BAWAG Covered Bond Update

10 November 2020

BAWAG Group

COMPANY PROFILE

One of Austria's leading retail banks with **2.4 million customers & solid market shares**

2019 results: €459m net profit, 16.1% RoTCE, CIR 42.7% and CET1 ratio 13.3%

Focused on developed markets … DACH region, Western Europe and the United States

Organic & inorganic growth in DACH region and developed markets

Simple & consistent product offering across multiple channels

Developing more towards a Retail & SME franchise … targeting mid-term 80% profit contribution from Retail & SME (versus 67% in 2019)

CAPITAL MANAGEMENT

Focused on organic and inorganic growth

Dividend policy of 50% payout ratio of net profits

Committed to returning excess capital to shareholders

MEDIUM-TERM TARGETS

Based on normalized environment

Return on tangible common equity (RoTCE)

>15%

Cost-income ratio

<40%

OUR STRATEGY

Growth in our **core markets**

Focus on **Customer Centricity**

Efficiency and **operational excellence**

Safe and secure

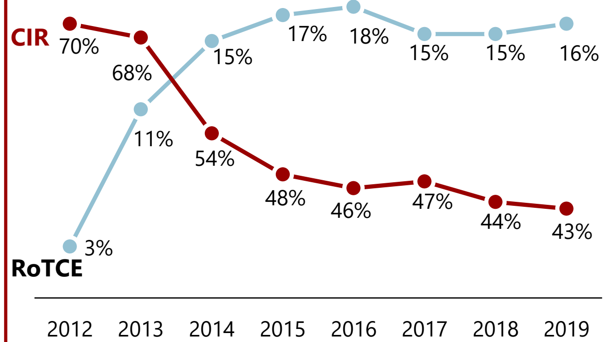
Main pillars of BAWAG Group

We entered the crisis in a strong position

RESILIENT BUSINESS MODEL

- Strategic transformation since 2012
- Focus on developed markets with Austria as our core and foundation
- Highly cash-capital generating business model with ~+230bps CET1 per year through 2019

EFFICIENT & HIGH-RETURN BUSINESS MODEL

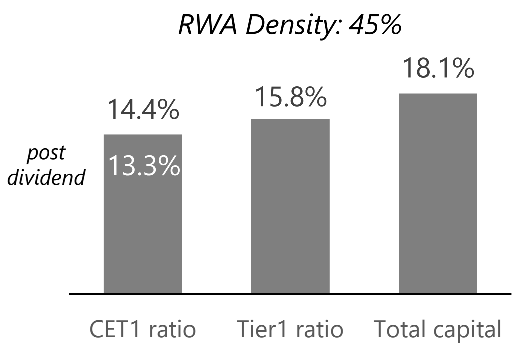


STRONG FUNDING & LIQUIDITY

- Strong customer deposit base ... represents more than 2/3 of funding
- Comfortable maturity profile of own issuances
- Liquidity coverage ratio of 190% ... short-term liquidity buffer of €8.8b (30 September 2020)

STRONG CAPITAL POSITION

As of Dec 2019, pre-dividend

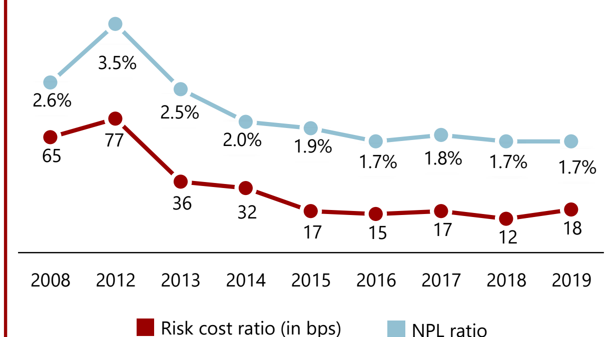


SOLID ASSET QUALITY and DISCIPLINED UNDERWRITING

- Conservative risk appetite and revamped risk organization since 2012
- Disciplined underwriting in corporates and real estate ... focus on risk-adjusted returns
- No relevant exposure to CEE or emerging markets
- No operations with elevated AML risk

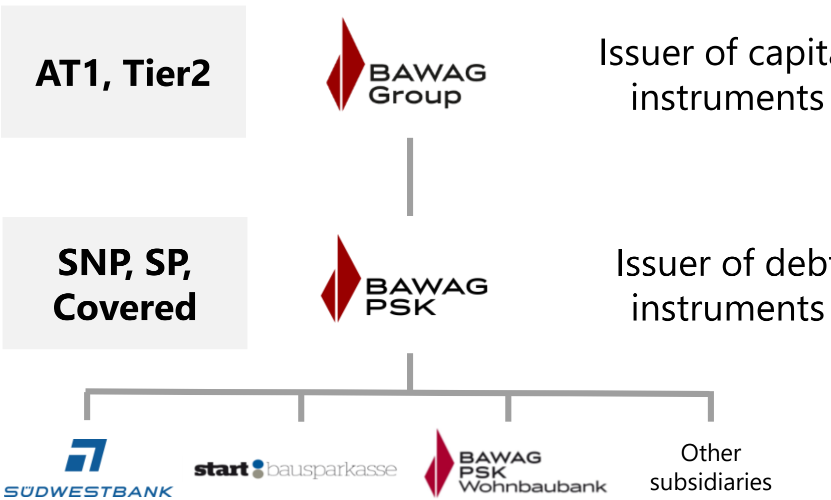
NON-PERFORMING LOANS

developments since financial crisis



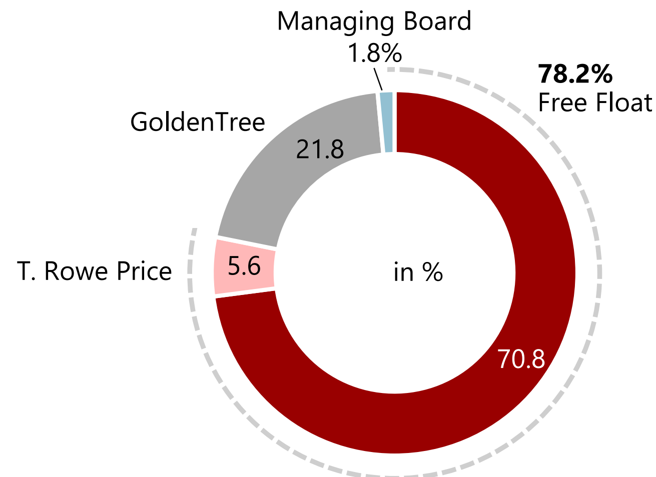
BAWAG Group

Company structure and issuing entities



		Moody's	Fitch [1)]
BAWAG P.S.K.	Issuer Rating	A2 (stable)	A- (stable)
	Covered bonds	Aaa	
	Senior preferred	A2	
	Senior non-preferred	Baa2	
BAWAG Group	Tier 2	Baa2	
	Additional Tier 1	Ba1	

Shareholder structure of BAWAG Group AG



- Public listing on the Vienna Stock Exchange
- Granular and well diversified investor base with ~80% free float

1) On 30 October 2020, Fitch has withdrawn BAWAG's ratings for commercial reasons

