

CORPORATE GOVERNANCE

Our overarching target is to guarantee a sustainable business model over the long term.

May 2023

CORE STRENGTHS

in our corporate
governance ...

A responsible bank
maintaining a robust
compliance culture with
consistent governance
across the group.



WELL DIVERSIFIED SHAREHOLDER BASE

- **Number of shares:** 82,500,000
- **3.9%** owned by Management Board members and Senior Leadership Team
- **Core shareholders:** T. Rowe Price 6.1%, Wellington 5.9%, Blackrock 4.2%

CONTINUOUS DIALOGUE WITH OUR SHAREHOLDERS

- **High participation** in Annual General Meeting: 2023: 70% 2022: 78%, 2021: 79%,
- **Regular investor meetings** at roadshows, conferences
- **Ongoing enhancement of disclosure** esp. during volatile market environment to continue to retain investors' trust

STRATEGY & BUSINESS INHERENTLY SUPPORTS GOVERNANCE

- Commercial banking
- Low risk & highly regulated **countries** and low risk **industries**
- **Simple and transparent** core products
- **Simplification** and **harmonization**

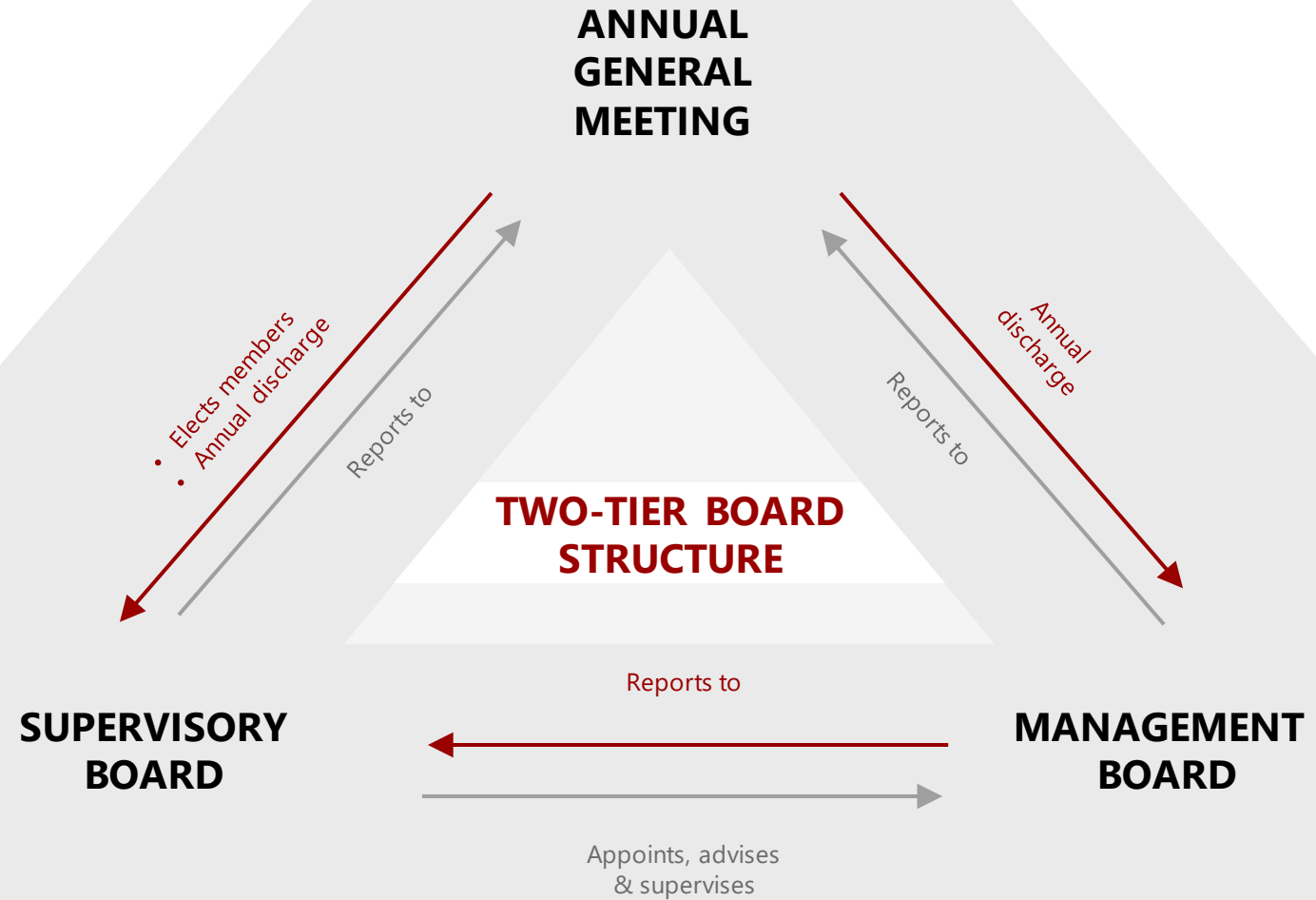
EXPERIENCED & WELL DIVERSIFIED BOARD

- **Two-tier** board structure
- **Well diversified experience** and background of members
- **Balanced and diverse** composition
- **83% of independent capital representatives** in Supervisory Board members

