

# BAWAG GROUP

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

2025



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# 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%

## HIGHLIGHTS REMUNERATION

### VOTE ON NEW REMUNERATION POLICY

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**~70% support**

At the AGM 2025, shareholders of BAWAG Group approved the revised Remuneration Policy for the Management Board and the Supervisory Board with ~70% support. The Remuneration Policy sets out the guiding principles and structural parameters of the remuneration framework for both bodies, and this Remuneration Report has been prepared in accordance with those provisions.

### IMPLEMENTATION OF NEW POLICY

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**25% reduction of CEO fixed remuneration**

**Group Combined Plan:** The new Group Combined Plan (GCP) integrates short-term and long-term incentives into one framework, with 50% linked to annual KPIs and 50% deferred in shares based on multi-year performance. Awards under both components are granted only if defined performance thresholds are met, strengthening the pay-for-performance link and long-term alignment with shareholders.

**Reduction of fixed remuneration:** Following extensive shareholder engagement, we reduced Management Board fixed remuneration effective 1 July 2025, including a 25% reduction for the CEO. Fixed pay will be simplified to base salary plus pension, with all other fixed components removed.

### ESTABLISHMENT NEW PEER GROUP

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**Peers of SX7P covering ~80% of index**

A new peer group has been established in 2025, covering approximately 80% of the SX7P Index (STOXX Europe 600 Banks). The index serves as a widely used benchmark for investors and provides a representative view of the performance of European banks. Previously, BAWAG used three separate peer groups.

### CONTINUED ENGAGEMENT

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**>30% shares covered in governance roadshow**

From October 2025 to January 2026, the Chairman of the Supervisory Board and the Remuneration Committee engaged with investors representing more than 30% of BAWAG's share capital. While we have addressed the key remuneration topics including related disclosure expectations in recent years, we will continue this dialogue on an annual or bi-annual basis, depending on investor preference.

## COMPARATIVE INFORMATION

### Financial Performance & Culture

#### Financial Performance in 2025

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2025 has been another record year for the Group. 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.

#### Performance since IPO

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Between the IPO in 2017 and year-end 2025, we achieved a Total Shareholder Return of +326% with an outperformance versus the Stoxx Europe 600 Banks index (SX7P) of 183%, resulting in an outperformance of +143pts, or 1.8x. Our Earnings per share increased 26-fold (from € 0.42 to € 10.87), and dividend per share grew from €0.58 to €6.25 for 2025.

**Increase of dividends & additional share buybacks:** We have also distributed/earmarked € 3.7 billion of capital through € 2.6 billion in dividends and € 1.1 billion in share buybacks. This includes € 481 million for the 2025 dividend, which will be proposed to the Annual General Meeting on 22 April 2026.

#### Establishing an Owner-Operator Culture

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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.

#### Employee Stock & Cash Participation Programs:

In 2023, a new employee benefit scheme has been introduced at BAWAG to reward our team members for their dedication and commitment as well as to give everyone a chance to participate in the success of the company through direct share ownership as well as monetary participation in BAWAG's success in form of direct cash profit participations.

The benefit scheme consists of three components: (i) an annual (cash) profit participation bonus in form of € 1 per each million net profit of BAWAG Group, (ii) an ongoing stock participation program starting from 2024 according to which employees receive one BAWAG Group share per each month of employment within BAWAG Group, paid out

every three years (*BAWAG Employee Participation Program*) and (iii) an ongoing matching program in the years without share allocation according to which employees receive one free BAWAG Group share for every 3 BAWAG Group shares bought (*BAWAG 3+1 Matching Program*), up to a value of € 3,000 of matching shares.

#### **BAWAG 3+1 Matching Program & Employee Cash Profit Participation Program in 2025:**

We reported € 760 million net profit for the financial year 2024 which translated into a cash profit participation of € 760 for each employee which was paid out with July 2025 salaries. The *BAWAG 3+1 Matching Program* was very well received by our employees, resulting in a total distribution of 13,669 Matching Shares free of charge to our employees. None of these programs or initiatives applies to Management Board members.

### **Management Board Remuneration**

#### **Reduction of Fixed Salary**

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Following shareholder engagement in 2024—covering approximately half of the shareholder base—and in response to feedback from investors and proxy advisors, Management Board fixed remuneration was reduced as part of the Remuneration Policy submitted to the 2025 AGM, effective as of July 1, 2025, as follows:

- **Total fixed compensation for the Management Board** was reduced by **21.25%**, with the CEO's fixed remuneration reduced by **25%** on an annualized basis compared to FY 2024.
- The **fixed pay structure was simplified** to consist solely of base salary plus pension contributions (15%), with all other fixed elements removed.

This adjustment reflects a transparent and shareholder-aligned approach to governance, reinforces the shift toward variable, performance-linked remuneration under the Group Combined Plan (see below), and underscores our commitment to long-term alignment with our investors.

#### **Transition to the Group Combined Plan**

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In addition to implementing an overall reduction of 21.25% in Management Board fixed remuneration, the Remuneration Policy, as approved by the AGM 2025, provides for an updated variable remuneration structure designed to strengthen the incentive mechanisms for Management Board members by simplifying both the value proposition and to introduce targeted modifications consistent with best market practices, investor expectations, and regulatory requirements.

The Annual Bonus and Long-Term Incentive Plan, previously applied, have for the periods starting with the financial year 2025 combined into a new unified Group Combined Plan (GCP). This revised plan is intended to enhance alignment with our strategic objectives and to reinforce the connection between remuneration, risk, and sustainability across both short- and long-term horizons. Transitioning to the GCP represents a significant advancement in remuneration frameworks, mirroring trends adopted by leading listed banking groups worldwide. By integrating both short-term and long-term incentive elements into a unified model, this approach ensures alignment with organizational strategy and performance goals, while promoting sustained excellence and long-term value creation.

This redesigned approach increases the at-risk element of remuneration but reduces overall complexity. The principal features of the new Combined Plan are as follows:

- **Rolling Structure:** Facilitates annual review of compensation appropriateness.
- **Performance Assessment at Two Points in Time:** Includes annual evaluation (for the STI component) and confirmation of sustainable performance over three years (for the LTI component).
- **Investor Alignment:** Primarily involves payout in equity instruments (BAWAG Group shares), accompanied by extended deferral periods and lock-up clauses governing financial instrument components.

### Management Board Remuneration

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The table below presents Management Board members' total remuneration over the past five years. Salary reductions based on the new remuneration policy were effective July 1, 2025, and therefore are reflected as a half-year effect in these figures. This overview allows for a comparison of compensation trends and provides insight into how recent adjustments, such as the fixed compensation reduction, impact overall remuneration in the future.

€ amounts in thousand	2021	2022	2023	2024	2025
<i>Fixed remuneration</i>	€ 23,638	€ 24,011	€ 23,287	€ 24,174	€ 21,634
STI bonus in cash	€ 18,000	€ 14,250	€ 13,350	€ 18,500	€ 7,577
<b>Fixed remuneration incl. STI cash bonus</b>					<b>€ 29,211</b>
<b>STI bonus in shares / €</b>					<b>57,019 shares</b>
					<b>equals € 7,577</b>
<b>Total remuneration of Management Board members (excl LTI)</b>	<b>€ 41,638</b>	<b>€ 38,261</b>	<b>€ 36,637</b>	<b>€ 42,674</b>	<b>€ 36,788</b>
<b>LTI bonus in shares</b>	<b>412,317 shares</b>				<b>114,042 shares</b>
<b>Total remuneration of each Management Board Member</b>					
<b>€ amounts in thousand</b>					
<b>Anas ABUZAAKOUK</b>					
<i>Fixed remuneration + STI bonus in cash</i>	€ 10,575	€ 9,443	€ 9,039	€ 10,936	€ 7,444
<i>STI bonus in shares</i>					15,576 shares
<i>LTI Bonus in shares</i>	104,333 shares				31,158 shares
<b>Enver SIRUČIĆ</b>					
<i>Fixed remuneration + STI bonus in cash</i>	€ 6,544	€ 6,869	€ 6,806	€ 7,560	€ 5,311
<i>STI bonus in shares</i>					11,684 shares
<i>LTI bonus in shares</i>	70,224 shares				23,367 shares
<b>Sat SHAH</b>					
<i>Fixed remuneration + STI bonus in cash</i>	€ 8,067	€ 7,473	€ 6,913	€ 8,127	€ 5,592
<i>STI bonus in shares</i>					11,684 shares
<i>LTI bonus in shares</i>	78,250 shares				23,367 shares
<b>Andrew WISE</b>					
<i>Fixed remuneration + STI bonus in cash</i>	€ 7,433	€ 7,012	€ 6,299	€ 7,433	€ 5,191
<i>STI bonus in shares</i>					10,905 shares
<i>LTI bonus in shares</i>	72,231 shares				21,810 shares
<b>David O'LEARY</b>					
<i>Fixed remuneration + STI Bonus in cash</i>	€ 6,343	€ 4,994	€ 5,010	€ 5,895	€ 3,733
<i>STI bonus in shares</i>					4,755 shares
<i>LTI bonus in shares</i>	62,199 shares				9,510 shares
<b>Guido JESTÄDT</b>					
<i>Fixed Remuneration + STI bonus in cash</i>	€ 2,676	€ 2,470	€ 2,570	€ 2,724	€ 1,940
<i>STI bonus in shares</i>					2,415 shares
<i>LTI bonus in shares</i>	25,080 shares				4,830 shares