Based on number of shares of the most recent major holdings notifications

Financial performance

Key highlights

P&L | € millions	Q3 '20	vPY	vPQ	YTD	vPY
Core revenues	298	2%	5%	873	1%
Operating income	290	(8%)	2%	870	(6%)
Operating expenses	(125)	(6%)	-	(375)	(5%)
Pre-provision profit	**165**	**(9%)**	**3%**	**495**	**(7%)**
Regulatory charges	(14)	576%	468%	(53)	35%
Risk costs	(50)	191%	(33%)	(179)	305%
Profit before tax	**101**	**(38%)**	**25%**	**263**	**(42%)**
Net profit	**79**	**(37%)**	**29%**	**201**	**(41%)**
Ratios					
RoCE	9.3%	(4.5pts)	1.9pts	8.0%	(4.8pts)
RoTCE	11.1%	(5.3pts)	2.2pts	9.6%	(5.5pts)
CIR	43.2%	0.8pts	(0.7pts)	43.1%	0.4pts
Risk cost ratio	0.49%	0.31pts	(0.25pts)	0.60%	0.45pts
Normalized					
Net profit	77	(34%)	47%	209	(40%)
RoCE	9.1%	(4.0pts)	2.7pts	8.3%	(4.8pts)
RoTCE	10.9%	(4.6pts)	3.2pts	10.0%	(5.4pts)

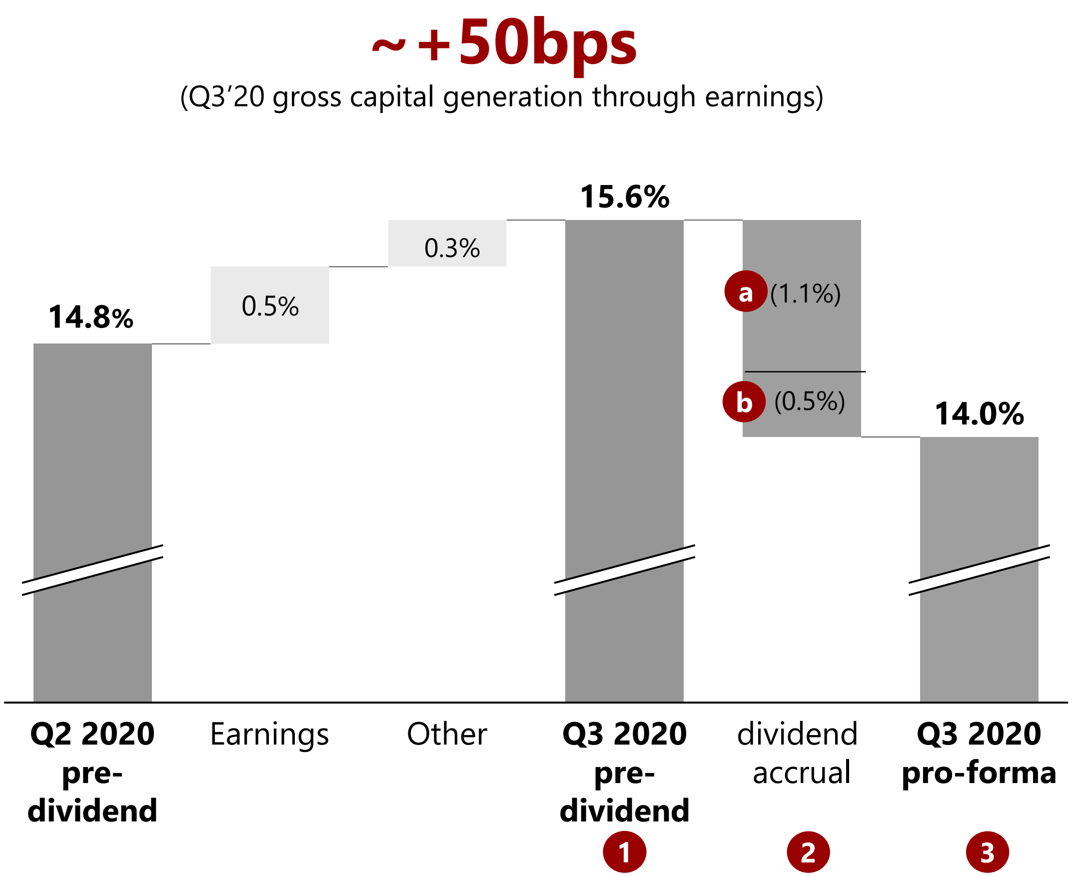
Balance Sheet & Capital | € millions	Q3 '20	Q2 '20	vPQ	vYE
Total assets	51,238	51,278	-	12%
Interest-bearing assets	40,274	40,505	(1%)	9%
Customer loans	31,545	31,372	1%	4%
Customer deposits	30,433	30,255	1%	-
Common Equity	3,435	3,366	2%	4%
Tangible Common Equity	2,882	2,811	3%	6%
CET1 Capital	2,832	2,777	2%	5%
Risk-weighted assets	20,246	20,750	(2%)	(1%)
CET1 Ratio (post dividend)	**14.0%**	**13.4%**	**0.6pts**	**0.7pts**
Liquidity Coverage Ratio	190%	209%	(19pts)	44pts
Leverage ratio	6.4%	5.9%	0.5pts	(0.1pts)

Per share data	Q3 '20	vPY	vPQ	YTD	vPY
Earnings (€)	0.90	(29%)	28%	2.29	(34%)
Book value (€)	39.07	6%	2%	39.07	6%
Tangible book value (€)	32.78	5%	3%	32.78	5%

Note: €331m dividend deducted from Equity balances and CET1 capital in balance sheet, capital, ratios and per share data.

Capital development … CET1 ratio (FL)

Strong capital position



1. Q3 '20 CET1 ratio excluding dividend at 15.6%
2. **Dividend deduction of 160bps (€331m):**
   - a. FY '19 dividend ~€230m and
   - b. YTD dividend accrual of ~€101m per dividend policy (50% of net profit)
3. CET1 ratio post 2019 and 2020 dividends at 14.0%

CET1 ratio target reduced to 12.25% reflecting change in P2R composition and filled AT1/T2 buckets during Q3 '20

Outlook:

Projected impact from software intangibles of ~+25bps (net of prudential filter) in Q4 '20

Retail & SME

Financial performance

€ millions	Q3 '20	Q3 '19	vPY	Q2 '20	vPQ
Core revenues	219.6	219.1	-	213.8	3%
Net interest income	165.3	158.7	4%	166.2	(1%)
Net commission income	54.2	60.3	(10%)	47.7	14%
Operating income	222.3	220.1	1%	215.6	3%
Operating expenses	(90.3)	(97.4)	(7%)	(90.0)	-
Pre-provision profit	**132.1**	**122.7**	**8%**	**125.6**	**5%**
Regulatory charges	(1.0)	(1.4)	(29%)	(0.7)	43%
Risk costs	(27.0)	(18.1)	49%	(35.7)	(24%)
Profit before tax	**104.1**	**103.2**	**1%**	**89.1**	**17%**
Net profit	**78.1**	**77.4**	**1%**	**66.8**	**17%**

Ratios

in %	Q3 '20	Q3 '19	vPY	Q2 '20	vPQ
RoCE	21.2%	19.8%	1.4pts	18.5%	2.7pts
RoTCE	25.1%	23.1%	2.0pts	22.1%	3.0pts
CIR	40.6%	44.3%	(3.7pts)	41.7%	(1.1pts)
NPL ratio	1.9%	1.9%	-	1.8%	0.1pts
Risk cost ratio	0.57%	0.41%	0.16pts	0.78%	(0.21pts)

Customer development

€ millions	Q3 '20	Q3 '19	vPY	Q2 '20	vPQ
Housing loans	11,749	10,299	14%	11,030	7%
Consumer and SME	5,539	5,472	1%	5,547	-
thereof: secured portfolio	2,481	2,383	4%	2,505	(1%)
Portfolios	1,781	1,882	(5%)	1,916	(7%)
thereof: UK & French mortgage portfolio	1,469	1,812	(19%)	1,534	(4%)
Total assets	**19,069**	17,653	**8%**	18,493	**3%**
Total assets (avg)	**18,782**	17,493	**7%**	18,287	**3%**
Risk-weighted assets	**8,278**	8,235	**1%**	8,409	**(2%)**
Customer deposits	**24,671**	24,018	**3%**	24,878	**(1%)**

