

First Supplement
dated 10 May 2022
to the Base Prospectus dated 4 April 2022

This first supplement (the "First Supplement") constitutes a supplement within the meaning of Article 23 paragraph 1 of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 (the "Prospectus Regulation") relating to two base prospectuses: (i) the base prospectus of BAWAG Group AG ("BAWAG", together with its consolidated subsidiaries, including BAWAG P.S.K. (as defined herein) "BAWAG Group") in respect of non-equity securities within the meaning of Article 2 point (c) of the Prospectus Regulation ("Non-Equity Securities") and (ii) the base prospectus of BAWAG P.S.K. Bank für Arbeit und Wirtschaft und Österreichische Postsparkasse Aktiengesellschaft ("BAWAG P.S.K.", together with its consolidated subsidiaries, "BAWAG P.S.K. Group" and BAWAG and BAWAG P.S.K. the "Issuers" and each an "Issuer") in respect of Non-Equity Securities (together, the "Debt Issuance Programme Prospectus" or the "Base Prospectus").



BAWAG Group AG

Vienna, Republic of Austria
– Issuer –

**BAWAG P.S.K. Bank für Arbeit und Wirtschaft und
Österreichische Postsparkasse Aktiengesellschaft**

Vienna, Republic of Austria
– Issuer –

**Debt Issuance Programme
(the "Programme")**

The Issuers have requested the *Commission de Surveillance du Secteur Financier* of the Grand Duchy of Luxembourg (the "CSSF") in its capacity as competent authority under the Luxembourg act relating to prospectuses for securities securities dated 16 July 2019 (*Loi du 16 juillet 2019 relative aux prospectus pour valeurs mobilières et portant mise en œuvre du règlement (UE) 2017/1129*), as amended (the "Luxembourg Law") to approve this First Supplement and to provide the competent authorities in the Federal Republic of Germany and the Republic of Austria with a certificate of approval attesting that the First Supplement has been drawn up in accordance with the Prospectus Regulation (the "Notification"). The Issuer may request the CSSF to provide competent authorities in additional host Member States within the European Economic Area with a Notification.

This First Supplement has been prepared following the publication of BAWAG's quarterly financial information and in order to account for recent regulatory requirements for own funds and eligible liabilities instruments and to add some further recent developments.

The Prospectus was published on 4 April 2022, in accordance with Article 21 paragraph 2 of the Prospectus Regulation in electronic form on the website of the BAWAG Group AG (www.bawaggroup.com). This First Supplement will also be published in accordance with Article 23 paragraph 1 and Article 21 paragraph 2 of the Prospectus Regulation in electronic form on the website of BAWAG Group AG (www.bawaggroup.com) and will be available free of charge at the specified offices of the Issuers.

This First Supplement has been approved by the CSSF, has been filed with said authority and will be published in electronic form on the website of the Luxembourg Stock Exchange (www.bourse.lu) and on the website of BAWAG Group (www.bawaggroup.com).

This First Supplement should only be distributed in connection with the Base Prospectus. It should only be read in conjunction with the Base Prospectus.

Each Issuer accepts responsibility for the information contained in this First Supplement and hereby declares, that having taken all reasonable care to ensure that such is the case, the information contained in this First Supplement is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

To the extent that there is any inconsistency between (a) any statement in this First Supplement and (b) any other statement in or incorporated by reference in the Base Prospectus, the statements in (a) above will prevail.

Save as disclosed in this Supplement, there has been no other significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectus which is capable of affecting the assessment of Notes issued under the Programme since the publication of the Base Prospectus.

Terms defined or otherwise attributed meanings in the Base Prospectus have the same meaning in this First Supplement.

In accordance with Article 23 paragraph 2a of the Prospectus Regulation, investors who had already agreed to purchase or subscribe for the securities before the supplement was published and where the securities had not yet been delivered to the investors at the time when the significant new factor, material mistake or material inaccuracy arose or was noted, have the right, exercisable within three working days after the publication of this Supplement, to withdraw their acceptances. The final date of the right of withdrawal will be 13 May 2022. Investors should contact BAWAG Group's head of investor relations (investor.relations@bawaggroup.com) for the exercise of the right of withdrawal.