With respect to the LTI bonus under the Group Combined Plan (effective as of financial year 2025), it is noted that the 2025 bonus award's LTI portion remains subject to a thorough re-assessment at the end of a three-year performance period concluding in 2027, as detailed further below in this Remuneration Report. This means the LTI bonus may be further adjusted based on the target achievement during the assessment timeframe. Half of the STI bonus as well as the entire LTI bonus are awarded exclusively in ordinary BAWAG Group shares, and as a result, the pure share-based elements are separated out for improved transparency and comparability.

	2021	2022	2023	2024	2025
<b>Performance of BAWAG Group AG</b>					
Return on Tangible Common Equity (RoTCE)	16.1%	18.6%	25.0%	26.0%	26.9%
Cost-income ratio (CIR)	39.5%	35.9%	31.8%	33.5%	36.1%
Common Equity Tier 1 capital ratio (fully loaded)	15.0%	13.5%	14.7%	15.2%	14.2%
earmarked dividends	€ 267 million	€ 305 million	€ 393 million	€ 432 million	€ 481 million
<b>Average remuneration on an FTE basis<sup>1</sup></b>					
Employees of BAWAG Group	€ 64,360	€ 69,350	€ 70,865	€ 83,149	€ 84,941
Stock Grant Program		€ 947	€ 966		
Stock Matching Program		€ 347		€ 393	€ 484
Cash Profit Participation				€ 683	€ 760
Other cash payments <sup>2</sup>	€ 268	€ 551	€ 892		
<b>TOTAL</b>	<b>€ 64,628</b>	<b>€ 71,195</b>	<b>€ 72,723</b>	<b>€ 84,225</b>	<b>€ 86,185</b>

1) The average remuneration of employees in the table above shows the average of fixed remuneration (excluding bonuses) in respect of all employees who were employed within the BAWAG group for the entire financial year 2025 (including domestic and foreign subsidiaries/branches). The average amount shown for the Stock Matching Program excludes recent acquisitions to allow a true comparison to 2024 figures.

2) Other cash payments include one-time payments in connection to address specific circumstances, such as the Covid-19 pandemic in the financial year 2021 or inflation in the financial year 2022 or 2023.

# REMUNERATION OF THE MANAGEMENT BOARD

## Responsibility and processes related to Management Board Remuneration

The Remuneration Committee is tasked with overseeing the development of the remuneration system and determining both the amounts and procedures for awarding pay to the Management Board. It regularly reviews how the system is implemented, making adjustments when needed. Whenever there are substantial changes, and at least once every four years, the Remuneration Policy is presented at the Annual General Meeting for approval in accordance with Sections 78b and 98a of the Austrian Stock Corporation Act.

In April 2025, BAWAG Group's shareholders voted on the Remuneration Policy and approved it by a majority. The Remuneration Policy can be found on BAWAG Group's website ([www.bawaggroup.com](http://www.bawaggroup.com)).

Based on this policy, the Remuneration Committee sets annual targets for each Management Board member, taking into account their specific responsibilities and BAWAG's financial situation. The Remuneration Committee also considers market standards, informed by regular reviews of compensation within a peer group.

As disclosed in the Remuneration Report 2024, the peer group which is used for benchmarking purposes has been re-designed. Since 2025 the Remuneration Committee applies a peer group covering 80% weight of the SX7P banking index (Stoxx Europe 600 Banks index). The group will be assessed on an annual basis to capture any change in index compositions and to maintain a 80% coverage.

In 2025, the approach outlined above led to the inclusion of the following 20 banks into the peer group:

HSBC Holdings PLC	NatWest Group PLC
Banco Santander SA	Nordea Bank Abp
UniCredit SpA	Societe Generale SA
Banco Bilbao Vizcaya Argentaria SA	Commerzbank AG
BNP Paribas SA	Standard Chartered PLC
Intesa Sanpaolo SpA	CaixaBank SA
ING Groep NV	Skandinaviska Enskilda Banken AB
Barclays PLC	Erste Group Bank AG
Deutsche Bank AG	Danske Bank A/S
Lloyds Banking Group PLC	Swedbank AB

# FINANCIAL DEVELOPMENTS

## KEY DEVELOPMENTS

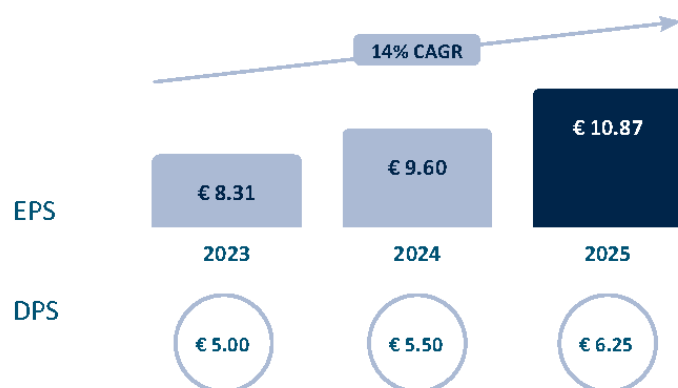
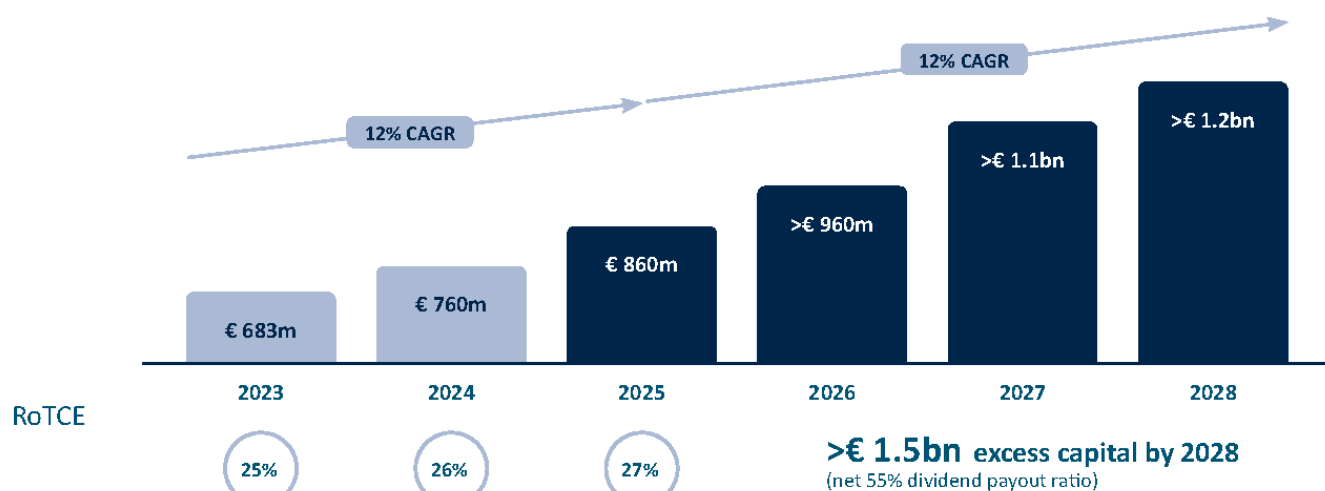
**Loan growth:** +3% organic loan growth / +12% including M&A

**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%**

## General Remuneration Principles

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The principles as outlined in the Remuneration Policy are defined in accordance with the provisions of the Austrian and EU Regulation current applicable. In coherence with the current regulatory framework applicable, the Remuneration Policy is in line with any and all applicable statutory provisions, such as in particular, the Austrian Stock Corporation Act (AktG), the Austrian Banking Act (BWG), the European Banking Authority (EBA) Guidelines on Sound Remuneration Policies under Directive 2013/36/EU as well as any and all other national and EU regulations, as applicable and amended from time to time.

