated non-financial report. The nature, timing, and extent of the procedures selected depend on professional judgment, including identifying information in the consolidated non-financial report where material misstatements could occur, whether due to fraud or error.

In performing our audit to obtain limited assurance regarding the consolidated non-financial report, we proceed as follows:

- We gain an understanding of the company's procedures relevant to the preparation of the consolidated non-financial report.
- We assess whether all relevant information identified in the Materiality Assessment Process is included in the consolidated non-financial report.
- We assess whether the structure and presentation of the consolidated non-financial report are in accordance with ESRS.
- We conduct inquiries with relevant personnel and analytical audit procedures on selected information in the consolidated non-financial report.
- We perform sample-based outcome-oriented audit procedures on selected information in the consolidated non-financial report.
- We reconcile selected information in the consolidated non-financial report with corresponding information in the group financial reports and other sections of the group annual report.
- We obtain evidence on the methods used to develop estimates and forward-looking information.
- We gain an understanding of the process for identifying taxonomy-eligible and taxonomy-aligned business activities and preparing the corresponding information in the consolidated non-financial report.

## Limitation of Liability and Publication

The audit to obtain limited assurance of the consolidated non-financial report is a voluntary assurance engagement.

We issue this assurance report based on the engagement letter concluded with the Company, which also applies to third parties on the basis of the General Conditions of Contract for the Public Accounting Professions (AAB 2018). The AAB 2018 can be accessed online on the website of the Chamber of Tax Advisors and Auditors (KSW - Kammer der Steuerberater:innen und Wirtschaftsprüfer:innen, under the section Berufsrecht / Mandatsverhältnis).

Concerning our responsibilities and liability arising from the engagement relationship, point 7 of the AAB 2018 applies. Consequently, our liability for slight negligence is excluded. In the case of gross negligence, the maximum liability for the company and third parties is five times the received fee, but is limited to a maximum of ten times the minimum insurance sum of the professional liability insurance according to § 11

Wirtschaftstreuhandberufsgesetz 2017 (WTBG 2017). This amount constitutes the maximum liability limit, applicable only once, even in the event of multiple claimants or grounds for claims. Compensation claims for damages is restricted to actual damage. We are liable for lost profits only in cases of intent or gross negligence, to the extent permitted by law. We are not liable for unforeseeable or atypical damages that we could not have anticipated.

The assurance report may only be disclosed to third parties in conjunction with the consolidated non-financial report and must be provided in its entirety and without any abridgement.

## Responsible Auditor

The auditor responsible for the audit of the consolidated non-financial report is Mag. Alfred Ripka.

Vienna, February 25, 2026

### Deloitte Audit Wirtschaftsprüfungs GmbH

Mag. Alfred Ripka  
Certified Public Accountant

Mag. Wolfgang Wurm  
Certified Public Accountant

The publication or distribution of the consolidated non-financial report with our assurance report shall only take place in the version confirmed by us. This assurance report refers exclusively to the complete German wording of the consolidated non-financial report. This report is a translation of the assurance report and is presented for the convenience of the reader only. The German wording of the assurance report is solely valid and is the only legally binding version.

## UN GLOBAL COMPACT COMMUNICATION ON PROGRESS (COP)

### Communication on Progress (COP)

As a signatory to the UN Global Compact, BAWAG Group is committed to complying with the ten principles focusing on labor rights, human rights, environmental protection and anti-corruption and, since signing the UN Global Compact Women's Empowerment Principles (WEP) in 2015, to complying with the

seven WEP. This CSR Report 2025 is thus also a report in the sense of the annual "Communication on Progress" (COP). For each principle, examples have been given of how they have been and are being implemented at BAWAG Group.