This First Supplement may only be used for the purpose for which it has been published as set out below. This First Supplement may not be used for the purpose of an offer or solicitation by and to anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such an offer or solicitation.

This First Supplement does not constitute an offer or an invitation to subscribe for or purchase any of the Notes.

The following changes are made to the Base Prospectus:

- 1. In the section "2.1.4.1 Minimum requirements for own funds and eligible liabilities, both to be required by the relevant resolution authority under the BaSAG and the SRM Regulation, may adversely affect the profitability of BAWAG Group. The Issuers may not be able to meet minimum requirements for own funds and eligible liabilities.", the third paragraph on page 26 of the Base Prospectus shall be deleted and replaced by the following information:**

"As of 31 March 2022, BAWAG reported MREL eligible instruments amounting to 24.9% of RWA (own funds 17.1%, senior non-preferred and other subordinated, that means not own funds, 3.0% and legacy MREL-eligible instruments 4.8%) , thereby already exceeding the binding interim target applicable from 1 January 2022. Also as of 31 December 2021, the MREL requirement was EUR 5.1 billion (own funds 3.5, senior non-preferred and other subordinated, that means not own funds, 0.6 and legacy MREL-eligible instruments 1.0)."

- 2. In the section "7.3.2 Recent developments and outlook", the first paragraph under the sub-heading "Acquisition of Depfa Bank and Hello bank! Austria " on page 306 of the Base Prospectus shall be deleted and replaced by the following information:**

"Since IPO, seven acquisitions were completed and in aggregate capital an amount of € 1.4 billion (€ 1.0 billion dividends and € 400 million buyback) was distributed. On 19 November 2021, BAWAG P.S.K. completed the acquisition of DEPFA BANK plc, and its subsidiary DEPFA ACS Bank."

- 3. In the section "7.3.2 Recent developments and outlook", the first and the second paragraph under the sub-heading "Recent funding activities" on page 306 of the Base Prospectus shall be deleted and replaced by the following information:**

"Customer deposits (63 %) makes up the majority of funding (wholesale funding secured 10%, wholesale funding unsecured 5%, Targeted longer-term refinancing operation ("TLTRO") 12%, others 2% equity 8%). Covered Bonds are an important capital market funding source. Following the accelerated change in composition of the P2R as part of the measures taken by the ECB, BAWAG Group optimized its capital structure by issuing € 175 million Additional Tier 1 capital. Further, BAWAG Group issued € 400 million Tier 2 capital under the Programme in the first quarter 2020 and € 200 million in the third quarter 2020. In addition, in the first quarter 2019, BAWAG P.S.K. issued senior non-preferred notes in the amount of € 400 million.

On the back of € 1.0 billion mortgage covered bond issuances in 2019, BAWAG P.S.K. issued notes covered by a mortgage-backed pool of assets in the amount of € 500 million and € 750 million under the Programme in the first and third quarter 2020, respectively, followed by further issuances: notes covered by a mortgage-backed pool of assets in the amount of € 500 million in the fourth quarter 2020 (both with 0.01% coupon), notes covered by a mortgage-backed pool of assets in the amount of € 500 million in the first quarter 2021 (due 2041 with 0.0375% coupon), notes covered by a mortgage-backed pool of assets in the amount of € 500 million in the second quarter 2021 (due 2031 with 0.100% coupon), notes covered by a mortgage-backed pool of assets in the amount of € 500 million in the third quarter 2021 (due 2029 with 0.01% coupon), notes covered by, a mortgage-backed pool of assets in the amount of € 500 million in the first quarter 2022 (due 2032 with 0.25% coupon), and notes covered by a mortgage-backed pool of assets in the amount of € 750 million in the second quarter 2022 (due 2028 with 1.125% coupon)."