Pre-tax profit of €104m, up +1% vPY despite higher risk costs ... net asset growth +8% vPY and +3% vPQ driven by housing loans

Pre-provision profit of €132m, up +8% vPY ... NII up +4% and costs down (7%); offset by (10%) decline in fee income resulting from COVID-19 triggered lower transaction business

Risk costs of €(27)m in the quarter, up 49% vPY ... continuing to prudently build-up reserves

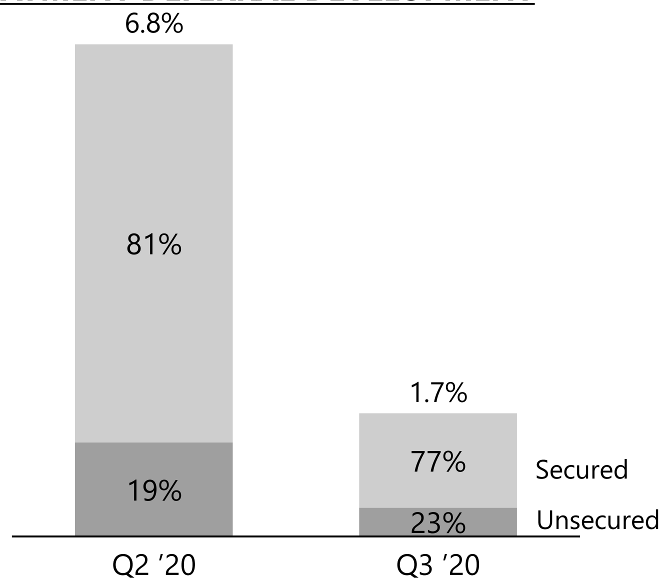
Focused on executing various operational and strategic initiatives ... consolidated Retail & SME domestic and international business during Q3 '20 to drive greater simplification and standardization across the business

Retail & SME

Portfolio overview of €19.1b of customer loans and leases

CREDIT PROFILE	Assets Q3 '20 (€b)	NPL ratio	Reserve development				Reserve ratio				Payment holidays		paying ratio (expired deferrals)
			YE '19	Q1 '20	Q2 '20	Q3 '20	YE '19	Q1 '20	Q2 '20	Q3 '20	Q2'20	22 October	
Secured	16.0	1.7%	100	105	106	105	0.66%	0.69%	0.68%	0.66%	6.6%	1.6%	94%
Unsecured	3.1	2.6%	75	99	124	149	2.39%	3.14%	4.08%	4.88%	7.7%	2.6%	90%
Total Retail & SME	**19.1**	**1.9%**	**176**	**204**	**230**	**254**	**0.96%**	**1.11%**	**1.24%**	**1.33%**	**6.8%**	**1.7%**	**94%**

PAYMENT DEFERRAL DEVELOPMENT



KEY DEVELOPMENTS

Highly collateralized Retail & SME business (84%) … primarily mortgages

Unsecured lending primarily personal loans to primary banking customers (~80%)

Total reserve build of +€78m (+44%) vYE and increase in reserve ratio from 96bps to 133bps vs YE '19 (+37bps)

94% of expired payment deferrals are current (paying again)

In Austria, public moratorium extended 3-months from 31 October 2020 to 31 January 2021 … to-date, only 0.2% request for extensions

Corporates & Public

Financial performance

€ millions	Q3 '20	Q3 '19	vPY	Q2 '20	vPQ
Core revenues	68.6	72.5	(5%)	68.4	-
Net interest income	59.3	61.7	(4%)	59.5	-
Net commission income	9.3	10.8	(14%)	8.9	4%
Operating income	67.5	71.4	(5%)	68.7	(2%)
Operating expenses	(19.6)	(25.0)	(22%)	(20.5)	(4%)
Pre-provision profit	**48.0**	**46.4**	**3%**	**48.2**	**-**
Regulatory charges	(1.0)	(0.6)	67%	(1.0)	-
Risk costs	(20.9)	(0.2)	>100%	(28.3)	(26%)
Profit before tax	**26.1**	**45.7**	**(43%)**	**18.9**	**38%**
Net profit	**19.6**	**34.2**	**(43%)**	**14.2**	**38%**

Ratios

in %	Q3 '20	Q3 '19	vPY	Q2 '20	vPQ
RoCE	7.3%	10.8%	(3.5pts)	5.4%	1.9pts
RoTCE	9.0%	13.2%	(4.2pts)	6.7%	2.3pts
CIR	29.0%	35.0%	(6.0pts)	29.8%	(0.8pts)
NPL ratio	1.1%	1.6%	(0.5pts)	1.1%	-
Risk cost ratio	0.61%	0.01%	0.60pts	0.81%	(0.20pts)

Customer development

€ millions	Q3 '20	Q3 '19	vPY	Q2 '20	vPQ
Corporate lending	4,264	6,566	(35%)	4,483	(5%)
Asset backed lending	4,986	4,467	12%	5,055	(1%)
Public clients	4,335	3,347	30%	4,364	(1%)
Total assets	**13,585**	14,380	**(6%)**	13,902	**(2%)**
Total assets (avg)	**13,603**	13,996	**(3%)**	13,845	**(2%)**
Risk-weighted assets	**7,443**	8,411	**(12%)**	7,652	**(3%)**
Customer deposits	**5,170**	6,028	**(14%)**	4,822	**7%**

Pre-tax profit €26m, down (43%) vPY impacted by higher risk costs … net asset down (2%) vPQ and down (6%) vPY driven by corporate lending

Pre-provision profit €48m, up +3% vPY … Operating income down (5%) offset by reduction in costs of (22%)

Risk costs of €(21)m during the quarter, of which €(16)m specific reserves … taking specific reserves in exposures to cyclical sectors

Maintaining disciplined underwriting … will remain patient and continue to focus on risk-adjusted returns

Corporates & Public

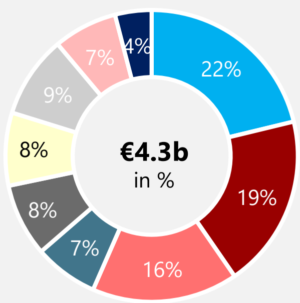
Portfolio overview of €13.6 billion of customer loans … whereof €4.3b in public sector

Payment Deferral overview

	Assets Q3 '20 (€b)	NPL ratio	Reserve development				Reserve ratio				Payment holidays		paying ratio (expired deferrals)
			YE '19	Q1 '20	Q2 '20	Q3 '20	YE '19	Q1 '20	Q2 '20	Q3 '20	Q2'20	22 October	
Corporate and Asset Backed Lending [1)]	**9.3**	**1.6%**	**76**	**89**	**113**	**130**	**0.78%**	**0.91%**	**1.19%**	**1.40%**	**1.3%**	**0.6%**	**100%**

1) Public sector assets of €4.3b; no NPL nor payment holidays

CORPORATE LENDING … €4.3b; (5%) vPQ



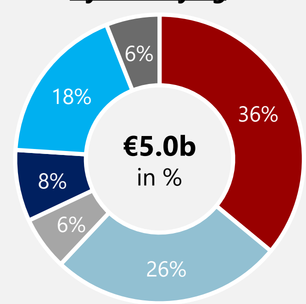
Cyclical sectors	Net book value (€m)	NPL volume	*%share of* Corporate lending	*%share of* Customer Business
Shipping	25	-	0.59%	0.08%
Retailers	15	9	0.34%	0.04%
Oil & Gas	7	7	0.16%	0.02%
Hotels	13	-	0.31%	0.04%
Airlines	-	-	-	-
Total	**60**	**15**	**1.40%**	**0.18%**