## The ten principles of the UN Global Compact and examples of implementation

The ten principles	Examples of implementation
Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights within their sphere of influence. (COP 1)	p. 304, 344, 345 General/principles/guidelines: Code of Conduct, Supplier Code of Conduct, Human Rights Policy
Principle 2: Businesses should make sure that they are not complicit in human rights abuses. (COP 2)	p. 304, 344, 345 General/principles/guidelines: Code of Conduct, Supplier Code of Conduct, Human Rights Policy
Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining. (COP 3)	p. 305 General/principles/guidelines: Freedom of association and the registration of trade unions are enshrined in law in our core markets. There is an ongoing exchange of information between management and the Works Council, and new works agreements are concluded regularly.
Principle 4: Businesses should uphold the elimination of all forms of forced and compulsory labor. (COP 4)	p. 345 General/principles/guidelines: Supplier Code of Conduct; the majority of our suppliers come from the DACH region. The topics of freedom of negotiation, forced labor, working hours and wages are part of the Supplier Code of Conduct item 3 "Respect for fundamental rights, health and safety of employees."
Principle 5: Businesses should uphold the effective abolition of child labor. (COP 5)	p. 345 General/principles/guidelines: Supplier Code of Conduct
Principle 6: Businesses should uphold the elimination of discrimination in respect of employment and occupation. (COP 6)	p. 304, 310, 344, 345 General/principles/guidelines: Code of Conduct, Supplier Code of Conduct, recruiting policies, Women's Advancement Plan, Mentoring Program
Principle 7: Businesses should support a precautionary approach to environmental challenges. (COP 7)	p. 243, 285 Energy efficiency, financing of renewable energy, sustainable activities
Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility. (COP 8)	p. 243, 285 Energy efficiency, financing of renewable energy, sustainable activities
Principle 9: Businesses should encourage the development and diffusion of environmentally-friendly technologies (COP 9).	p. 243 Financing of renewable energy and sustainable projects
Principle 10: Businesses should work against corruption in all its forms, including~ extortion and bribery. (COP 10)	p. 344, 345, 346  General/principles/guidelines: Code of Conduct, Supplier Code of Conduct, anti-corruption and gift acceptance policy, conflict of interests policy.

## The seven principles of the UN Global Compact Women’s Empowerment Program and examples of implementation

The seven principles	Examples of implementation
Principle 1: Establish high-level corporate leadership for gender equality (WEP 1)	p. 311, 312 Women’s Advancement Plan, Women’s Mentoring Program, flexible working time models, focus topic in management programs
Principle 2: Treat all women and men fairly at work – respect and support human rights and nondiscrimination (WEP 2)	p. 311, 312, 306, 345, 312, Recruiting policy, Diversity & Inclusion Policy, Code of Conduct, flexible working time models, Supplier Code of Conduct, Human Rights Policy, Women’s Advancement Plan, parental part-time work, paternity leave
Principle 3: Ensure the health, safety and well-being of all women and men workers (WEP 3)	p. 311, 312 Work and family audit, workplace health promotion, occupational health services; information events for expectant parents, welcome events for parents returning from parental leave, company daycare centers, workplace health promotion, occupational health services
Principle 4: Promote education, training and professional development for women (WEP 4)	p. 311, 312 Women’s Advancement Plan, Mentoring Program
Principle 5: Implement enterprise development, supply chain and marketing practices that empower women (WEP 5)	p. 311 Women’s Initiative
Principle 6: Promote equality through community initiatives and advocacy (WEP7)	p. 311, 312 Women’s Initiative, Diversity & Inclusion Policy
Principle 7: Measure and publicly report on progress to achieve gender equality (WEP7)	p. 311 Report on measures, objectives and target achievement as part of the annual CSR Report and the Communication on Progress (COP); proportion of female managers; ESG target related to Women’s quota in SLT