- 4. In the section "7.3.2 Recent developments and outlook", the fourth paragraph under the sub-heading "Recent funding activities" on page 306 of the Base Prospectus shall be deleted and replaced by the following information:**

"The full capacity of EUR 6.4 billion participates in TLTRO III. 11 benchmark bonds are outstanding with up to EUR 750 million issue size and maturities up to 2041. In 2022 EUR 17 million, in 2023 EUR 279 million and in 2024 EUR 530 million will be matured. BAWAG is targeting around 2% net cost-out with a CIR of under 38% in 2022. The expect risk cost ratio is around 20bps in 2022 without benefit of any reserve releases entering normalized risk environment."

- 5. In the section "7.3.2 Recent developments and outlook", the fourth paragraph under the sub-heading "Outlook" on page 307 of the Base Prospectus shall be deleted and replaced by the following information:**

"The current MREL ruling is expected to remain in place until 2023. BAWAG's resolution strategy might change to a HoldCo senior approach if SRB was to make BAWAG Group AG the Single Point of Entry in the future. Following the issuance of senior non-preferred bonds in the amount of EUR 500 million in August 2019, BAWAG is planning to issue additional senior bonds of around EUR 0.5 billion to 1.0 billion in 2022, in order to replace maturities, meet the MREL requirement and to build a buffer in that respect. Senior Holdco Substitution (including the ranking as a senior bond at the level of BAWG Group AG) will be included in future issuances of senior non-preferred issuances of BAWAG P.S.K. to accommodate a potential future change in the resolution strategy and to allow a transition to a HoldCo Senior MREL approach. In addition, funds raised on the level of BAWAG Group AG from the issuance

of MREL and other regulatory capital instruments are expected to be downstreamed on a like-for-like basis to BAWAG P.S.K.

Furthermore, it is envisaged to issue one Green bond (benchmark format) in each year."

6. In the section "7.3.2 Recent developments and outlook", the second paragraph under the sub-heading "Outlook" on page 307 of the Base Prospectus shall be deleted and replaced by the following information:

"The war in Ukraine and the sanctions imposed on Russia and Belarus are expected to dampen the growth outlook in Europe, especially in countries such as Austria that have a high degree of financial and trade interconnectivity to Russia. BAWAG has a limited exposure to companies with business activities in these countries (i.e. only indirect exposure and no direct exposure to Russia or Ukraine). As BAWAG's business activity is focused on retail operations in the DACH/NL region, the main impact of the war in Ukraine and the sanctions imposed is of general macroeconomic nature, e.g. through an increase in unemployment and recession in the DACH/NL region and a significant rise of energy prices. As of 31 December 2021, BAWAG Group had no direct exposure to Russia, Belarus and Ukraine."

7. In the section "7.9 Ratings", paragraph on page 310 of the Base Prospectus shall be deleted and replaced by the following information:

"BAWAG Group is rated by Moody's Deutschland GmbH ("**Moody's**"). The text of the credit opinion from Moody's dated 18 March 2019 reads as follows (only the relevant parts are reproduced here):

Ratings¹⁾

| Category | Moody's¹⁾ Rating |
|---------------------------|------------------------------------|
| Senior Subordinate Rating | Baa2 ²⁾ |

¹⁾ A credit rating assesses the creditworthiness of an entity and informs an investor therefore about the probability of the entity being able to redeem invested capital. It is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

¹⁾ Moody's Deutschland GmbH is a credit rating agency with establishments in the European Union and registered pursuant to Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, as amended (the "**CRA Regulation**"). The European Securities and Markets Authority ("**ESMA**") publishes on its website (www.esma.europa.eu) a list of credit rating agencies registered in accordance with the CRA Regulation, which includes Moody's.

²⁾ According to the definitions published by Moody's Investors Services Inc. on its website "obligations rated Baa are judged to be medium-grade and subject to moderate credit risk and as such may possess certain speculative characteristics." "Moody's appends numerical modifiers 1, 2, and 3 to each generic rating classification from Aa through Caa. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category."