Within this common policy framework, guidelines are established to implement compensation programs and plans. These are designed to support effective risk management policies and align with the long-term strategic objectives, focusing on sustainable value creation of the company, always in line with regulation requirements. To ensure competitiveness and efficacy of the remuneration system, as well as its transparency and fairness, the principles of responsible behavior and performance serve as the cornerstone of the Group Remuneration Policy.

- **Alignment with BAWAG strategy:** The remuneration framework supports BAWAG's strategic goals of growth, efficiency, and maintaining a safe and secure risk profile. It provides clear incentives for management to act in line with these priorities and to contribute to long-term value creation.
- **Alignment with investors' interests:** The incentive structure ensures that Management Board actions are aligned with the long-term interests of shareholders. Compensation decisions promote responsible and consistent execution of strategic objectives.
- **Alignment with regulatory framework:** The Remuneration Policy complies with Austrian corporate and banking laws as well as the European Banking Authority's Guidelines on Sound Remuneration Policies. It is reviewed regularly to reflect national and EU regulatory updates.
- **Performance-driven incentive system:** The framework follows a pay-for-performance principle. Clear performance criteria aligned with strategic objectives ensure merit-based, fair, and transparent outcomes for bonus determination.
- **Sustainability & ESG:** The remuneration system incorporates ESG objectives and supports responsible management practices. It encourages actions aligned with the expectations of customers, employees, suppliers, communities, and the environment, in line with recognized sustainability standards.

## Remuneration components as outlined in the Remuneration Policy

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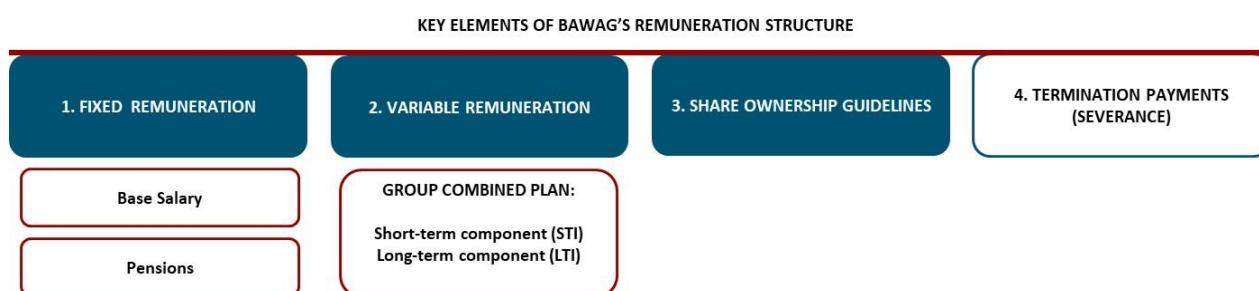
Total remuneration of Management Board members consists of fixed and variable compensation components. While fixed remuneration is not linked to performance, variable remuneration is performance-related and designed to create suitable incentives for the achievement of key corporate targets. The structure of the remuneration is set in a way that it gives the Management Board members motivation to achieve their targets both on a group level as well as on an individual level.

Remuneration paid to Management Board members can be qualified as either fixed or variable remuneration. The following overview provides guidance and further details on specific remuneration components as well as on specifics of the remuneration design at BAWAG.

- Management Board's **fixed remuneration** is limited to (adjusted) base salaries and pension (15%), with no other or additional benefits.

- **Variable compensation** consists of a GCP that integrates within one tool both short-term and long-term incentive programs, composed of cash payments and share-based awards in coherence with the regulatory framework as described in this chapter.

To complete the overall remuneration structure framework also share ownership guidelines (introduced by the latest Remuneration Policy as an additional update) and termination payments form an integral part of Management Board’s compensation package.



### 1. Fixed Remuneration

Fixed remuneration refers to the stable and guaranteed portion of compensation that is established based on predetermined, non-discretionary criteria, such as professional experience, level of responsibility, and seniority. This component does not incentivize risk-taking and is not contingent on BAWAG's performance. The fixed remuneration is composed of base salary and pensions, as described in more detail below. Apart from the base salary and pensions, Management Board members do not benefit from any fringe benefits or benefits-in-kind.

- **Base salary:** Base salary of Management Board members is fixed (non-discretionary) and paid in monthly installments. It reflects the individual level of professional experience, the specific board function and the responsibilities of the respective Management Board members. The compensation package is, with the assistance of external remuneration consultants, normally benchmarked at least on an annual basis against different peer groups and may be reviewed more frequently at the discretion of the Remuneration Committee, for example whenever changes in responsibilities, functions and/or roles of Management Board members occur. The Remuneration Committee reviews and approves changes to the base salary, taking into consideration factors such as the scope, role and responsibility of the respective Management Board members, developments of the size, value or complexity of BAWAG Group and increases within the employee base during a comparable timeframe. Management Board members do not receive any separate remuneration for their activities for board memberships in affiliated companies. Management Board members do not receive any separate remuneration for their activities for board memberships in affiliated companies.
- **Pensions:** Pension benefits are pre-defined and correspond to 15% of the base salary at present. This component of our remuneration program rewards Management Board members for their loyalty to the company and ensures that appropriate funds are set aside to assist with income during retirement.

## 2. Variable Remuneration – Group Combined Plan (GCP)

The variable incentive scheme composed of short- and long-term components has been restructured compared to the previous year, aimed at better aligning with the strategic objectives of the Group and improving its overall effectiveness. This system has been designed to support the annual achievement of the strategic objectives while ensuring that the results achieved are sustainable over the long term.

In essence, the GCP involves a split between  $\frac{1}{3}$  fixed and  $\frac{2}{3}$  variable remuneration, so that a high proportion of the remuneration is at risk. A total of 75 % of the variable remuneration is paid in the form of BAWAG Group shares and 25 % in cash, subject to long deferral periods and lock-up clauses for vested shares, which creates an even greater alignment of interests with shareholders.

Any variable remuneration is paid based on performance. Specific financial and non-financial KPIs are defined ex ante for the respective financial year by the Remuneration Committee both for the short-term and the long-term performance. Target setting for each Management Board member considers the scope and complexity of the respective functional responsibilities as well as BAWAG's financial situation.

The short-term incentive, 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 long-term component, which also entails 50 % of the overall bonus award, is deferred and subject to additional long-term performance conditions. The long-term component will be fully paid in ordinary BAWAG Group shares and the long-term performance criteria are determined by specific objectives established at the Group level, covering a three-year assessment period.

Variable remuneration is capped and may not exceed 200 % of fixed remuneration. This applies to all elements of variable remuneration combined, including both short-term and long-term incentives as well as the LTIP 2025, which was established in 2022.

### *Share Ownership of Senior Leadership Team & applicability of Group Combined Plan*

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, via a 4.7% stake held by the Management Board (see Chapter *SHARES HELD BY MANAGEMENT BOARD MEMBERS & SHARE OWNERSHIP GUIDELINES* for further details) and 0.7% by members of BAWAG's Senior Leadership outside of the Management Board.

To promote consistency across the organization and maintain parity with the Management Board's incentive structure, the same STI/LTI payout logic applied to Management Board members has been extended to members of BAWAG's Senior Leadership Team with a bonus exceeding a certain threshold. Harmonizing these standards ensures fairness, transparency, and internal alignment between the incentive structures of the Management Board and BAWAG's Senior Leadership Team, reinforcing our commitment to the principle of equitable treatment.

## TOTAL REMUNERATION AWARDED OR OWED IN THE FINANCIAL YEAR GROSS

The fixed base salary is paid to Management Board members in fourteen installments and covers all work performed by the respective Management Board Member. Management Board members are not entitled to receive separate remuneration for serving on board functions within BAWAG group. In addition, Management Board members are covered by a directors' and officers' liability insurance, the costs of which are borne by BAWAG Group.