– Disciplined and conservative underwriting over the years focused on risk-adjusted returns and not chasing volume growth

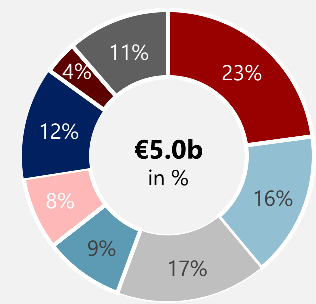
– Proactively managing higher-risk cyclical exposures … €60m net book value down by ~25% vPQ … another 35-40% reduction in 4Q from redemptions / amortizations

ASSET BACKED LENDING … €5.0b; (1%) vPQ

By underlying



By geography



Underwriting overview

Historically disciplined underwriting:

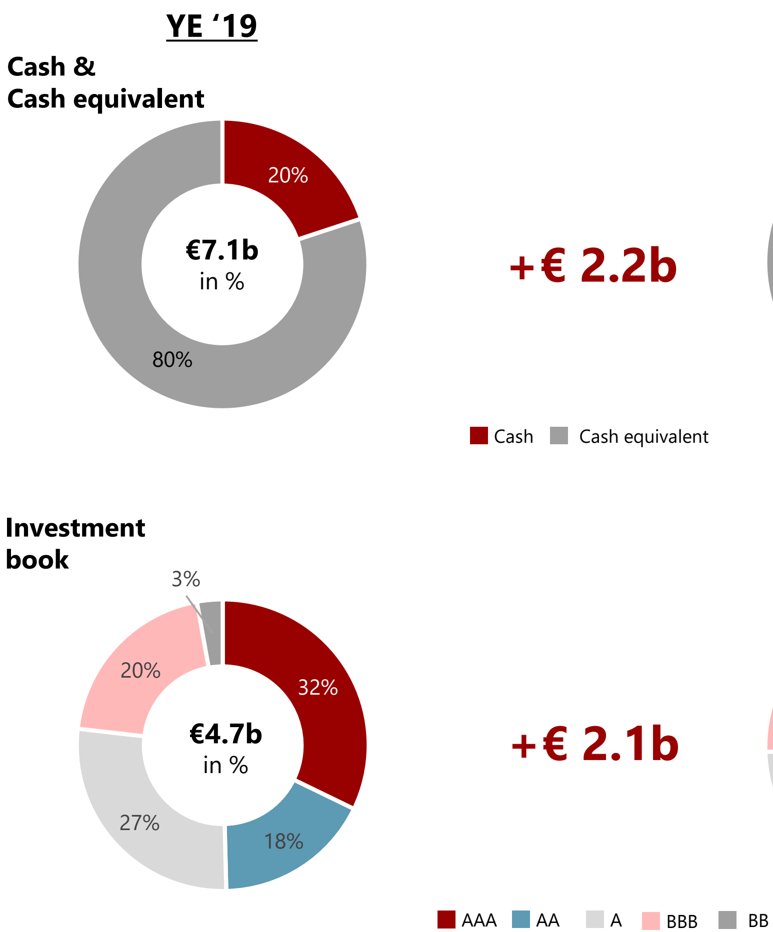
- Senior secured
- Day 1 LTC/V < 65%
- Interest Coverage Ratio (ICR >2.0x)

Commentary

- Solid portfolio performance … Positive customer responses and actions to date
- As of 30 September, direct exposure to Hotels/Retail of ~ 8% … over 32% avg. pay down, ~6 months interest reserve

Investment book and Cash

Continued to deploy excess cash into high-quality securities



As of Q3 '20, cash and cash equivalents (mainly money at central banks) at €9.3b … TLTRO III of €5.8b in Q2 '20

Investment book primarily serves as liquidity book of the Bank

Focus on low credit risk, high liquidity, shorter duration and solid diversification in terms of geography and issuers:

- No non-performing assets
- 97% portfolio investment grade, with 75% A or higher
- Weighted average life of 4.4 years
- ~400 positions, average size ~€18m

P&L & key ratios

P&L | € millions	**Q3 '20**	**Q3 '19**	**vPY**	**vPQ**
Net interest income	234.8	220.0	7%	3%
Net commission income	62.8	70.8	(11%)	13%
Core revenues	**297.6**	**290.8**	**2%**	**5%**
Other revenues	(7.4)	24.1	n/a	n/a
Operating income	**290.2**	**314.9**	**(8%)**	**2%**
Operating expenses	**(125.3)**	**(133.4)**	**(6%)**	**-**
Pre-provision profit	**164.9**	**181.5**	**(9%)**	**3%**
Regulatory charges	(14.2)	(2.1)	576%	468%
Risk costs	(49.7)	(17.1)	191%	(33%)
Profit before tax	**101.3**	**163.5**	**(38%)**	**25%**
Income taxes	(22.3)	(39.1)	(43%)	16%
Net profit	**78.8**	**124.4**	**(37%)**	**29%**

Key ratios	**Q3 '20**	**Q3 '19**	**vPY**	**vPQ**
Return on Common Equity	9.3%	13.8%	(4.5pts)	1.9pts
Return on Tangible Common Equity	11.1%	16.4%	(5.3pts)	2.2pts
Net interest margin	2.31%	2.28%	0.03pts	0.04pts
Cost-income ratio	43.2%	42.4%	0.8pts	(0.7pts)
Risk cost ratio	0.49%	0.18%	0.31pts	(0.25pts)
Earnings per share (in €)	0.90	1.26	(29%)	28%
Tangible book value per share (in €)	32.78	31.13	5%	3%

Net interest income up +3% vPQ due to higher interest-bearing assets in prior quarters and positive effect of TLTRO

NCI +13% vPQ … most significant impact of COVID-19 impacts in Q2 '20, slight recovery for rest of the year

Risk costs of €(50)m … remaining cautious and conservative

Note: €331m dividend deducted from Equity balances and CET1 capital in balance sheet, capital, ratios and per share data.

Balance sheet

Growing overall balance sheet thru increased interest-bearing assets

Balance sheet | € billions	**Q3 '20**	**Q4 '19**	**Delta**
Customer loans	31.5	30.5	4%
Securities and bonds	7.8	5.4	45%
Credit institutions and cash	9.3	7.1	30%
Other assets	2.6	2.7	(2%)
Total assets	**51.2**	**45.7**	**12%**
thereof Average interest-bearing assets	40.4	37.6	7%
Customer deposits	30.4	30.4	-
Own issues	6.5	5.4	20%
Credit institutions	7.5	3.1	144%
Other liabilities	2.5	2.9	(14%)
Common equity	3.4	3.3	4%
Dividend accrual	0.3	0.2	43%
AT1 capital	0.5	0.3	59%
Total liabilities & equity	**51.2**	**45.7**	**12%**

Note: €331m dividend deducted from Equity balances, CET1 capital and capital ratios.