See https://www.moody.com/researchdocumentcontentpage.aspx?docid=PBC_79004.

8. In the section "8.2 Structure of BAWAG P.S.K. Group", after the last paragraph on page 312 of the Base Prospectus the following information shall be added:

"Other subsidiaries of BAWAG P.S.K. include BAWAG P.S.K. Wohnbaubank AG and DEPFA BANK plc."

9. In the section "8.9 Ratings", the paragraph on page 314 to 315 of the Base Prospectus shall be deleted and replaced by the following information:

"BAWAG P.S.K. is rated by Moody's. The text of the credit opinion from Moody's dated 13 July 2021 reads as follows (only the relevant parts are reproduced here):

Ratings¹⁾

| Category | Moody's¹⁾ Rating |
|------------------------------------|------------------------------------|
| Outlook | Stable ²⁾ |
| Baseline Credit Assessment | baa1 ³⁾ |
| Issuer Rating | A2 ⁴⁾ |
| Senior Unsecured | A2 ⁴⁾ |
| Junior Senior Unsecured – Dom Curr | Baa1 ⁵⁾ |
| Subordinate – Dom Curr | Baa2 ⁵⁾ |
| ST Issuer Rating | P-1 ⁶⁾ |
| Covered Bonds | Aaa ⁷⁾ |

¹⁾ A credit rating assesses the creditworthiness of an entity and informs an investor therefore about the probability of the entity being able to redeem invested capital. It is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

- 1) Moody's Deutschland GmbH is a credit rating agency with establishments in the European Union and registered pursuant to the CRA Regulation. The ESMA publishes on its website (www.esma.europa.eu) a list of credit rating agencies registered in accordance with the CRA Regulation, which includes Moody's.
- 2) According to the definitions published by Moody's Investors Services Inc. on its website "a stable outlook indicates a low likelihood of a rating change over the medium term. A rating committee that assigns an outlook of stable [...] to an Issuer's rating is also indicating its belief that the issuer's credit profile is consistent with the relevant rating level at that point in time."
See https://www.moody's.com/researchdocumentcontentpage.aspx?docid=PBC_79004.
- 3) According to the definitions published by Moody's Investors Services Inc. on its website "issuers assessed baa are judged to have medium-grade intrinsic, or standalone, financial strength, and thus subject to moderate credit risk and, as such, may possess certain speculative credit elements absent any possibility of extraordinary support from an affiliate or a government." "Moody's appends numerical modifiers 1, 2, and 3 to each generic assessment classification from aa (sca) through caa (sca). The modifier 1 indicates that the obligation ranks in the higher end of its generic assessment category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic assessment category."
See https://www.moody's.com/researchdocumentcontentpage.aspx?docid=PBC_79004.
- 4) According to the definitions published by Moody's Investors Services Inc. on its website "obligations rated A are judged to be upper-medium grade and subject to low credit risk." "Moody's appends numerical modifiers 1, 2, and 3 to each generic rating classification from Aa through Caa. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category."
See https://www.moody's.com/researchdocumentcontentpage.aspx?docid=PBC_79004.
- 5) According to the definitions published by Moody's Investors Services Inc. on its website "obligations rated Baa are judged to be medium-grade and subject to moderate credit risk and as such may possess certain speculative characteristics." "Moody's appends numerical modifiers 1, 2, and 3 to each generic rating classification from Aa through Caa. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category."
See https://www.moody's.com/researchdocumentcontentpage.aspx?docid=PBC_79004.
- 6) According to the definitions published by Moody Investors Services Inc. on its website, "ratings of Prime-1 reflect a superior ability to repay short-term obligations."
See https://www.moody's.com/researchdocumentcontentpage.aspx?docid=PBC_79004.
- 7) According to the definitions published by Moody's Investors Services Inc. on its website "obligations rated Aaa are judged to be of the highest quality, subject to the lowest level of credit risk."
See https://www.moody's.com/researchdocumentcontentpage.aspx?docid=PBC_79004.