# DEFINITIONS

Key performance indicator	Definition / Calculation	Explanation
After-tax earnings per share	Net profit / weighted average diluted number of shares outstanding	After-tax earnings per share is the portion of net profit per individual share (diluted) of the stock.
Average interest-bearing assets	Month-end interest-bearing assets / number of months	Average of month-end interest-bearing assets within the quarter or the year is used for calculating net interest margin and risk cost ratio (see KPIs below).
Basic earnings per share	(Net profit - AT1 coupon) / weighted average number of shares outstanding	After-tax earnings per share is the portion of net profit (excluding AT1 coupon) per individual share of the stock.
Book value per share	Common equity (excluding AT1 capital, dividends and share buybacks) / number of shares outstanding	Book value per share represents the total amount of common equity divided by the number of shares outstanding at the end of the period.
Common equity	Equity attributable to the owners of the parent excluding dividend accruals and share buybacks	Common Equity is viability indicator for banks and facilitates the comparison of equity figures. It is used as the denominator of the return on common equity calculation (see below).
Common Equity Tier 1 (CET1) capital	Based on IFRS CRR regulatory figures including net profit and dividends	CET1 capital is defined by the CRR and represents the highest quality of capital. It therefore only comprises capital instruments that are available to the bank for unrestricted and immediate use to cover risks or losses as soon as they occur. The higher the bank's CET1 capital, the higher its resilience against such risks or losses.
Common Equity Tier 1 (CET1) capital transitional	Based on CRR regulatory transitional rules	CET1 capital is defined by the CRR and represents the highest quality of capital. It therefore only comprises capital instruments that are available to the bank for unrestricted and immediate use to cover risks or losses as soon as they occur. The higher the bank's CET1 capital, the higher its resilience against such risks or losses.
Common Equity Tier 1 (CET1) ratio	Common Equity Tier 1 (CET1) capital / risk-weighted assets	The CET1 ratio is one of the most important regulatory metrics and demonstrates the bank's financial strength by providing a measure for how well a bank can withstand financial stress. The ratio is consistently monitored to ensure compliance with regulatory minimum requirements. Before any business opportunities are entered into, they are thoroughly assessed with regard to their impact on the CET1 ratio. The CET1 ratio is shown based on transitional rules and including net profit and dividends.
Common Equity Tier 1 (CET1) capital pro forma	Common Equity Tier 1 (CET1) capital / risk-weighted assets including sale of a participation (YE 2025)	The CET1 ratio is one of the most important regulatory metrics and demonstrates the bank's financial strength by providing a measure for how well a bank can withstand financial stress. The ratio is consistently monitored to ensure compliance with regulatory minimum requirements. Before any business opportunities are entered into, they are thoroughly assessed with regard to their impact on the CET1 ratio. The CET1 ratio is shown based on transitional rules and including net profit, dividends and sale of a participation.
Core revenues	The total of net interest income and net fee and commission income	Core revenues consist of the line items net interest income and net fee and commission income and demonstrate the success of the bank in its core activities.
Cost-income ratio (CIR)	Operating expenses / operating income	The cost-income ratio shows the company's operating expenses in relation to its operating income. The ratio gives a clear view of operational efficiency. BAWAG Group uses the cost-income ratio as an efficiency measure for steering the bank and for easily comparing its efficiency with other financial institutions.
Customer deposits (segment view)	Customer deposits and selected own issues	Deposits to customers including own issues sold through retail network and private placements.
Customer funding (segment view)	Customer deposits incl. own issues	Deposits to customers, covered bonds and senior bonds sold through retail network and private placements.
Customer deposits average / Customer	Daily average	Averages based on daily figures.
Customer loans	Customer loans measured at amortized cost	The book value of customer loans measured at amortized cost.
Dividend per share	Dividend payout / shares outstanding	The dividend per share expresses the distributed profit over the dividend eligible share. The base for the shares eligible for dividend is shown is the shares outstanding at period end plus the respective tranches of the LTIP from the following year.
Diluted earnings per share	(Net profit - AT1 coupon) / weighted average diluted number of shares outstanding	After-tax earnings per share is the portion of net profit (excluding AT1 coupon) per individual share (diluted) of the stock.