Capital & RWA | € billions	**Q3 '20**	**Q4 '19**	**Delta**
Common equity	3.4	3.3	4%
Tangible common equity	2.9	2.7	6%
CET1 capital	2.8	2.7	5%
Risk-weighted assets	20.2	20.4	(1%)
CET1 ratio (post dividend)	14.0%	13.3%	0.7pts
Leverage ratio	6.4%	6.5%	(0.1pts)

Growing interest-bearing assets thru mix of customer loans (+4%) and securities (+45%)

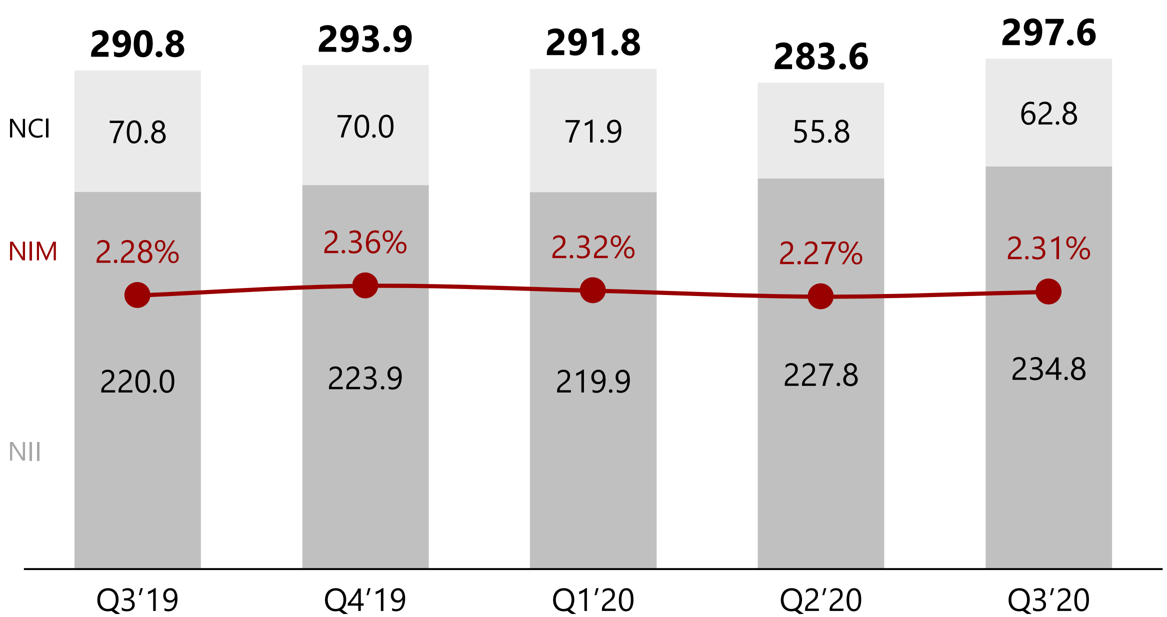
Risk weighted assets slight decrease vYE reflecting change in asset mix

Tangible Common Equity up +6% vYE .... CET1 ratio improved to 14.0% after dividend (+60bps versus Q2 '20)

P&L details – core revenues

Solid core revenues in Q3 … NCI still impacted by COVID-19 effects

€ millions



Customer loans | Average interest-bearing assets | € billions

30.7	30.5	31.1	31.4	31.5
38.6	37.6	38.1	40.4	40.4

Net interest income (NII) up 3% vPQ … net interest margin (NIM) at 2.31% in Q3 '20

- Positive trend resulting from TLTRO III impact
- Trend expected to continue for the rest of the year
- Changing asset mix over time (more secured vs. unsecured)

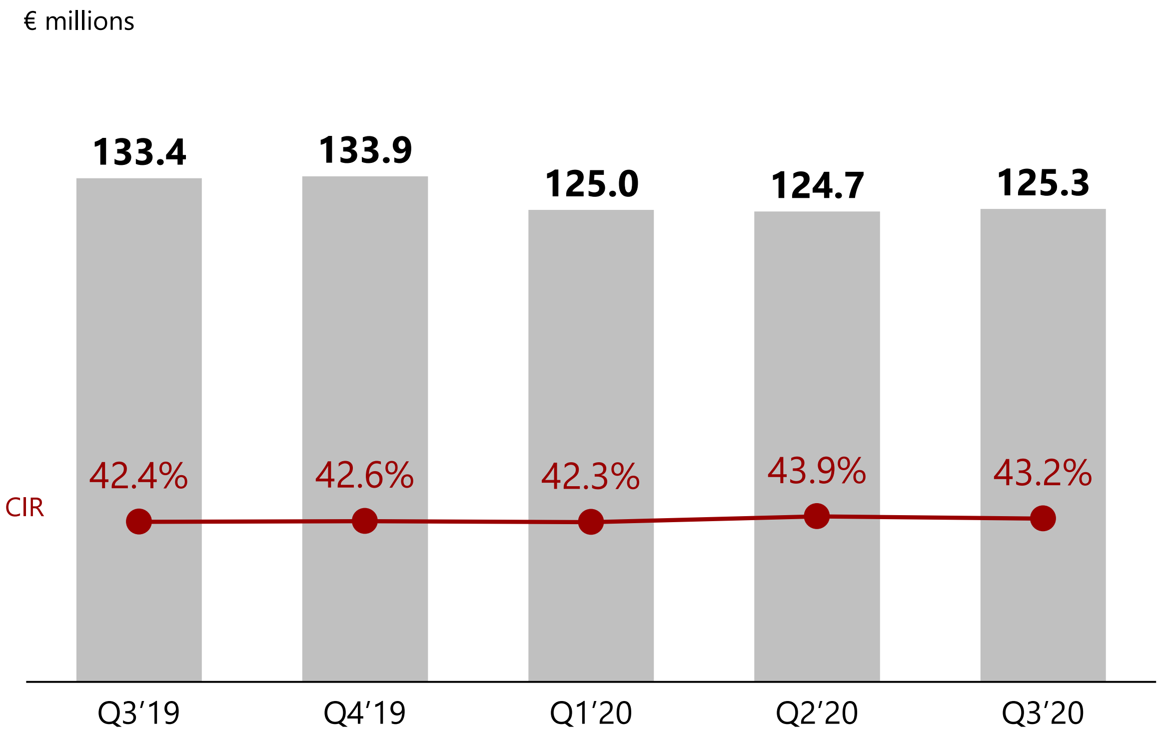
Net commission income (NCI) up 13% vPQ

- Q2 '20 was a trough of activity … still subdued in selected business areas compared to previous year
- Currently at ~90% of pre-COVID levels

Outlook for Q4 '20:
stable development of core revenues compared to Q3 '20

P&L details – operating expenses

Absolute costs lower versus prior year



Cost-income ratio at 43.2% in Q3 '20 and 43.1% YTD

Year-over-year decrease resulting from ongoing efficiency and centralization measures