10. The section "9.4.2 Asset decomposition and asset split by region" on page 323 of the Base Prospectus shall be supplemented by the following information:

"Asset decomposition as of 31 March 2022

The following table provides an overview of the asset decomposition of BAWAG Group's segments Retail & SME and Corporates, Real Estate & Public Sector:

| Asset decomposition | 31 March 2022 |
|---|----------------------|
| (in € million) | (unaudited) |
| Retail & SME | |
| Housing loans..... | 15,890 |
| Consumer and SME | 5,492 |
| Total | 21,382 |
| Corporates, Real Estate & Public Sector | |
| Corporates..... | 3,900 |
| Real Estate..... | 6,089 |
| Public Sector | 4,451 |
| Short-term/money market lending ¹⁾ | 344 |
| Total | 14,784 |

¹⁾ Until 30 June 2021, the sub-category was reported within the sub-categories "Corporates" and "Public Sector".

Source: Company information.

Asset split by region as of 31 March 2022

The following table provides an overview of the asset split by region of BAWAG Group's segments Retail & SME and Corporates, Real Estate & Public Sector:

| Asset split by region | 31 March 2022 |
|--|---------------|
| (in € million) | (unaudited) |
| Retail & SME | |
| DACH/NL..... | 19,662 |
| Western Europe / USA..... | 1,720 |
| Total | 21,382 |
| Corporates, Real Estate & Public Sector | |
| DACH/NL..... | 6,859 |
| Western Europe / USA..... | 7,925 |
| Total | 14,784 |

Source: Company information."

11. In the section "9.5 Trends affecting BAWAG Group", the first paragraph on page 324 of the Base Prospectus shall be deleted and replaced by the following information:

"BAWAG P.S.K. Group's results of operation and financial position, and by extension BAWAG Group's results of operation and financial position, are in general affected by a number of factors. BAWAG Group believes that, in particular, the following key factors have affected BAWAG Group's results of operations and financial position since 1 January 2021. On this basis, BAWAG Group expects that these factors continue to affect its business and some have impacted and continue to impact the banking sector in general: Earnings of banks in general and also of BAWAG Group are significantly dependent on the net interest income which is particularly affected by the development of interest rates. Changes in market interest rates may lead to temporary repricing gaps between BAWAG Group's interest-earning assets and interest-earning liabilities, which can also affect net interest income. While the interest rate sensitivity may be affected by various additional factors, BAWAG Group estimates that a 100 bps increase of the 3-month EURIBOR may lead to an increase of its net interest income of around € 100 million per year. Interest-earning assets of BAWAG Group consist principally of (1) consumer loans, retail mortgage loans and consumer leases relating to vehicles and other moveable assets, which are provided by the Retail & SME segment, and (2) corporate and public sector loans (including real estate loans) provided, and corporate and public sector bonds held, by the Corporates, Real Estate & Public Sector segment."

12. In the section "10.1.3 Selected financial information" on pages 326 to 330 of the Base Prospectus, after the sub-heading "Selected financial information for the financial years ended 31 December 2021 and 31 December 2020", a new sub-heading "Selected financial information for the three months period ended 31 March 2022" is inserted with the following information:

"The following tables show selected financial information of BAWAG Group that is taken from the internal reporting of BAWAG Group:

| Financial position | 31 March 2022 |
|---|---------------|
| (in € million) | (unaudited) |
| Total assets | |
| Cash reserves..... | 1,514 |
| Financial assets held for trading | 184 |
| Financial assets at fair value through profit or loss | 644 |
| Fair value through other comprehensive income | 3,045 |
| Financial assets at amortised cost..... | 47,947 |
| thereof: Customers | 35,132 |
| Debt instruments | 2,417 |
| Credit institutions..... | 10,398 |
| Valuation adjustment on interest rate risk hedged portfolios..... | (258) |