The total remuneration per Management Board Member for the financial year 2025 is shown in the following tables:

<b>2025</b> € amounts in thousand	Anas ABUZAAKOUK	Enver SIRUČIĆ	Sat SHAH	Guido JESTÄDT	David O'LEARY	Andrew WISE	TOTAL
Fixed salaries	€ 4,600	€ 3,250	€ 3,450	€ 1,400	€ 2,650	€ 3,200	<b>€ 18,550</b>
Pension (15%)	€ 690	€ 488	€ 518	€ 210	€ 398	€ 480	<b>€ 2,783</b>
Other	€ 84	€ 21	€ 72	€ 9	€ 53	€ 62	<b>€ 301</b>
Total fixed compensation	€ 5,374	€ 3,759	€ 4,040	€ 1,619	€ 3,101	€ 3,742	<b>€ 21,634</b>
<b>% of total compensation</b>	<b>39%</b>	<b>38%</b>	<b>39%</b>	<b>56%</b>	<b>55%</b>	<b>39%</b>	<b>42%</b>
Fixed remuneration + STI bonus in cash	€ 7,444	€ 5,312	€ 5,593	€ 1,940	€ 3,733	€ 5,191	<b>€ 29,211</b>
STI bonus in cash	€ 2,070	€ 1,553	€ 1,553	€ 321	€ 632	€ 1,449	<b>€ 7,577</b>
STI bonus in shares	15,576 Shares	11,684 Shares	11,684 shares	2,415 shares	4,755 shares	10,905 shares	<b>57,019 shares</b>
STI shares in €* Value LTI shares in €* LTI bonus in shares	€ 2,070	€ 1,553	€ 1,553	€ 321	€ 632	€ 1,449	<b>€ 7,577</b>
	31,158 shares	23,367 shares	23,367 shares	4,830 shares	9,510 shares	21,810 shares	<b>114,042 shares</b>
	€ 4,140	€ 3,105	€ 3,105	€ 642	€ 1,264	€ 2,898	<b>€ 15,154</b>
Total bonus in €	€ 8,279	€ 6,210	€ 6,210	€ 1,284	€ 2,528	€ 5,796	<b>€ 30,307</b>
<b>% of total compensation</b>	<b>61%</b>	<b>62%</b>	<b>61%</b>	<b>44%</b>	<b>45%</b>	<b>61%</b>	<b>58%</b>
<b>% of bonus in cash</b>	<b>25%</b>	<b>25%</b>	<b>25%</b>	<b>25%</b>	<b>25%</b>	<b>25%</b>	<b>25%</b>
<b>% of bonus in shares</b>	<b>75%</b>	<b>75%</b>	<b>75%</b>	<b>75%</b>	<b>75%</b>	<b>75%</b>	<b>75%</b>

\*Value of STI and LTI shares calculated based on a share price of € 132.88 (applicable calculation value at grant of the Annual Bonus).

2024 In € thousand	Anas ABUZAAKOUK	Enver SIRUČIĆ	Sat SHAH	Guido JESTÄDT	David O'LEARY	Andrew WISE	TOTAL
Fixed salaries	€ 5,200	€ 3,500	€ 3,900	€ 1,250	€ 3,100	€ 3,600	€ 20,550
Pension (15%)	€ 780	€ 525	€ 585	€ 188	€ 465	€ 540	€ 3,083
Other	€ 157	€ 35	€ 134	€ 36	€ 81	€ 95	€ 538
<b>Total fixed compensation</b>	<b>€ 6,137</b>	<b>€ 4,060</b>	<b>€ 4,619</b>	<b>€ 1,474</b>	<b>€ 3,646</b>	€ 4,235	<b>€ 24,171</b>
<b>% of total compensation</b>	<b>56%</b>	<b>54%</b>	<b>57%</b>	<b>54%</b>	<b>62%</b>	<b>57%</b>	<b>57%</b>
Bonus	€ 4,800	€ 3,500	€ 3,500	€ 1,250	€ 2,250	€ 3,200	18,500
<b>% of total compensation</b>	<b>44%</b>	<b>46%</b>	<b>43%</b>	<b>46%</b>	<b>38%</b>	<b>43%</b>	<b>43%</b>
<b>Total</b>	<b>€ 10,937</b>	<b>€ 7,560</b>	<b>€ 8,119</b>	<b>€ 2,724</b>	<b>€ 5,896</b>	<b>€ 7,435</b>	<b>42,671</b>

### Explanations of changes from 2024 to 2025

The *Other* column in 2024 includes private health insurance, accident/disability insurance, and term life insurance. These benefits continued until June 30, 2025. Starting July 1, 2025, the Management Board's fixed remuneration were be simplified to include only base salary and pension. From then on, the "Others" column will show 0 for all Management Board members.

A fixed salary adjustment for Management Board members also takes effect on July 1, 2025, with the half-year impact shown in the table above. For the 2025 financial year, the LTI bonus under the Group Combined Plan will undergo a thorough reassessment after a three-year performance period ending in 2027. Depending on target achievement during this time, the LTI bonus may be further adjusted. As of financial year 2025, half of the STI bonus as well as the entire LTI bonus are awarded exclusively in ordinary BAWAG Group shares, and as a result, the pure share-based elements are separated out for improved transparency and comparability.

## TOTAL REMUNERATION PAID

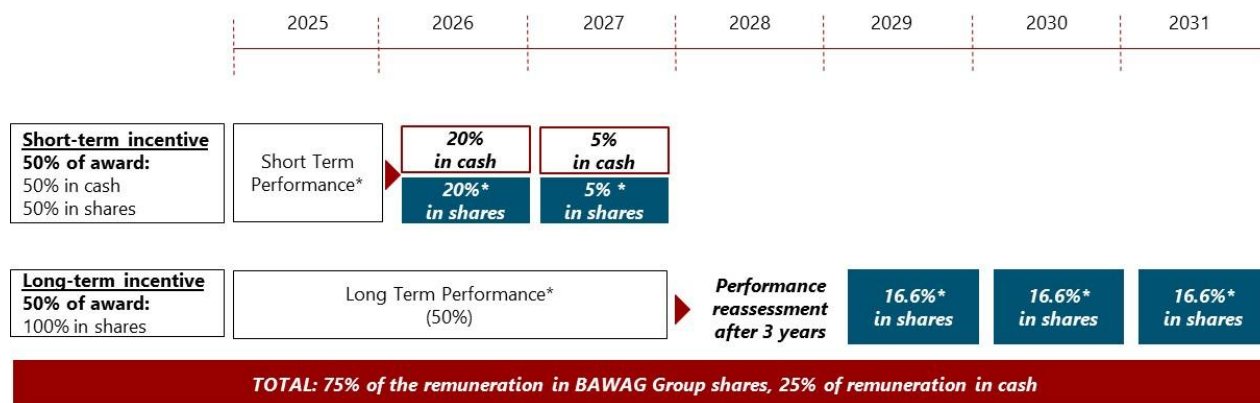
### Remuneration paid

The table below represents the amounts paid out to the Management Board members for the financial years 2024 and 2025. It also includes deferred bonus payments awarded in previous periods and which were paid out in accordance with the regulatory framework in 2024 and 2025 respectively.

**BAWAG GROUP REMUNERATION REPORT 2025**

In € thousand	Anas ABUZAAKOUK		Enver SIRUČIĆ		Sat SHAH		Guido JESTÄDT		David O'LEARY		Andrew WISE	
	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025
<b>Fixed remuneration realized (salary reduction effective as of July 1, 2025)</b>												
Base Salary	5,200	4,600	3,500	3,250	3,900	3,450	1,250	1,400	3,100	2,650	3,600	3,200
Pension	780	690	525	488	585	518	188	210	465	398	540	480
Other	157	84	35	21	134	72	36	9	81	53	95	62
<b>Variable remuneration</b>												
<b>Cash part (financial year)</b>												
2024	0	960	0	700	0	700	0	250	0	450	0	640
2023	645	192	580	173	490	147	230	69	295	89	445	134
2022	201	201	168	168	174	174	60	60	87	87	168	168
2021	270	270	170	170	210	210	72	72	165	165	194	194
2020	0	0	0	0	0	0	n/a	n/a	0	0	0	0
2019	0	0	0	0	0	0	n/a	n/a	0	0	0	0
2018	87	0	81	0	60	0	n/a	n/a	84	0	66	0
<b>Phantom share part (paid in cash; financial year)</b>												
2024	0	0	0	0	0	0	0	0	0	0	0	0
2023	0	835	0	750	0	639	0	300	0	385	0	580
2022	563	229	471	191	488	198	168	68	244	99	471	191
2021	247	334	155	210	192	260	66	89	151	204	177	239
2020	0	0	0	0	0	0	n/a	n/a	0	0	0	0
2019	0	0	0	0	0	0	n/a	n/a	0	0	0	0
2018	99	0	92	0	68	0	n/a	n/a	96	0	75	0
<b>Total variable remuneration (in cash)</b>	<b>2,112</b>	<b>3,021</b>	<b>1,717</b>	<b>2,362</b>	<b>1,682</b>	<b>2,328</b>	<b>596</b>	<b>908</b>	<b>1,122</b>	<b>1,479</b>	<b>1,596</b>	<b>2,146</b>
<b>Total cash (realized)</b>	<b>8,249</b>	<b>8,395</b>	<b>5,777</b>	<b>6,121</b>	<b>6,301</b>	<b>6,368</b>	<b>2,070</b>	<b>2,527</b>	<b>4,768</b>	<b>4,580</b>	<b>5,831</b>	<b>5,888</b>

In line with the Remuneration Policy and compliant with current regulatory requirements, the payment of annual variable remuneration follows the payout structure described in the graph below:



\* All performance conditions, both for the short-term and the long-term performance, are based on specific goals defined at Group level at the beginning of the respective period. Targets are calculated as per methodology at the time when they are set. In case of methodological changes or material change of macro-economic scenarios or in case of strategic deals or material changes to BAWAG's group structure, the Remuneration Committee retains the faculty to mechanically recast targets according to updated scenario.