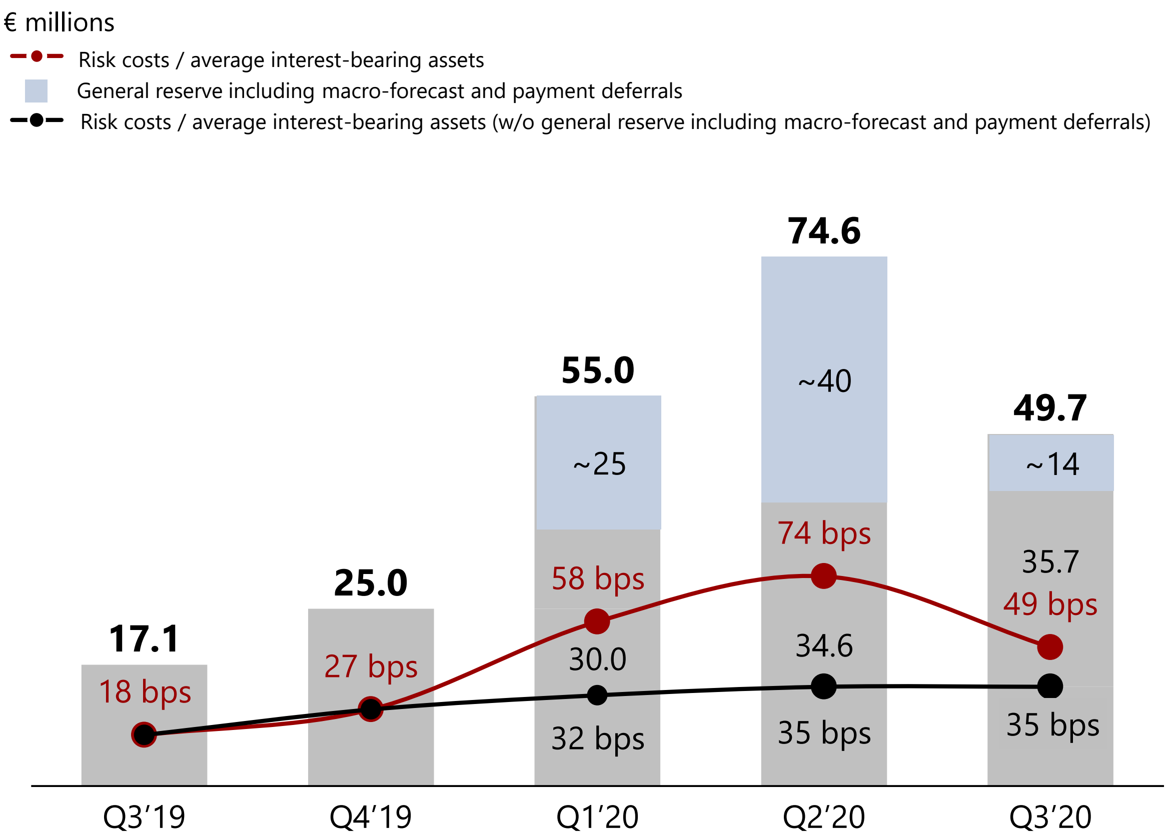
Planting the seeds for greater scale, greater digital engagement both with customers and employees, and **greater simplification and standardization across the Bank**

Working on measures to meet target of below 40% cost-income ratio

Outlook for 2020:
underlying costs will be 5% lower versus 2019 …
planning to take up to €25m restructuring cost in Q4 '20 to accelerate future efficiency measures

P&L details – risk costs

Strong underlying asset quality



NPL ratio (as reported and excluding CoL)

1.8%	1.7%	1.6%	1.5%	1.5%
1.3%	1.1%	1.1%	1.0%	1.1%

Q3 '20 risk costs at ~€50m … ratio at 49bps

- €16m specific reserves in our Corporates business to address cyclical exposures
- €14m additional general reserve
- Normal risk cost run-rate in Retail & SME of ~€20m

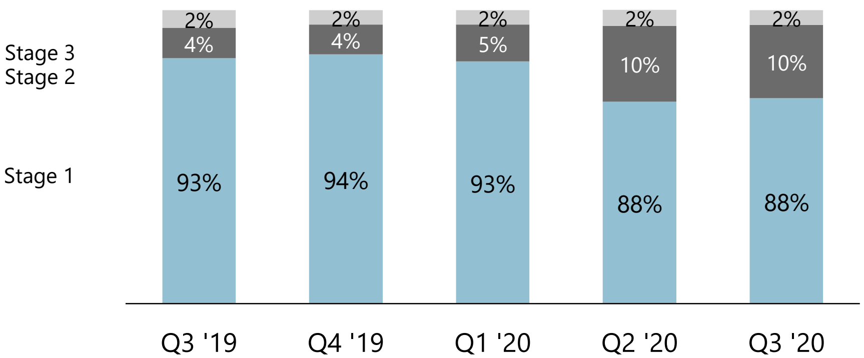
Maintain safe & secure balance sheet & portfolio risk management

- Business focused on developed markets … ~75% DACH/NL region and ~25% Western Europe / United States
- 77% of loan portfolio is secured or public sector lending

Outlook for risk costs:
Risk cost in H2 '20 will be below H1 '20

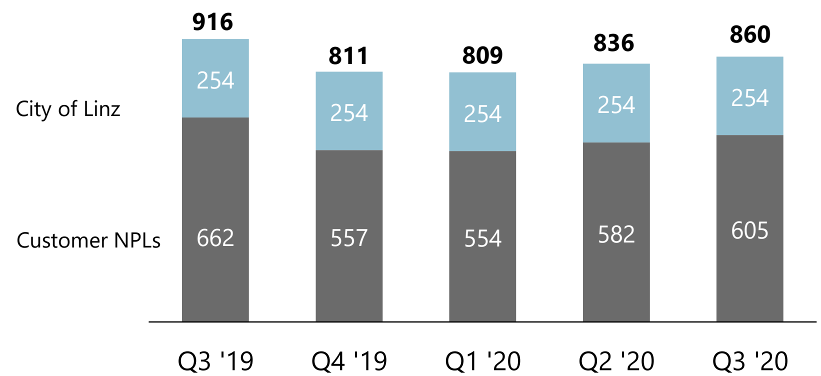
Details on reserves

IFRS 9 MIGRATION – CUSTOMER SEGMENT ASSETS



	Q3 '19	Q4 '19	Q1 '20	Q2 '20	Q3 '20
Customer business	**32.0**	**31.3**	**31.8**	**32.4**	**32.7**
Less public sector	*3.3*	*3.4*	*3.7*	*4.4*	*4.3*
Asset base	**28.7**	**27.9**	**28.1**	**28.0**	**28.3**

Non-performing stage 3 loans, in €m



	Q3 '19	Q4 '19	Q1 '20	Q2 '20	Q3 '20
NPL ratio (%)	1.8%	1.7%	1.6%	1.5%	1.5%
NPL ratio excl. City of Linz	1.3%	1.1%	1.1%	1.0%	1.1%
NPL cash coverage ratio (%)	36%	37%	39%	39%	43%

ECLs (Stage 1&2) and SPECIFIC RESERVES (Stage 3)

	Q3 '19	Q4 '19	Q1 '20	Q2 '20	Q3 '20
Stage 1	37	35	53	60	64
Stage 2	19	17	22	56	58
Stage 3	238	205	218	226	262
Total reserves	**293**	**256**	**293**	**343**	**384**

NPL ratio (excluding City of Linz) at 1.1%, with cash coverage of 43%

Reserves up €128m vYE (+50%), of which ECLs up €70m (+135%) and Stage 3 reserves up €58m (+28%) … we will continue to remain prudent and apply conservative provisioning

ECL reserves based on ECB macroeconomic forecast for Euro-area published in June for adverse scenario (-12.6% in 2020, +3.3% in 2021) … will not make any model updates this year unless assumptions worsen