| Financial position | 31 March 2022 |
|--|----------------------|
| Hedging derivatives | 139 |
| Tangible non-current assets..... | 386 |
| Intangible non-current assets | 532 |
| Tax assets for current taxes..... | 21 |
| Tax assets for deferred taxes..... | 13 |
| Other assets | 308 |
| Non-current assets held for sale | 0 |
| Total assets | 54,475 |
| Average interest-bearing assets¹⁾ ... | 42,099 |
| | |
| Total liabilities | 50,274 |
| Financial liabilities designated at fair value through profit or loss..... | 222 |
| Financial liabilities held for trading..... | 403 |
| Financial liabilities at amortized cost ... | 47,999 |
| thereof: Customers | 34,061 |
| Issued securities..... | 6,665 |
| Credit institutions..... | 7,273 |
| Financial liabilities associated with transferred assets | 0 |
| Valuation adjustment on interest rate risk hedged portfolios..... | (171) |
| Hedging derivatives | 109 |
| Provisions | 338 |
| Tax liabilities for current taxes..... | 152 |
| Tax liabilities for deferred taxes..... | 82 |
| Other obligations..... | 1,140 |
| Total equity..... | 4,201 |
| thereof: Shareholders' equity..... | 3,725 |
| AT 1 capital | 471 |
| Non-controlling interests... | 5 |
| Total liabilities and equity | 54,475 |

¹⁾ Interest-bearing assets are calculated as the sum of the line items financial assets at fair value through profit or loss, fair value through other comprehensive income and financial assets at amortised cost, each as shown in the table above, less assets held at central banks. As of 31 March 2022 assets held at central banks amounted to € 1,404,869,680.68. Average interest-bearing assets as of the end of a quarterly period ending on the dates shown in the table above are calculated by adding the amount of interest-bearing assets as of the end of such quarterly period and the amount of interest-bearing assets as of the end of the immediately preceding quarterly period and dividing such sum by two.

Source: Company information.

| (in € million) | 31 March 2022 |
|---|----------------------|
| | (unaudited) |
| Customer deposits and own issues ¹⁾ .. | 40,948 |
| Customer loans (average)..... | 34,982 |
| Customer deposits (average) | 34,150 |

¹⁾ Calculated by adding the line items 'financial liabilities designated at fair value through profit or loss', 'financial liabilities – at amortized costs – customers' and 'financial liabilities – at amortized costs – issued bonds, subordinated and supplementary capital' from BAWAG Group's internal reporting.

Source: Company information.

| Profit and loss statement | For the 3- month period ended 31 March 2022 |
|---|--|
| (in € million) | (unaudited) |
| Net interest income | 242.0 |
| Net fee and commission income | 81.4 |
| Core Revenues¹⁾ | 323.4 |
| Gains and losses on financial instruments and other operating income and expenses ²⁾ | 2.1 |
| Operating income | 325.4 |
| Operating expenses²⁾ | (120.4) |
| Pre-Provision Profit¹⁾ | 205.0 |
| Regulatory charges ²⁾ | (38.4) |
| Total risk costs..... | (20.3) |
| ELC Management overlay..... | 64 |
| Share of the profit or loss of associates accounted for using the equity method..... | 0.0 |
| Profit before tax | 146.3 |
| Income taxes..... | (35.3) |
| Net profit | 110.9 |

¹⁾ The number or ratio is an APM. For a definition, see "10.1.4 Alternative performance measures" below.

²⁾ In accordance with IFRS, the item 'Other operating income and expenses' also includes regulatory charges. The item 'Operating expenses' includes regulatory charges as well. However, BAWAG Group's management considers regulatory charges as a separate expense. Accordingly, they are shown separately.

Source: Company information.