Key performance indicator	Definition / Calculation	Explanation
Equity	Equity attributable to the owners of the parent	Equity as presented in the consolidated financial statements.
Interest-bearing assets	Financial assets + Assets at amortized cost	Interest-bearing assets comprise the line items Financial assets and Assets at amortized cost incl. customer business from relevant B/S positions.
Leverage ratio	Tier 1 capital / total exposure (calculation according to CRR)	The leverage ratio is a regulatory metric and expresses the relationship between the bank's Tier 1 capital and its total exposure, where total exposure includes on-balance and certain off-balance exposures but not on a risk-weighted basis. The ratio provides a metric to judge how leveraged a bank is. The higher the leverage ratio, the lower a bank is leveraged and the higher the likelihood of a bank withstanding negative shocks to its balance sheet.
Liquidity coverage ratio (LCR)	Liquid assets / net liquid outflows (calculation according to CRR)	The liquidity coverage ratio is a regulatory metric that ensures that banks maintain adequate levels of liquidity, i.e. sufficient highly liquid assets, to meet short-term obligations under stressed conditions. In keeping with this, the bank shall sustain any possible imbalance between liquidity inflows and outflows under stressed conditions over a period of thirty days. The ratio is consistently monitored by the management to ensure compliance with regulatory minimum requirements and short-term liquidity needs.
Loan-to-value (LTV)	Mortgage loans / appraised value (market value) of the property	The LTV ratio is a financial term to express the ratio of a real estate secured loan in relation to the value in use or market value of the underlying property.
Net interest margin	Net interest income / average interest-bearing assets	The net interest margin is a performance measure and is expressed as a percentage of what a bank earns on loans and other assets in a time period less the interest it pays on deposits and other liabilities divided by average interest-bearing assets. It is used for external comparison with other banks as well as internal profitability measurement of products and segments.
Net profit	Profit after tax attributable to owners of the parent	This profitability measure represents the profit after tax that is attributable to the owners of the parent in absolute amounts for the respective period as presented in the consolidated financial statements.
Non-performing loans (NPL) ratio (economic)	Non-performing loans / Exposure	The NPL ratio is a ratio to demonstrate the proportion of loans that have been classified as economical non-performing in relation to the entire credit risk exposure (on-balance and off-balance sheet receivables). Non-performing exposure (economic IFRS) - defined as NPL acc. to Art. 178 CRR excluding Retail & SME segment exposures without material arrears in rating class 8.1 (>90 DPD), 8.2 (restructuring) and 8.4 (hard and soft UTP triggers). The ratio reflects the quality of the portfolio and of the Group's credit risk management.
Non-performing loans (NPL) coverage ratio	Loan loss Provisions Stage 3 incl. prudential filter, reserves and collateral / NPL exposure economic	The total of stage 3 loan loss provisions and reserves including prudential filter and economic accepted value of collateral capped to NPL ec. exposure relative to the NPL exposure economic.
Non-performing loans (NPL) cash coverage ratio	Loan Loss Provisions Stage 3 incl. prudential filter and reserves / NPL exposure economic	The total of stage 3 loan loss provisions and reserves including prudential filter relative to the NPL exposure economic.
Net stable funding ratio (NSFR)	Available stable funding / Required stable funding	The Net Stable Funding Ratio (NSFR) requires banks to maintain a stable funding profile in relation to their on- and off-balance sheet exposures. NSFR has to be maintained at $\geq 100\%$ to comply with CRR II provisions in Art. 428b(2).
Off-balance business	Off-balance business	Off-balance business refers to assets or liabilities that do not appear on the Group's balance sheet such as loan commitments and financial guarantees.
Operating income	The total of core revenues, gains and losses on financial instruments and other operating income and expenses	As presented in the respective line item in the income statement.
Operating profit	Operating income less operating expenses and regulatory charges	As presented in the respective line item in the income statement.
Other income	Sum of gains and losses on financial instruments and other operating income and expenses	Other income consists of the line items gains and losses on financial instruments and other operating income and expenses.
Pre-provision profit	Operating income less operating expenses	As presented in the respective line item in the income statement.
Pre-tax earnings per share	Profit before tax / weighted average diluted number of shares outstanding	Pre-tax earnings per share is the portion of profit before tax per individual share (diluted) of the stock.
Prudential Filter (PF)	Other deduction from own funds	Deduction from own funds specifically calculated for the fraction of a Non-Performing Exposure (CRR) that is not sufficiently covered by provisions or other adjustments.
Return on common equity (RoCE)	Net profit / average common equity excluding AT1 capital and dividend accruals and share buybacks	These metrics provide a profitability measure for both management and investors by expressing the net profit as presented in the income statement as a percentage of the respective underlying (either equity related or asset related). Return on common equity and return on tangible common equity demonstrate profitability of the bank on the capital invested by its shareholders and thus the success of their investment. The "Return on ..." measures are useful for easily comparing the profitability of the bank with other financial institutions. Allocated equity to segments is based on an internal model taking into account risk-weighted assets and balance sheet size of the respective segment.
Return on tangible common equity (RoTCE)	Net profit / average tangible common equity excluding AT1 capital and dividend accruals and share buybacks	

Key performance indicator	Definition / Calculation	Explanation
Risk-weighted assets	Based on IFRS CRR regulatory figures	The calculation of risk-weighted assets is defined in the CRR. The figure describes the total amount of exposure at risk for a bank and includes both on-balance and off-balance positions. When calculating the amount, the bank can consider risk-mitigating elements (e.g. collateral) and has to derive regulatory risk weights for each position depending on the (external) credit rating of the counterparty or customer. Risk-weighted assets are used as the denominator for calculating the CET1 ratio (see above). As of 2025 the CRR III phase-in view is used.
Risk costs / interest-bearing assets; (risk cost ratio)	Provisions and loan loss provisions, impairment losses, operational risk and securitization costs (total risk costs) / average interest-bearing assets	This ratio is a measure for the quality of credit risk management and the loan portfolio itself. It provides a relative view of the risk costs for the period based on the average interest-bearing assets and allows benchmarking with other banks. Low risk costs may result from a high collateralization and/or a close monitoring of the credit rating of the customers. As a result, this implies that there are only few actual credit losses and little need for provisioning.
RWA density	Risk-weighted assets / total assets	The RWA density is a metric to obtain an “average risk weight” for a bank’s balance sheet, i.e. the bank’s total risk-weighted assets (see above) compared to the total assets. The ratio indicates the average risk weightings of the assets based on their regulatory assessment, which can be impacted by asset quality, the collateralization level or the applied models for assessing the risk weights.
Tangible book value per share	Tangible common equity (excluding AT1 capital, dividends and share buybacks) / number of shares outstanding	Tangible book value per share represents the total amount of common equity less intangible assets divided by the number of shares outstanding at the end of the period.
Tangible common equity	Common equity reduced by the carrying amount of intangible assets	Tangible common equity is another viability indicator for banks and facilitates the comparison of equity figures excluding intangible assets. It is used as the denominator of the return on tangible equity calculation (see below).
Total capital	Based on IFRS CRR regulatory figures including interim profit and dividends	Total capital and total capital ratio are regulatory metrics and compare to CET1 capital and the CET1 ratio in a way that the eligible capital for this purpose is extended by other instruments (e.g. Additional Tier 1 and Tier 2 instruments) not falling within the strict Common Equity Tier 1 definition. The total capital ratio is consistently monitored by the management to ensure compliance with regulatory minimum requirements. However, CET1 capital is of higher significance as it is also the base for prudential thresholds such as the SREP requirement. Therefore, BAWAG Group focuses more on CET1 capital and the CET1 ratio.
Total capital ratio	Total capital / risk-weighted assets	
Value-at-risk (VaR)	Measure of risk of investments	A method for quantifying risks that measures the potential maximum future losses that can occur within a specific period and with a certain probability.