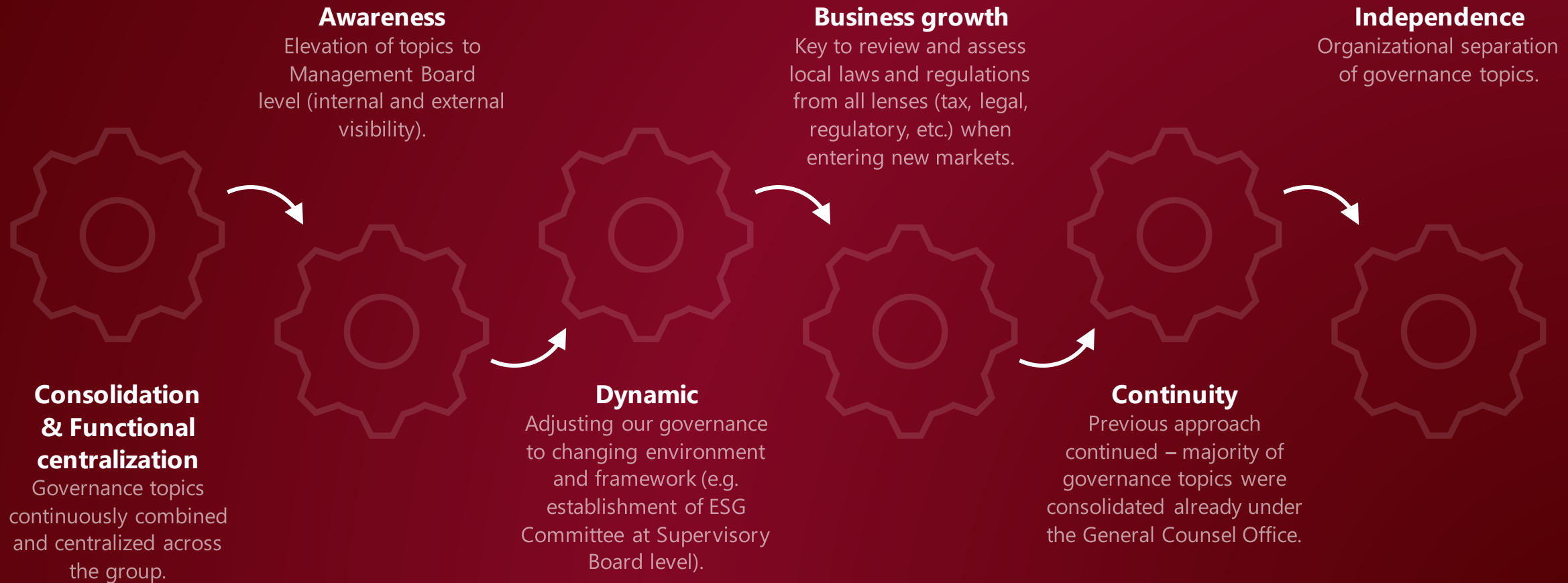
CORPORATE GOVERNANCE FRAMEWORK

SHAREHOLDERS are at the top of the decision making process.

(AGM – annually, Board of directors – quarterly, board committees – quarterly, executive committee – weekly)



CONTINUOUS IMPROVEMENT OF OUR CORPORATE GOVERNANCE



MANAGEMENT BOARD



Anas Abuzaakouk
Chief Executive Officer



David O'Leary
Chief Risk Officer



Enver Sirucic
Deputy CEO &
Chief Financial Officer



Andrew Wise
Chief Investment Officer &
Head of Non-Retail Lending



Sat Shah
Deputy CEO &
Head of Retail & SME



Guido Jestädt
Chief Administrative
Officer

SUPERVISORY BOARD



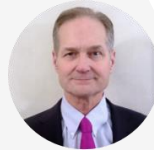
Egbert Fleischer
Chairperson
Chairperson of Nomination
committee