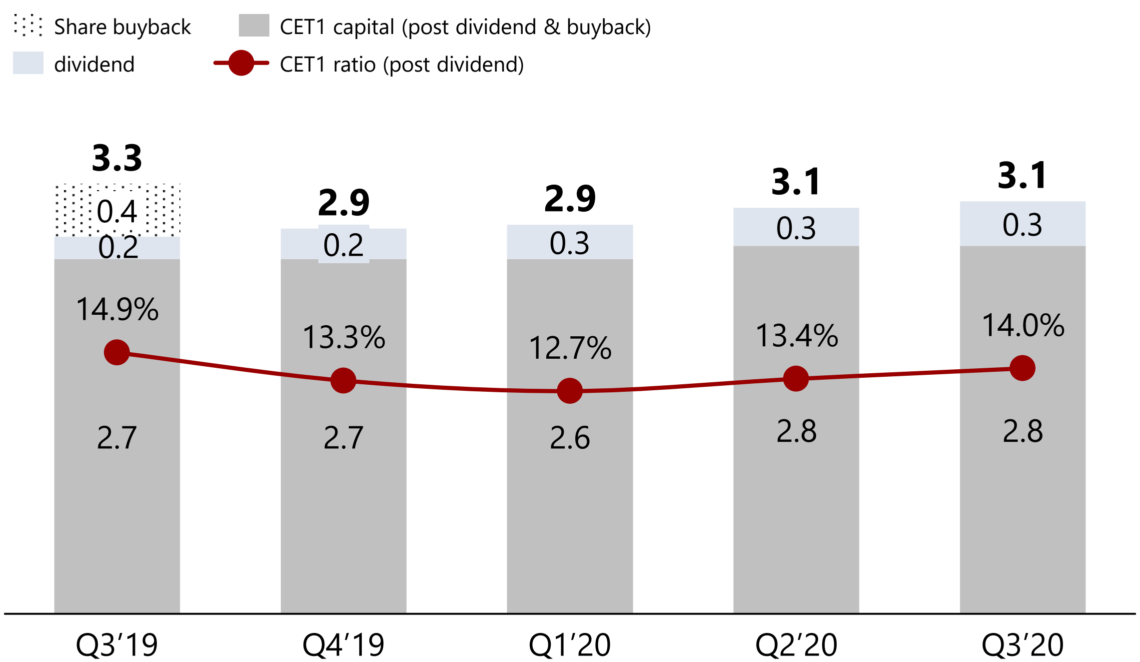
City of Linz receivable marked at 60% … Assuming worst case scenario, CET1 impact of (~20bps)

Regulatory Capital

Strong capital position

€ billions

CET1 Capital and ratios



RWA | € billions | **Tier 1 ratio**[1)] | **Total capital ratio**[1)]

20.6	20.4	20.9	20.8	20.2
16.4%	14.7%	14.1%	14.8%	16.3%
18.7%	17.0%	16.3%	17.0%	19.6%

1) Post dividend accrual

Impact of various capital measures:

- Software intangibles: Impact of ~+25bps (net of prudential filter) to CET1 to be recognized in Q4 '20
- Issued €175 million AT1 (5.125% coupon) and €200 million T2 (1.932% yield, ms +235bps) in Q3 '20
  - filling the P2R bucket and created additional RWA capacity
  - Tier 1 ratio and Total Capital ratios improved by ~150bps (T1) and ~260bps (Total Capital)

Updated CET1 target of 12.25%

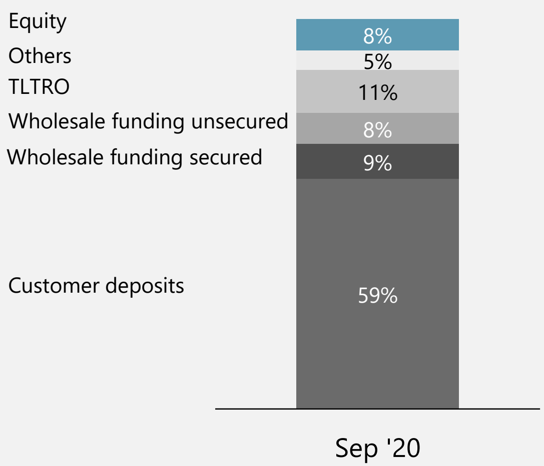
MDA trigger at 9.13%

- target CET 1 ratio of 12.25% is >300bps above MDA trigger
- current CET 1 ratio (post dividend) ~500bps above MDA trigger

Funding & Liquidity

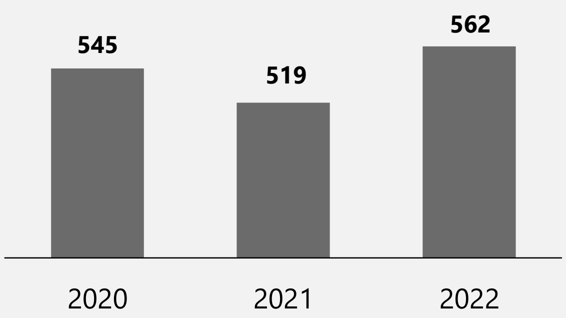
FUNDING

STRONG CUSTOMER DEPOSIT FUNDING ...



... AND COMFORTABLE MATURITY PROFILE

€ millions notional



- Covered bonds important capital market funding source going forward ... €1.25b executed YTD'20
- Participated in TLTRO III in June for €5.8b (full capacity)
- P2R optimization executed ... €175m AT1 and €200m Tier2 issued in Sep '20
- Additional ~€1.0b-1.5b senior instruments (senior preferred, senior non-preferred) to meet MREL and subordination requirement until year end 2022, depending on regulatory requirements composition

LIQUIDITY

Liquidity coverage ratio

190%

Liquidity buffer

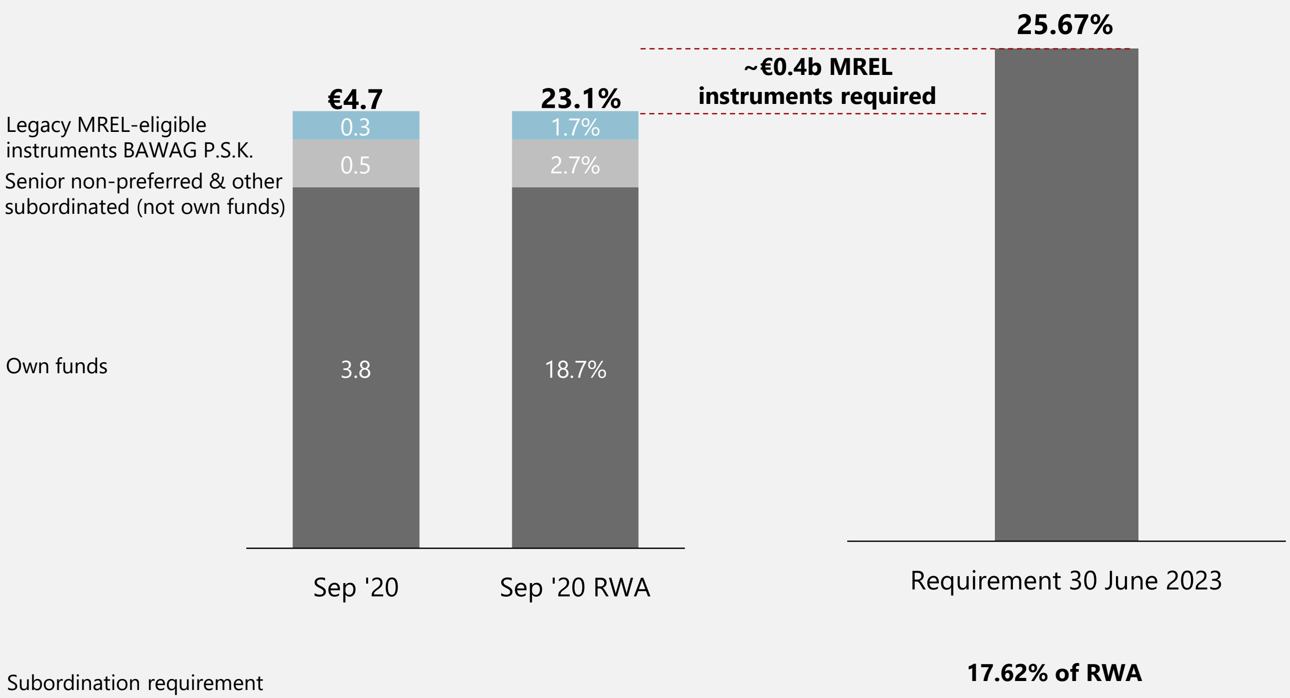
€8.8b

Liquidity buffer Including other marketable securities

€11.8b

MREL

MREL-REQUIREMENT



LIQUIDITY

MREL decision (Feb '20) with binding requirements from 30 Jun 2023 (no binding interim targets):

- Requirement applicable at BAWAG P.S.K. level (consolidated)
- Introduces hybrid approach for MREL eligibility: own funds of BAWAG P.S.K. (consolidated), other MREL liabilities only eligible if issued directly by BAWAG P.S.K.