## GLOSSARY

Associated company	A company over which a material influence is exerted in terms of its business or financial policy and that is recognized in the consolidated accounts using the equity method.
AML	Anti-Money-Laundering
Backtesting	A method for verifying projected VaR values by comparing them with the actual developments.
Banking book	All risk-bearing on- and off-balance-sheet positions of a bank that are not assigned to the trading book.
Cash flow hedge	A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognized asset or liability or a highly probable forecast transaction and could affect profit or loss.
CDS	Credit default swap; a financial instrument that securitizes credit risks, for example those associated with loans or securities.
CLO	Collateralized loan obligation; securities that are collateralized by a pool of credit claims.
Cross-selling	The active selling of complementary products and services to existing customers.
CRR	Capital Requirements Regulation; Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 Text with EEA relevance; in the applicable version.
Derivatives	Financial instruments whose value depends on the value of an underlying asset (such as stocks or bonds). The most important derivatives are futures, options and swaps.
Economic collateral	Market value of all economic collateral after applying internal haircuts capped to exposure.
Expected credit loss	IFRS 9 requires a bank to determine the expected credit loss (ECL) based on a probability assessment of future cash flows and losses. The ECL is basically defined as the difference between the cash flows that are due to the bank in accordance with the contractual terms of a financial instrument and the cash flows that the bank expects to receive (considering probabilities of default and expected recoveries).
Fair value	Price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants on the measurement date.
Fair value hedge	Assets or liabilities, generally with fixed interest rates, are protected against changes in their fair value using derivatives.
Futures	Standardized, exchange-traded forward agreements in which an asset must be delivered or purchased at a specific time and at a price that is agreed in advance.
Hedge accounting	An accounting technique that aims to minimize the effects that the opposing developments in the value of a hedge transaction and its underlying transaction have on the income statement.
Hedging	Protecting against the risk of disadvantageous interest rate and price changes.
ICAAP	Internal Capital Adequacy Assessment Process; an internal procedure to ensure that a bank has sufficient own funds to cover all material types of risk.
ILLAP	Internal Liquidity Adequacy Assessment Process; an internal procedure to ensure that a bank has robust strategies, policies, processes and systems for the identification, measurement, management and monitoring of liquidity risk.
Investment properties	Properties held as financial investments, primarily to generate rental income.
Monte Carlo simulation	A numerical method for solving mathematical problems by modelling random values.
Option	The right to buy (call) or sell (put) an underlying reference asset at an agreed price within a specific period of time or at a fixed point in time.
OTC	Over the counter; trade with non-standardized financial instruments directly between the market participants instead of through an exchange.
SALCO	Strategic Asset Liability Committee; a bank committee with a full board representation that decides on the most relevant issues related to liquidity, capital and interests.
Stage 2 Assets Ratio	Stage 2 Assets (assets with significant increase of credit since the initial recognition) in % of customer assets (Retail & SME, Corporates, Real Estate excl. Public).
Swap	A financial instrument that is generally used to exchange payment flows between two parties.
Trading book	All positions that a bank holds in financial instruments for the purpose of sale again in the short term when the best result can be achieved depending on the development of prices and interest rates. Positions that are not assigned to the trading book are managed in the banking book.
Impairments stage 1	Impairments (ECL) for assets without increase in credit risk since initial recognition.
Impairments stage 2	Impairments (ECL) with increase in risk since initial recognition but not credit-impaired.
Impairments stage 3	Impairments (provisions and reserves) for credit-impaired debt instruments.
Industry segmentation	Allocation to individual industries based on internal industry codes.

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