The following tables show selected financial information from the segment reporting of BAWAG Group for its business segments Retail & SME and Corporates, Real Estate & Public Sector:

| Retail & SME | For the 3- month period ended 31 March 2022 |
|--|--|
| (in € million) | (unaudited) |
| Net interest income | 171.7 |
| Net fee and commission income | 74.1 |
| Core Revenues¹⁾ | 245.8 |
| Operating income | 246.8 |
| Operating expenses | (86.7) |
| Pre-Provision Profit¹⁾ | 160.1 |
| Regulatory charges..... | (12.5) |
| Total risk costs..... | (15.0) |
| Profit before tax | 132.6 |
| Income taxes..... | (33.2) |
| Net profit | 99.4 |

¹⁾ Calculated as the line item 'Operating income' less the line item 'Operating expenses'.

Source: Company information.

| Corporates, Real Estate & Public Sector | For the 3-month period ended 31 March 2022 |
|--|--|
| (in € million) | (unaudited) |
| Net interest income..... | 64.8 |
| Net fee and commission income..... | 7.9 |
| Core Revenues ¹⁾ | 72.7 |
| Operating income..... | 80.5 |
| Operating expenses..... | (18.1) |
| Pre-Provision Profit ¹⁾ | 62.4 |
| Regulatory charges..... | (8.5) |
| Total risk costs..... | (3.2) |
| Profit before tax..... | 50.8 |
| Income taxes..... | (12.7) |
| Net profit..... | 38.1 |

¹⁾ Calculated as the line item 'Operating income' less the line item 'Operating expenses'.

Source: Company information."

13. In the section "10.1.4 Alternative performance measures" in the table on page 334 of the Base Prospectus, the seventh line titled "Risk Cost Ratio" under "BAWAG Group" shall be deleted and replaced by the following information:

| | | | | | | |
|------------------------|-------|-------|-------|-------|-------|--------|
| "Risk Cost Ratio | 0.56% | 0.29% | 0.23% | 0.21% | 0.19% | 0.23%" |
|------------------------|-------|-------|-------|-------|-------|--------|

14. In the section "10.1.4 Alternative performance measures" on pages 331 to 334 of the Base Prospectus, after the sub-heading "*Financial years ended 31 December 2021 and 31 December 2020*", a new sub-heading "*Financial information for the three months period ended 31 March 2022*" is inserted with the following information:

"The tables below sets out certain APMs that are based on the internal reporting, including segment reporting, of BAWAG Group:

| | 31 March 2022 |
|--|---------------|
| | (unaudited) |
| BAWAG Group | |
| Shareholders' equity | 3,725 |
| Dividend accruals (in € million) | 61 |
| Common Equity | 3,665 |
| Shareholders' equity | 3,725 |
| Intangible non-current asset..... | 532 |
| Dividend accruals (in € million) | 61 |
| Tangible Common Equity (in € million) | 3,133 |

Source: Company information.

| | For the 3-month period ended 31 March 2022 |
|------------------------------|--|
| | (unaudited) |
| BAWAG Group | |
| Return on common equity..... | 12.2% |

| | For the 3- month period ended 31 March 2022 |
|--|--|
| Return on Tangible Common Equity | 14.2% |
| Net Interest Margin | 2.33% |
| Cost-Income Ratio | 37.0% |
| Core Revenues (in € million) | 323.4 |
| Pre-Provision Profit (in € million) .. | 205.0 |
| Risk Costs/interest bearing assets | 0.19% |
| Retail & SME | |
| Return on Common Equity | 24.2% |
| Return on Tangible Common Equity | 28.1% |
| Core Revenues (in € million) | 245.8 |
| Pre-Provision Profit (in € million) .. | 160.1 |
| Cost-Income Ratio | 35.1% |
| Risk Costs/interest bearing assets | 0.28% |
| Corporates, Real Estate & Public Sector | |
| Return on Common Equity | 12.8% |
| Return on Tangible Common Equity | 15.2% |
| Core Revenues (in € million) | 72.7 |
| Pre-Provision Profit (in € million) .. | 62.4 |
| Cost-Income Ratio | 22.5% |
| Risk Costs/interest bearing assets | 0.09% |

Source: Company information."