New SRB MREL policy fully reflecting CRR2/BRRD2 will only be incorporated in next MREL decision expected for late 2020 / early 2021

Our MREL strategy with consideration of multi-year phase in

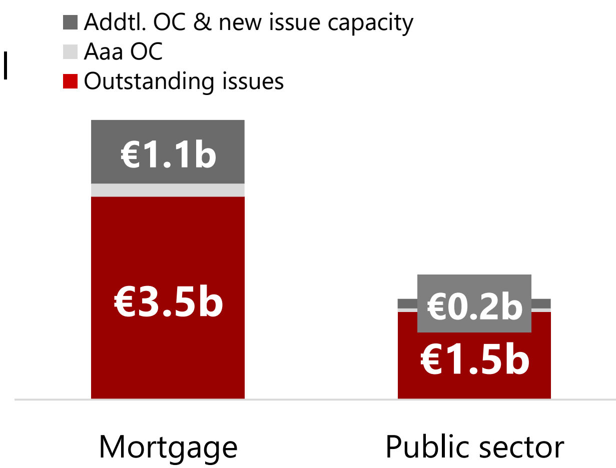
- €500m SNP successfully issued in August 2019
- Additional ~€1.0b-1.5b senior instruments (senior preferred, SNP) to meet MREL and subordination requirement until year end 2022

BAWAG P.S.K. covered bonds

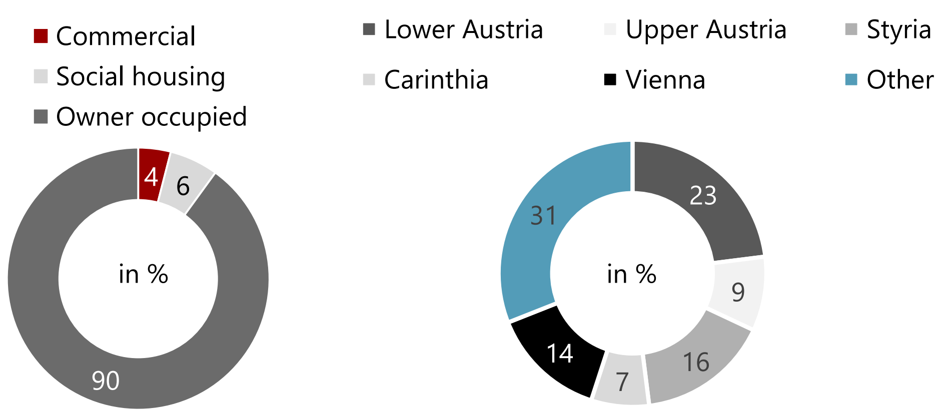
High quality collateral with a plain cover pool

- **Aaa Rating** (Moody's) … 6.5% OC required to maintain Aaa for mortgage pool and 4% OC required to maintain Aaa for public sector pool[2)]
- **Solid collateral score** compared to Austrian and German average cover pool … 6.3% for mortgage cover pool and 8.8% for public sector cover pool[2)]
- **Plain cover pool … 96% residential housing** (vs. commercial use) … 0% non-performing loans, no derivatives … highly granular pools with >40ths mortgages[1)]
- Covered bonds important capital market funding source … **€1.25b executed YTD'20** … **increased issuance activity planned** going forward, subject to market conditions, supported by solid organic growth of pool assets

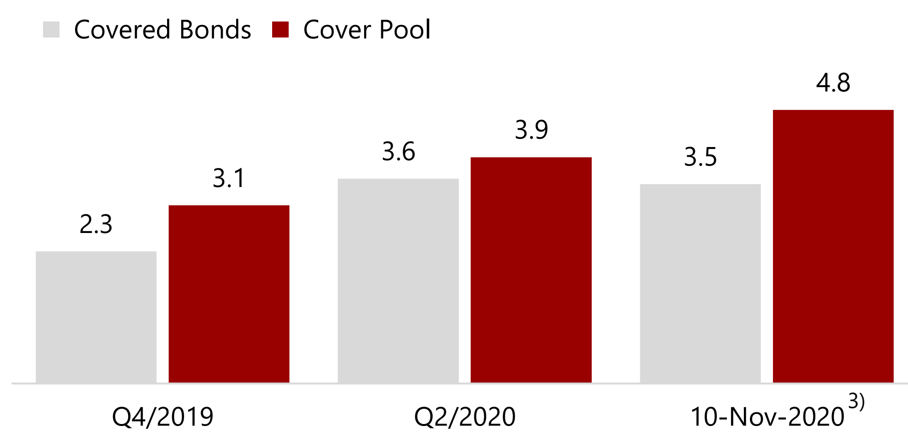
BAWAG P.S.K. cover pools [3)]



Mortgage cover pool decomposition[1)]



Mortgage sector cover pool development



1) Data as of Q3 2020 2) Data as of Q2 2020
3) Pro forma figures as of 10 November 2020. Includes fully retained covered bonds amounting to €0.7b mortgage covered bonds and €0.9b public sector covered bonds

BAWAG
Group

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Annex – Definitions and abbreviations

After-tax earnings per share ('EPS')
Net profit / weighted average number of shares outstanding (diluted)

B/S leverage
Total assets / IFRS equity

Common Equity Tier 1 capital (CET1)
including interim profit and dividend accruals considered; at year-end dividend deducted; Q1 '20 deducts dividend for FY '19 and Q1 '20

Common Equity Tier 1 ratio
Common Equity Tier 1 capital (CET1) / risk-weighted assets

Core revenues
The total of net interest income and net fee and commission income

Cost-income ratio
Operating expenses (OPEX) / operating income

Customer Loans
Loans to customers measured at amortized cost

Common equity
Equity attributable to the owners of the parent; excluding minorities, AT1 and deducted dividend accrual

FL … fully-loaded

Leverage ratio
Tier 1 capital / total exposure (calculation according to CRR)

Net interest margin (NIM)
Net interest income (NII) / average interest-bearing assets

NPL ratio
NPL exposure economic / exposure

Pre-tax earnings per share
Profit before tax / weighted average number of shares outstanding (diluted)

Return on common equity (RoCE)
Net profit / average IFRS equity excluding AT1 capital and deducted dividend accruals average equity based on 1 January 2018 due to IFRS 9 implementation

Return on tangible common equity (RoTCE)
Net profit / average IFRS tangible equity excluding AT1 capital and deducted dividend accruals; average equity based on 1 January 2018 due to IFRS 9 implementation

Risk cost ratio
Provisions and loan-loss provisions, impairment losses and operational risk (risk costs) / average interest-bearing assets

Tangible book value / share
IFRS tangible equity (excluding AT1 capital, deducted dividend accruals) / number of shares outstanding

Tangible common equity
Common equity reduced by the carrying amount of intangible assets

Total capital ratio
Total capital / risk-weighted assets

vPY … versus prior year period
vPQ … versus prior quarter period
vYE … versus year-end

Note: Tables in this presentation may contain rounding differences. Already published historic figures may vary due to adjustments.