### Phantom shares in retention

The number of phantom shares vested in 2025, but which are subject to a one-year retention period is shown in the table below:

Number of phantom shares vested in 2025	
Anas <b>ABUZAAKOUK</b>	24,059
Enver <b>SIRUČIĆ</b>	18,078
Sat <b>SHAH</b>	18,462
Andrew <b>WISE</b>	17,051
David <b>O'LEARY</b>	11,881
Guido <b>JESTÄDT</b>	7,015
<b>Total</b>	<b>96,546</b>

The cash amount of the phantom shares which vested in 2025 will be disclosed in the remuneration report 2026. The calculation of the cash amount is based on BAWAG Group's VWAP during the retention year.

## SHARES HELD BY MANAGEMENT BOARD MEMBERS & SHARE OWNERSHIP GUIDELINES

### Overview

BAWAG Group's Management Board Members collectively hold 4.7% of the company, with 74% of this stake stemming from their own personal investments. These ownership levels underscore a strong commitment and reflect the culture we foster—one rooted in an owner-operator mindset. By voluntarily investing in BAWAG, the Management Board reinforces the connection between their performance, the strategic decisions they take, and their focus on long-term value creation aligned with shareholders' interests. Moreover, this owner-operator mentality is one the Management Board aims to embed across the organization—encouraging every employee to think and act as an owner.

The table below shows the number of BAWAG Group shares held by each Management Board member at the date of this Remuneration Report:

	Share Ownership	thereof private investment	private investment in %
Anas <b>ABUZAAROUK</b>	1,386,911	1,121,817	81%
Enver <b>SIRUČIĆ</b>	314,654	232,306	74%
Sat <b>SHAH</b>	824,255	622,583	76%
Andrew <b>WISE</b>	545,610	357,183	65%
David <b>O'LEARY</b>	444,245	283,397	64%
Guido <b>JESTÄDT</b>	78,756	55,170	70%
<b>TOTAL</b>	<b>3,594,431</b>	<b>2,672,456</b>	<b>74%</b>

### Share Ownership Guidelines for the Management Board

BAWAG has implemented formal Share Ownership Guidelines for Management Board Members, setting minimum ownership thresholds to align their interests with those of shareholders. This alignment underpins our compensation strategy and reinforces a culture of long-term performance and accountability within the Management Board.

As part of our compensation strategy, we provide equity incentives that create opportunities for share ownership, fully in alignment with existing regulatory requirements. This new guideline provides a more stringent standard with respect to the EU market practices observed. The requirement is applicable throughout his or her term of office. New Management Board members are required to fulfill the applicable share ownership requirement within a three-year period, following an annual pro-rata approach, while temporary exceptions may be granted by the Remuneration Committee under exceptional circumstances only.

Minimum share ownership requirement	Base salary multiple	
	CEO	Other Management Board members
Countervalue of shares held	5x annual base salary	3x annual base salary

## BAWAG LONG-TERM INCENTIVE PROGRAM 2025

### General

In January 2022, the Remuneration Committee 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 Group by considering BAWAG’s externally communicated multi-year performance targets until 2025 (*interest alignment aspect*). The key commercial terms of the BAWAG LTIP 2025 are summarized in this section.

All Management Board members participate in the BAWAG LTIP 2025, as well as approximately 80 selected key leaders of BAWAG. The overall program size amounts to approximately 800,000 shares for all participants of the BAWAG LTIP 2025, including Management Board members, whereas approximately 50 % of the BAWAG LTIP 2025 has been allocated to the Management Board and the remaining approximately 50 % has been allocated to selected key leaders. The awards under the BAWAG LTIP 2025 will, subject to certain conditions as outlined below, be delivered in the form of ordinary shares of BAWAG Group AG (no phantom shares) in 2026 and 2027.

As already presented in our Half-Year Financial Report 2022, Management Board members were awarded the following number of shares under the BAWAG LTIP 2025:

	# of shares awarded under BAWAG LTIP 2025
Anas Abuzaakouk	104,333
Enver Siručić	70,224
Sat Shah	78,250
Andrew Wise	72,231
David O’Leary	62,199
Guido Jestädt	25,080

### Vesting conditions

The vesting conditions comprise the following:

- **Retention Condition:** Due to the retention aspect of the BAWAG LTIP 2025, participants are required to be employed in good standing at the beginning of 2026.
- **Performance Condition:** The performance conditions as specified below.
- **Regulatory Vesting Requirement:** Regulatory vesting requirements in accordance with the applicable regulatory framework (e.g. no malus is applied to the individual or to all BAWAG LTIP 2025 participants, vesting is sustainable according to the financial and risk situation of BAWAG Group).

*Details on performance conditions and ratchets for targets*

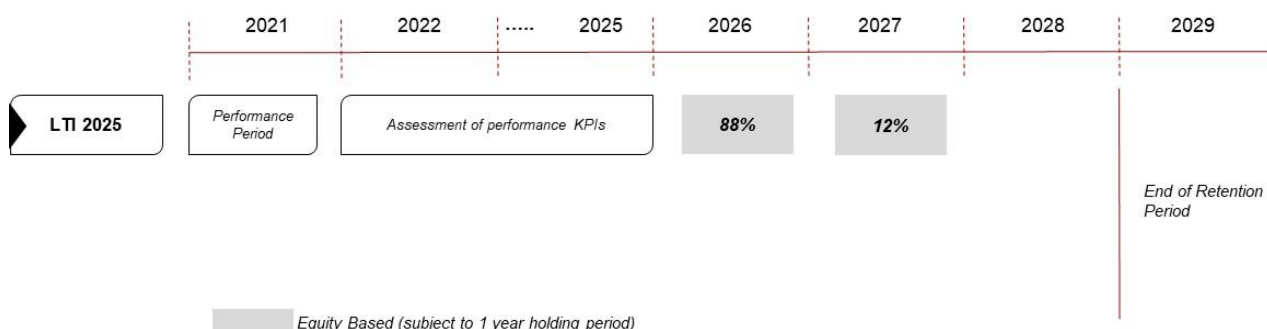
In order to effectively align the interests of participants of the BAWAG LTIP 2025 with the long-term performance of BAWAG Group, the performance conditions are tied to the multi-year performance targets until 2025 as presented at the investor day 2021. They consist of financial and non-financial/ESG targets which are split as follows:

<b>Financial targets</b>	<b>70%</b>	<b>Non-Financial /ESG targets</b>	<b>30%</b>
Profit before tax target (“PBT”) (>€750 m)	30%	CO2 emission target (>50% reduction)	10%
Earnings per share target (“EPS”) (>€7.25)	20%	Women quota target	10%
Dividend per share target (“DPS”) (>€4.00)	20%	Supervisory Board (33%)	5%
		Senior Leadership Team (33%)	5%
		Green lending business target	10%

**Further Terms (conditional delivery of shares (vesting of award) / retention period)**

Subject to the vesting conditions as outlined above, 88% of the BAWAG LTIP 2025 award (*Part I*) shall vest in early 2026 and 12% of the BAWAG LTIP 2025 award shall vest in early 2027. Upon delivery of the shares, the shares will remain subject to retention during a period in accordance with applicable regulatory requirements, which currently stands at one year (one-year retention period).