Frederick Haddad
Chairperson of
Risk & Credit committee



Verena Spitz
Works' council delegate



Kim Fennebresque
Deputy Chairperson
Chairperson of
Remuneration committee



Gerrit Schneider
Chairperson of Audit &
Compliance committee



Beatrix Pröll
Works' council delegate



Adam Rosmarin



Tamara Kapeller
Chairperson of
ESG committee



Konstantin Latsunas
Works' council delegate

MANAGEMENT BOARD COMMITTEES

Credit Approval Committee

- Decides on financing transactions above certain thresholds
- Approves loan applications
- Submits applications to the Risk and Credit Committee if regulatory thresholds are exceeded
- Meets on a weekly basis

Strategic Asset Liability Committee

- Strategic capital and liquidity planning and operational aspects of asset and liability management
- Determines parameters for measuring interest risk, liquidity risk and foreign exchange risk
- Monitors risk metrics by way of regular (monthly) reports
- Meets on a monthly basis

Enterprise Risk Meeting

- Risk limit setting for the overall bank
- Approval of risk strategy
- Determination of risk appetite
- Approval of capital allocation within the ICAAP framework
- Responsible for credit guidelines, strategies and reviews
- Approval of policies, procedures and underwriting guidelines/models
- Meets on a monthly basis

Non-Financial Risk and ESG Committee

- Conducts group-wide non-financial risk assessment
- Reviews changes in legal and regulatory framework and assesses impact on BAWAG
- Receives regular reports on cyber-security, data privacy, operational risk, and complaint management
- Regular updates from ESG Officers on ESG related topics and discussion on group-wide ESG strategy
- Meets on a quarterly basis

MEMBERS



- Chair: **CRO**
- All Managing Board Members
- Selected BAWAG senior staff

- Chair: **CEO**
- All Managing Board Members
- Selected BAWAG senior staff

- Chair: **CEO**
- All Managing Board Members
- Selected BAWAG senior staff

- Chair: **CRO**
- All Managing Board Members
- Selected BAWAG senior staff

IN ADDITION

Managing Board Meeting takes place every week | 8 times a year **extended Managing Board Meeting** (full day) with senior key staff of BAWAG (in total up to 20 participants)

OBJECTIVES OF SUPERVISORY BOARD COMPOSITION

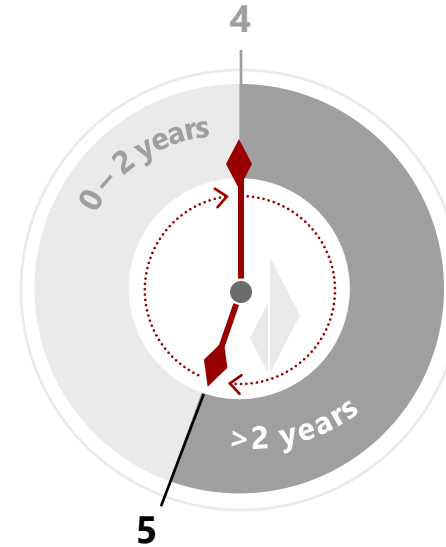


SUPERVISORY BOARD COMPOSITION



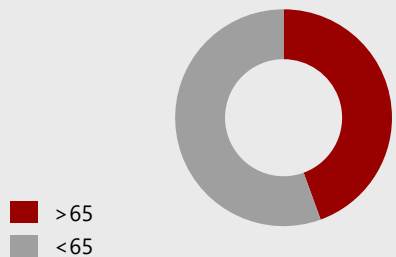
9 Board members

- 6** Shareholder Representatives → 3 members elected by the AGM for a fixed term
→ 1 member formerly delegated by GoldenTree¹
- 3** Employee Representatives → Delegated by the works council for an unlimited period of time

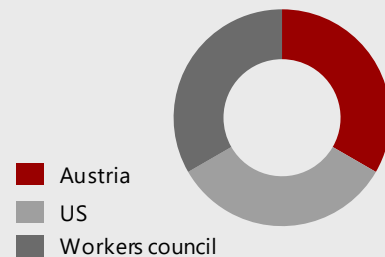


Tenure at BAWAG Group & BAWAG P.S.K.

AVERAGE AGE: 63

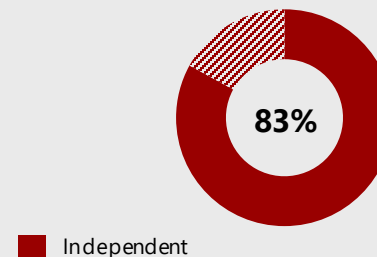


NATIONALITY

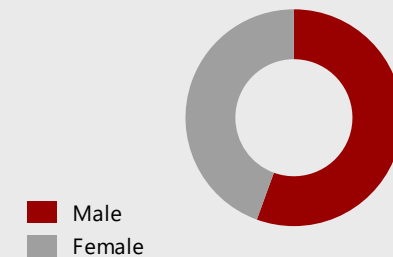


INDEPENDENCE

in accordance with the Austrian Corporate Governance Code and EBA Guidelines.