15. After the section "11.1.2 Regulatory figures and ratios for the financials years ended 31 December 2021 and 31 December 2020" on pages 337 to 338 of the Base Prospectus, a new section "11.1.3 Regulatory figures and ratios for the three month period ended 31 March 2022" is inserted with the following information:

"The following table shows key regulatory figures and ratios of BAWAG Regulatory Group, including information for the business segments Retail & SME and Corporates, Real Estate & Public:

| Regulatory figures and ratios¹⁾ | As of 31 March 2022 (unaudited) |
|---|--|
| BAWAG Group | |
| Common Equity Tier 1 capital (in € million) ¹⁾ | 3,020 |
| Own funds (in € million) ¹⁾ | 4,101 |
| Total risk-weighted assets (in € million) | 20,527 |
| Common equity tier 1 (CET 1) ratio (fully loaded) ¹⁾ | 14.7% |
| Tier 1 ratio ¹⁾ | 16.9% |
| Total capital ratio ¹⁾ | 20.0% |
| Leverage ratio (fully loaded) ²⁾ | 6.2% |
| Liquidity coverage ratio ³⁾ | 192% |
| NPL ratio ⁴⁾ | 1.5% |

| Regulatory figures and ratios ¹⁾ | As of 31 March 2022 |
|---|------------------------|
| Retail & SME | |
| NPL ratio ⁴⁾ | 1.9% |
| Risk-weighted assets (in € million) | 8,792 |
| Corporates, Real Estate & Public | |
| NPL ratio ⁴⁾ | 0.9% |
| Risk-weighted assets (in € million) | 7,891 |

¹⁾ Calculated in accordance with regulatory requirements.

¹⁾ Includes deductions of approximately € 61 million dividend earmarked for the financial year 2022. In addition to the dividend, share buybacks in an amount of approximately € 425 million are planned (pending regulatory approval). Based on the deduction of the planned share buyback, the CET 1 ratio would be equal to 12.6%.

²⁾ The leverage ratio is calculated pursuant to Article 429 CRR II as an institution's capital measure divided by that institution's total exposure measure, expressed as a percentage, and is designed to discourage the build-up of excessive leverage by the Issuer.

³⁾ Calculated in accordance with Commission Delegated Regulation (EU) 2015/61 of 10 October 2014 to supplement Regulation (EU) No 575/2013 of the European Parliament and the Council with regard to liquidity coverage requirement for Credit Institutions. The liquidity coverage ratio, according to Article 412 (1) CRR II, is designed to promote short-term resilience of the BAWAG Regulatory Group's liquidity risk profile and aims to ensure that the Issuer has an adequate stock of unencumbered high quality liquid assets (HQLA) to meet its liquidity needs for a 30 calendar day liquidity stress scenario. As of 31 March 2022, the liquidity buffer amounts to € 10.7 billion and includes other marketable securities in the amount of € 13.6 billion.

⁴⁾ Calculated as the sum of non-performing loans and advances divided by total gross loans and advances (exposure) in accordance with the European Banking Associations' Implementing Technical Standard (ITS) on Supervisory Reporting (Forbearance and non-performing exposures).

Source: Company information."

16. In the section "11.2 Minimum requirement for own funds and eligible liabilities", the last paragraph on page 338 of the Base Prospectus shall be deleted and replaced by the following information:

"As of 31 December 2021, BAWAG reported MREL eligible instruments amounting to 25.7% of RWA, thereby already exceeding the binding interim target applicable from 1 January 2022. In March 2022, a total of 24.9% of the 25.7% has been utilized, corresponding to EUR 5.1 billion (*i.e.*, 4.8% or EUR 1 billion of legacy MREL-eligible instruments, 3.0% or EUR 0.6 billion of senior non-preferred & other subordinated instruments (not qualifying as own funds) and 17.1% or EUR 3.5 billion of own funds instruments)."

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