The financial and non-financial/ESG targets are deemed fulfilled if all financial targets or all non-financial/ESG targets are met at any financial year end (i.e. year-end 2022/23/24). The assessment of the vesting conditions (including the performance targets) under the BAWAG LTIP 2025 is carried out by the Remuneration Committee of BAWAG Group. At year-end 2023, BAWAG fulfilled all financial targets, which was confirmed by BAWAG’s Remuneration Committee.



## MALUS AND CLAWBACK

In the financial year 2025 no malus or clawback event has occurred. Therefore, no bonus granted in previous years has been reduced or reclaimed.

As outlined in the Remuneration Policy, malus and clawback provisions exist to provide for risk adjustment mechanisms specifically with respect to participants engaged in fraud or intentional illegal conduct. The provisions were implemented in accordance with regulatory requirements. The period during which malus or clawback applies follows the regulatory framework.

## DEVIATION OF THE REMUNERATION POLICY

In the financial year 2025 there was no deviation from the Remuneration Policy.

## COMPLIANCE WITH REMUNERATION POLICY AND APPLICATION OF PERFORMANCE CRITERIA

### Bonus Entry Condition

The *Bonus Entry Condition* serves as an initial requirement that must be satisfied prior to activating the bonus calculation formula. This condition evaluates whether granting an annual bonus to Management Board members is appropriate, based on BAWAG's financial situation.

The *Bonus Entry Condition* is associated with specific KPIs—including CET1 (capital), LCR (liquidity), and Risk/RCC (risk)—and thresholds established in BAWAG's regulatory Recovery Plan. If any of these thresholds are exceeded for more than three consecutive months within a given calendar year, the Bonus Entry Condition will not be met. Consequently, no bonus will be awarded to Management Board members for that year if the condition is not fulfilled.

None of the applicable thresholds were breached during the financial year 2025 (figures below represent YE2025 figures):



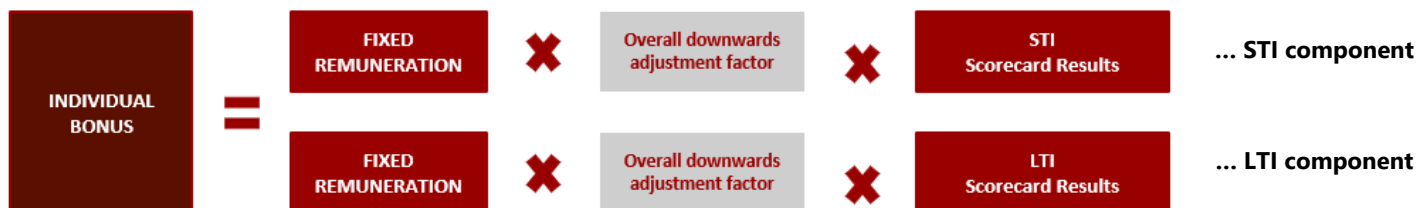
### Details Annual Bonus Formula

For 2025 the pay for performance link has been reinforced through the introduction of two different scorecards aiming to monitor the degree of achievement of both short-term goals and long-term sustainable performance in coherence with the GCP purpose. Indeed, short-term and long-term scorecards provide:

for 80 % of weight specific financial KPIs based profit, risk and operative performance

for 20 % of weight non-financial KPIs basically linked to sustainability, and overall BAWAG strategic priorities. Non-financial areas of performance are assessed through a rigorous set of measurable KPIs in line with the ESG dashboard/strategy monitored by the Remuneration Committee.

The following illustration shows the general structure for the individual bonus calculation; the explanations below provide further details on each of the variables.



The details of the Annual Bonus Formula are as follow:

- **Bonus Target:** The Bonus Target will be determined by the Remuneration Committee at the beginning of each bonus cycle, in line with the principles and methodology as set forth in this Remuneration Policy
- **Overall Downwards Adjustment Factor:** The Overall Downwards Adjustment Factor is a risk adjustment factor applicable independently from the assessment result of the short term and long-term performance scorecards above described. This factor takes into account ex ante adjustment factors. Ex-ante adjustment factors include quantitative and qualitative risk assessments (e.g. Risk Bearing Capacity, employee's risk behavior) as well as future developments (e.g. macro-economic risks and/or monetary outlook).
  - The Overall Downwards Adjustment Factor is capped at 100 % and will lie between 0 % to 100 % (i.e. the Overall Downwards Adjustment Factor may be reduced to zero to the extent that an assessment of relevant adjustment factors demonstrates that such reduction is required (ex-ante risk adjustment)).
  - This element of the annual bonus formula is one cornerstone of BAWAG's compensation design to addresses regulator's expectation that bonus pool shall be subject to certain ex ante risk adjustments, with the potential to cancel the bonus pool entirely.
- **Short Term Scorecard Results:** The Short-Term Scorecard Results correspond to results of the annual performance scorecards as illustrated further below. Financial targets have been tied to externally communicated targets of BAWAG Group. With respect to sustainability-related targets, a set of targets taking into account BAWAG's priorities with respect to non-financial matters/ sustainability has been defined by the Remuneration Committee. If the nature of the risk management and compliance role of a Management Board member requires so, different scorecards will apply which will be weighed up to 100 % on non-financial metrics. At present, this applies to the Chief Risk Officer (CRO).
- **Long Term Scorecard Results:** The Long-Term Scorecard Results correspond to the results of the 3 years performance scorecards as illustrated further below. The result of the scorecard can confirm, reduce, cancel or increase the LTI component of the overall bonus amount taking into account additional set of financial and non-financial performance.
- **Ratio between variable and fixed compensation (Variable Remuneration Cap):** Variable remuneration is capped and may not exceed 200 % of fixed remuneration. This applies to the maximum award potential under the GCP.

#### STI Scorecard – Financial KPIs (applicable to all MBs, except CRO)

The Remuneration Committee established the following STI financial KPIs for all Management Board members, except for the CRO, who is assessed against separate individual targets rather than financial KPIs (as detailed below):

Financial KPIs	Weighting	Entry (80 points)	Target (100 points)	Max (120 points)	2025 Actual
CET 1 ratio	20%	12.0%	12.5%	13%	14.2%
NPL ratio	20%	2.5%	2.0%	1.5%	0.8%
Operational expenses (pursuant MD&A disclosure)	20%	€850 million	€825 million	€800 million	€799 million
Net Profit	20%	€750 million	€800 million	€850 million	€860 million
<b>TOTAL</b>	<b>80%</b>	<b>120 POINTS</b>			

#### STI – Scorecard – Sustainability-related targets (applicable to all MBs)

The Remuneration Committee defined the following STI- Sustainability related targets applicable to all Management Board Members:

Sustainability-related targets	Weighting	Entry (80 points)	Target (100 points)	Max (120 points)	2025 Actual
<b>Transition Plan (environmental)</b> Transition of the most carbon intensive/ highest emitting sector of portfolio. Intensity target by the end of 2025 in accordance with the relevant target curve for power generation as highest-emitting portfolio	10%	+10% deviation from applicable transition plan	in line with applicable transition plan	-10% deviation from applicable transition plan	-15% better than SBTi 1.5 degree pathway
<b>Reduction of own emissions (environmental)</b> Reduction of own emissions (scope 1 & scope 2) vs 2020 baseline (note: acquisitions not included in baseline)	5%	30%	40%	50%	67%
<b>Corporate volunteering/ Community Hours (social)</b> # of hours of volunteer work across entire Group	5%	2,500 hours	3,000 hours	3,500 hours	4,155 hours
<b>TOTAL</b>	<b>20%</b>	<b>120 POINTS</b>			

CRO STI – Individual Targets instead of financial KPIs

For the CRO the Remuneration Committee defined the following individual targets instead of financial KPIs for 2025:

Focus Area	Weighting	Details	
<b>Risk Management Effectiveness</b>	<b>30%</b>	Adherence to risk appetite framework, effective risk identification and management (quality, timeliness, escalation of emerging risks with plans to mitigate), effectiveness of controls across business processes.	<b>90 pts</b>
<b>Support in strategic groupwide initiatives</b>	<b>20%</b>	Develop and drive successful execution of cross-functional projects (including M&A integrations) that align with organizational priorities & risk oversight	<b>90 pts</b>
<b>Reinforce risk governance across Group</b>	<b>10%</b>	Enhance structural and functional capabilities of the risk organization throughout the Group	<b>85 pts</b>
<b>Overall assessment of model landscape</b>	<b>10%</b>	Ensure and enhance quality and governance of internal models. Develop prioritized improvement plans related to the Group's model landscape	<b>90 pts</b>
<b>Ensure compliance with regulatory and audit expectations</b>	<b>10%</b>	Address findings and recommendations from external regulatory reviews and internal audits, ensuring timely and effective resolution, and ongoing compliance	<b>85 pts</b>
<b>TOTAL</b>	<b>80%</b>	<b>89 POINTS</b>	

LTI – Scorecard

Per the characteristics of the Group Combined Plan, 50% of the annual bonus will be linked to the achievement of additional long-term objectives, which will be evaluated over a three-year assessment period. The long term KPIs are set at the beginning of the year in line with the STI target setting and will be checked annually to have an update status of the potential deferral component pay outcome that will vest at the end of the overall three-year performance period and paid out in subsequent tranches.