GENDER DIVERSITY



1) GoldenTree's delegation right in the Articles of Association has been abolished

SUPERVISORY BOARD COMMITTEES 2023

Nomination Committee

- Annual assessment of knowledge, skills and experience of individual Management Board members (report to the Supervisory Board)
- Discussion on board succession planning (report to the Supervisory Board)
- Supporting the Supervisory Board in preparing recommendation to the General Meeting with respect to new Supervisory Board candidates

Remuneration Committee

- Responsible for general principles of company's remuneration policy
- Approval and regular review of BAWAG's remuneration policy and practices
- Target setting & target assessment of Management Board
- Determination of bank-wide bonus pool

Audit & Compliance Committee

- Quarterly reports on Compliance/AML/cybersecurity/ethics/data security and data privacy
- Monitoring of the statutory audit process
- Responsible for auditor selection process
- Review of financial statements and recommendations to the Supervisory Board
- Holds private sessions with Internal Audit, Compliance and external auditors

Risk & Credit Committee

- Approval of loans exceeding large exposure limits
- Quarterly risk report
- Preparation of risk planning guidelines and risk strategy (to be approved by the Supervisory Board on an annual basis)
- Monitoring the effectiveness and the efficiency of risk management and compliance with legal and regulatory requirements

ESG Committee

- Review of group-wide ESG strategy and ESG targets
- Monitoring of implementation of ESG strategy and reviews regular updates on ESG-related topics
- Advises Supervisory Board regarding the current and future risk appetite and risk strategy relating to ESG-risks
- Monitors effectiveness and efficiency of the management of ESG risks as well as compliance with legal and regulatory requirements with regards to ESG topics

MEMBERS



Egbert Fleischer – Chairperson, Kim Fennebresque, Tamara Kapeller, Adam Rosmarin, Verena Spitz, Konstantin Latsunas

Kim Fennebresque – Chairperson, Egbert Fleischer, Frederick S. Haddad, Gerrit Schneider, Verena Spitz, Beatrix Pröll

Gerrit Schneider – Chairperson, Egbert Fleischer, Frederick S. Haddad, Adam Rosmarin, Verena Spitz, Konstantin Latsunas

Frederick S. Haddad – Chairperson, Kim Fennebresque, Adam Rosmarin, Tamara Kapeller, Verena Spitz, Beatrix Pröll

Tamara Kapeller – Chairperson, Egbert Fleischer, Gerrit Schneider, Verena Spitz, Beatrix Pröll

ATTENDANCE RATE 2022

of Supervisory Board members

	Supervisory Board meeting 5 meetings	Nomination and Remuneration Committee 3 meetings	Audit & Compliance Committee 4 meetings	Risk & Credit Committee 4 Meetings	ESG Committee 3 meetings
MEMBER					
Egbert FLEISCHER	100%	100%	100%	No member	100%
Kim FENNEBRESQUE	100%	100%	No member	100%	No member
Adam ROSMARIN	100%	100%	100%	100%	No member
Frederick HADDAD	100%	100%	100%	100%	No member
Gerrit SCHNEIDER	100%	No member	100%	No member	100%
Tamara KAPELLER	100%	No member	No member	100%	100%
Verena SPITZ	100%	100%	100%	100%	100%
Beatrix PRÖLL	100%	No member	No member	100%	100%
Konstantin LATSUNAS	80%	66,6%	75%	No member	No member

INDEPENDENCE AND EXPERIENCE

of Supervisory Board members

All Supervisory Board members have high theoretical banking knowledge gained through practical experience in banking as well as training.

	Independence	Experience
MEMBER		
Egbert FLEISCHER	YES	More than 25 years banking experience; Primary employment: Strategic corporate advisor
Kim FENNEBRESQUE	YES	More than 40 years banking experience; Primary employment: Chairman of Compensation, Nominating Governance Committee at Ally Financial
Adam ROSMARIN	YES	More than 30 years banking experience; Primary employment: Managing Partner at Piper, Sandler & Co
Frederick HADDAD	YES	More than 35 years banking experience; Primary employment: Managing Director of FLGC, LLC, a family office
Gerrit SCHNEIDER	YES	More than 25 years banking experience; Primary employment: CEO Willy Bogner GmbH & Co. KGaA
Tamara KAPELLER	NO*	More than 15 years banking experience; Primary employment: Strategic consultant (focus on People, Culture & Governance)

*Tamara Kapeller was part of BAWAG's senior management until 2021.