The following scorecard presents the LTI Scorecard for the three year assessment period from 2025 through 2027:

2025-2027 TARGET	Weighting	Entry (80%)	Target (100%)	Max (+20%)
<b>RoTCE</b> average value 2025-2027 (with CET1 @ 12.5%)	80%	16%	20%	24%
<b>Social/ Diversity</b> Female quota target in BAWAG's Senior Leadership Team	10%	20%	30%	40%
<b>Long-Term Transition Plan</b> Transition of the most carbon intensive/ highest emitting sector of portfolio. Intensity target by the end of 2027 in accordance with the relevant target curve for power generation as highest-emitting portfolio (acquisitions included in baseline)	5%	+10% deviation from applicable transition plan	in line with applicable transition plan	-10% deviation from applicable transition plan
<b>Reduction of own emissions</b> Reduction of own emissions (scope 1 & scope 2) vs 2025 baseline (acquisitions included in baseline)	5%	+10% deviation from applicable transition plan	in line with applicable transition plan	-10% deviation from applicable transition plan

Based on the LTI scorecard outlined above, half of the bonus is deferred and linked to further long-term performance criteria. These conditions can modify the LTI component of the individual bonus, which was initially determined by annual performance reviews, as follows:

- Entire cancelation (reduction to zero) if results fall below the minimum threshold.
- Reduction if results are above the minimum threshold but below target.
- Confirmation (100%) if results are at target.
- Increase (by up to 20%) if results exceed the target and up to the maximum threshold, allowing recognition for overperformance.

Applying this modifier means that the overall financial and non-financial KPIs can result in an outcome ranging from a complete reduction (-100%) to an increase of up to 20% of the initial Long-Term Incentive (LTI) component awarded. This adjustment depends on both quantitative and qualitative evaluations, while ensuring that the total award stays within the regulatory cap on the variable-to-fixed compensation ratio.

This aspect of the Group Combined Plan does not change or replace the existing BAWAG LTIP 2025, which remains valid as established by the Remuneration Committee in January 2022, with awards granted for beneficiaries' performance in the 2021 financial year. Further information about the BAWAG LTIP 2025 can be found in this Remuneration Report.

### Target Assessment & Pay for Performance

The variable remuneration for 2025 is based on the achievement of the short-term performance scorecard. The overall performance score is derived as the weighted average of financial and non-financial performance, mapped onto a scale of 0 to 120 points of target variable remuneration, and capped at the applicable variable-to-fixed remuneration

cap. KPIs operate independently, with no offsetting mechanism allowed between individual performance indicators and are assessed as follows:

Below entry threshold	Between entry and maximum threshold	Exceeds maximum threshold
0 points	Points calculated in linear continuum	Capped at 120 points

The Remuneration Committee set the **pay-for-performance curve** utilized to determine the bonus as follows:

Score	80 points (entry)	100 points (target)	120 points (maximum score cap)
<b>Bonus as % of fixed remuneration</b>			
All Management Board members, <i>except Chief Administrative Officer</i>	80%	100%	200%
Chief Administrative Officer	32%	40%	80%

### Performance Criteria for the Financial Year 2025

Remuneration paid to the Management Board members in the financial year 2025 complied with the Remuneration Policy. With respect to variable remuneration and the associated performance criteria, the Remuneration Committee sets the individual targets for each Management Board member at the beginning of the bonus cycle, in accordance with the principles established in the Remuneration Policy.

All Management Board members are assessed against identical targets, with the exception of the Chief Risk Officer (CRO), for whom no financial targets are defined due to the nature of his function, role, and responsibilities. The table below outlines the target achievement score of each individual Management Board member, based on the target achievements as outlined in the previous chapter.

TARGET ACHIEVEMENT (pts)						
	Anas ABUZAAKOUK	Sat SHAH	Enver SIRUČIĆ	Andrew WISE	David O'LEARY	Guido JESTÄDT
<b>FINANCIAL TARGETS SHORT-TERM INCENTIVE</b>						
CET 1 ratio	120 pts	120 pts	120 pts	120 pts	-	120 pts
NPL ratio	120 pts	120 pts	120 pts	120 pts	-	120 pts
Operational expenses (€m)	120 pts	120 pts	120 pts	120 pts	-	120 pts
Net Profit (€m)	120 pts	120 pts	120 pts	120 pts	-	120 pts
<b>INDIVIDUAL TARGETS - CRO SHORT-TERM INCENTIVE</b>						
Risk Management Effectiveness	-	-	-	-	90 pts	-
Support in strategic group-wide initiatives	-	-	-	-	90 pts	-
Reinforce risk governance across Group	-	-	-	-	85 pts	-
Overall assessment of model landscape	-	-	-	-	90 pts	-
Ensure compliance with regulatory and audit expectations	-	-	-	-	85 pts	-
<b>TOTAL FINANCIAL/INDIVIDUAL TARGETS</b>	<b>120 pts</b>	<b>120 pts</b>	<b>120 pts</b>	<b>120 pts</b>	<b>89 pts</b>	<b>120 pts</b>
<b>NON-FINANCIAL TARGETS SHORT-TERM INCENTIVE</b>						
Transition Plan (portfolio)	120 pts	120 pts	120 pts	120 pts	120 pts	120 pts
Reduction of own emission	120 pts	120 pts	120 pts	120 pts	120 pts	120 pts
Corporate volunteering	120 pts	120 pts	120 pts	120 pts	120 pts	120 pts
<b>TOTAL SHORT-TERM INCENTIVE TARGET ACHIEVEMENT</b>	<b>120 pts</b>	<b>120 pts</b>	<b>120 pts</b>	<b>120 pts</b>	<b>95 pts</b>	<b>120 pts</b>

### Explanations of Financial Targets

In 2025, BAWAG Group overachieved all financial targets:



### Explanations regarding Assessment of Sustainability-related Targets

- Transition plan (portfolio):** Power generation is the largest contributor of BAWAG Group's GHG emissions of its portfolio. In order to reduce the emissions, BAWAG has defined a transition plan for this portfolio in 2024 based on 2023 in alignment with the SBTi 1.5 degree scenario. In 2025, BAWAG achieved a 15pts higher reduction than the 2025 SBTi target value. The outperformance of the target was achieved through a more diversified mix within this portfolio as well as the decarbonization of the customers.

- Reduction of own emissions: In 2021, BAWAG committed to reducing its Scope 1 and 2 emissions by more than 50% compared with the 2020 baseline. By 2025, the Group achieved a 67% reduction in its own Scope 1 and 2 emissions. In addition to exceeding the target by 17 percentage points, BAWAG also absorbed the emissions of acquired businesses that were not included in the 2020 baseline.
- Corporate Volunteering: Engaging with and giving back to the communities in which BAWAG operates is an integral part of our culture. Our community engagement efforts are built on three pillars: financial education, supporting underprivileged communities, and empowering women.

#### **Explanations regarding the *Overall Downwards Adjustment Factor 2025***

The Remuneration Committee set the *Overall Downwards Adjustment Factor* at 90%. This was influenced by the financial outperformance of BAWAG Group's financial targets in 2025 and offset by the *ex-ante* risk adjustments factors (special financial/ non-financial risks and macroeconomic risks/ monetary outlook), whereby the Remuneration Committee took into account the following considerations:

- **Special financial / non-financial risks**: With respect to ex-ante adjustment factors to address special financial / non-financial risks, the Remuneration Committee took into account the development of the internal capital utilization and further evaluated the internal audit and compliance reports to assess whether the employee's risk behaviour has been influenced in view of a potential bonus payment (qualitative risk assessment). Such evaluation revealed no significant findings in 2025. Furthermore, regulatory findings have been taken into account.
- **Macroeconomic risks / monetary outlook**: As another ex-ante adjustment factor, the Remuneration Committee evaluated future developments, with a focus on macro-economic risks and the monetary outlook as follows:
  - Global GDP growth is expected slow modestly through 2026–27 due to weaker trade and investment. The U.S., Europe, and Asia all face headwinds, with China decelerating more sharply.
  - Labor markets expected to soften slightly but show no signs of a major deterioration. Unemployment is expected to normalize gradually without large increases in layoffs.
  - Higher U.S. tariffs will add to inflation, keeping global price pressures sticky through mid-2026. Rising import costs will feed into producer and consumer prices across targeted countries.
  - Central banks face conflicting signals from slowing growth and persistent inflation. The Fed is expected to continue easing gradually, while the ECB has finished its cutting cycle, and policy paths in the U.K. and Japan, remain shaped by domestic pressures.

### Calculation of Management Bonus 2025 – Application of Annual Bonus Formula

Applying the target achievement and related explanations to the annual bonus formula determines the 2025 annual bonus for each Management Board member, as shown in the table below:

€ amounts in thousand	Base Salary	Pension	Total fixed compensation	Overall downwards adjustment factor	STI pursuant to bonus formula)	LTI, in shares pursuant to bonus formula)
Anas <b>ABUZAAKOUK</b>	€ 4,000	€ 600	€ 4,600	(10%)	€ 4,140	31,158 shares
Sat <b>SHAH</b>	€ 3,000	€ 450	€ 3,450	(10%)	€ 3,105	23,367 shares
Enver <b>SIRUČIĆ</b>	€ 3,000	€ 450	€ 3,450	(10%)	€ 3,105	23,367 shares
Andrew <b>WISE</b>	€ 2,800	€ 420	€ 3,220	(10%)	€ 2,898	21,810 shares
David <b>O'LEARY</b>	€ 2,200	€ 330	€ 2,530	(10%)	€ 1,264	9,510 shares
Guido <b>JESTÄDT</b>	€ 1,550	€ 233	€ 1,783	(10%)	€ 642	4,830 shares
<b>TOTAL</b>	<b>€ 16,550</b>	<b>€ 2,483</b>	<b>€ 19,033</b>	<b>(10%)</b>	<b>€ 15,154</b>	<b>114,042 shares</b>

## REMUNERATION OF THE SUPERVISORY BOARD

### Principles of the remuneration policy

Supervisory Board members receive remuneration that is closely aligned with market standards and with the interests of BAWAG Group's shareholders. All remuneration is paid in accordance with the resolutions adopted by the Annual General Meeting.

Supervisory Board members receive fixed remuneration that depends on the specific function they perform - whether they serve as Chair of the Supervisory Board, Deputy Chair, or as an ordinary member. Members who also serve on a committee may receive additional remuneration based on the respective committee (e.g., the Audit and Compliance Committee) and on their role within that committee, such as Chair or ordinary member. Supervisory Board members do not receive any additional attendance fees.

BAWAG Group has following Supervisory Board committees:

- Audit and Compliance Committee
- Nomination and Governance Committee
- Remuneration Committee
- Risk and Credit Committee

### Deviation of the remuneration policy

In the financial year 2025 there was no deviation from the Remuneration Policy.

### Composition of Supervisory Board committees

	NOMINATION AND GOVERNANCE COMMITTEE	AUDIT & COMPLIANCE COMMITTEE	RISK & CREDIT COMMITTEE	REMUNERATION COMMITTEE
Chairperson	Tamara KAPELLER	Veronika von HEISE-ROTENBURG <sup>1)</sup>	Frederick HADDAD	Kim FENNEBRESQUE
Member	Kim FENNEBRESQUE	Tamara KAPELLER	Robert OUDMAYER <sup>1)</sup>	Tamara KAPELLER
Member	Frederick HADDAD	Pat MCCLANAHAN <sup>1)</sup>	Tina REICH <sup>1)</sup>	Pat MCCLANAHAN <sup>1)</sup>
Member	Ahmed SAEED <sup>1)</sup>	Robert OUDMAYER <sup>1)</sup>	Ahmed SAEED <sup>1)</sup>	Ahmed SAEED <sup>1)</sup>
Member	Verena SPITZ	Verena SPITZ	Verena SPITZ	Verena SPITZ
Member	Konstantin LATSUNAS	Ursula NELL <sup>2)</sup>	Beatrix PRÖLL	Beatrix PRÖLL

1) Member of the Supervisory Board since April 2025

2) Member of the Supervisory Board as of September 2025

### Attendance rate in 2025

The members of the Supervisory Board attended the meetings of the Supervisory Board with an overall **attendance rate of 97%**, and the meetings of its committees with an average attendance rate of 95%, either in person or via proxy. In addition to the formal meetings, the Management Board regularly provided updates to Supervisory Board members on ongoing matters.

	SUPERVISORY BOARD	NOMINATION COMMITTEE	AUDIT & COMPLIANCE COMMITTEE	RISK & CREDIT COMMITTEE	REMUNERATION COMMITTEE	ESG COMMITTEE (until April 2025)
Number of meetings	<b>7</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>5</b>	<b>1</b>
Kim FENNEBRESQUE	86%	100%	-	100% <sup>2</sup>	100%	-
Frederick HADDAD	100%	100%	100% <sup>2</sup>	100%	100% <sup>2</sup>	-
Tamara KAPELLER	100%	100%	100%	100% <sup>2</sup>	100%	100%
Ahmed SAEED	86%	100%	-	100%	100%	-
Pat MCCLANAHAN	100%	-	100%	-	100%	-
Robert OUDMAYER	100%	-	100%	100%	-	-
Tina REICH	100%	-	-	100%	-	-
Veronika von HEISE-ROTENBURG	100%	-	100%	-	-	-
Verena SPITZ	100%	100%	100%	100%	100%	100%
Konstantin LATSUNAS	100%	100%	100% <sup>2</sup>	-	-	-
Beatrix PRÖLL	100%	-	-	100%	100%	100%
Ursula NELL <sup>1</sup>	100%	-	100%	-	-	-

#### Members until April 2025

Egbert FLEISCHER	100%	100%	100%	-	100%	100%
Adam ROSMARIN	100%	100%	100%	100%	-	-
Gerrit SCHNEIDER	100%	-	100%	-	100%	0%

1) Ursula Nell was delegated as an employee representative to the Supervisory Board in September 2025.

2) Member until April 2025.

### Remuneration paid to Supervisory Board Members in 2025

The total remuneration of Supervisory Board Members paid by BAWAG Group and its subsidiaries, including BAWAG P.S.K., is illustrated in the table below:

in € thousand	BAWAG Group	Subsidiaries <sup>1</sup>	Total
Kim <b>FENNEBRESQUE</b>	83	473	555
Frederick <b>HADDAD</b>	64	289	353
Tamara <b>KAPELLER</b>	70	221	291
Ahmed <b>SAEED</b>	39	128	168
Pat <b>MCCLANAHAN</b>	35	114	149
Robert <b>ODMAYER</b>	35	114	149
Veronika von <b>HEISE-ROTENBURG</b>	34	107	141
Tina <b>REICH</b>	32	99	130
<b>Total</b>	<b>393</b>	<b>1,544</b>	<b>1,936</b>

1) USD-nominated remuneration converted to € with exchange rate as at year-end.

### Members of the Supervisory Board until April 2025

in € thousand	BAWAG Group	Subsidiaries <sup>1</sup>	Total
Egbert <b>FLEISCHER</b>	25	75	99
Adam <b>ROSMARIN</b>	14	111	125
Gerrit <b>SCHNEIDER</b>	14	41	54
<b>Total</b>	<b>52</b>	<b>226</b>	<b>278</b>

1) US dollar nominated remuneration converted to Euro with exchange rate as at year-end.

### Explanations of changes from 2024 to 2025

Following the election of Supervisory Board members at the AGM 2025, BAWAG's Supervisory Board was reconstituted, resulting in changes to the roles of the Chairperson, Deputy Chairpersons, and committee memberships and committee chairs. Further details regarding these changes are provided in BAWAG Group's Consolidated Corporate Governance Report 2025. As a result of these changes, certain members have assumed further roles and responsibilities within the Supervisory Board and its committees at both BAWAG Group and BAWAG P.S.K. levels, thereby receiving additional remuneration in accordance with the remuneration principles approved by the AGM and previously summarized in this chapter.

Supervisory Board members are additionally covered by directors' and officers' (D&O) liability insurance. The costs associated with this insurance coverage are borne by BAWAG Group.