

Report of the Supervisory Board

Dear Shareholders,

In a year of unprecedented challenges and economic uncertainty caused by Russia-Ukraine war, Addiko has secured strong operational and financial results. With the successful finalization of Transformation Program which saw Addiko repositioned as a Specialist Bank in Consumer and SME lending, the Bank remains committed to further deliver its services in Central and South-Eastern Europe in a fast, digitally advanced, and innovative fashion. 2022 also gave life to the company's brand character and main communicator - Oskar. Combined with more than a 100 marketing campaigns, Oskar helped raise brand awareness and bring consistent client growth across all countries to fulfil Addiko's promise of being that extra financial boost whenever and wherever.

In addition to sound cost efficiency and maintaining balanced risk profile, in 2022 Addiko embarked on a path towards contributing to a more environmentally sustainable future. With the adoption of the first ESG strategy the Bank is sending a clear message: Addiko strives to be a part of the solution, not the problem.

Activities of the Supervisory Board

During the reporting year, the Supervisory Board performed all of the duties incumbent upon it in a highly conscientious manner and in accordance with the law, the Company's statutes and its own rules of procedure.

It held ten meetings in total in the financial year 2022, adopted four circular decisions and assisted the Management Board in its advisory capacity and by continually monitoring the governance of the company. At the meetings of the Supervisory Board and its Committees, the Management Board reported in depth on Addiko Group's financial situation, risks and their mitigation and business performance. The Management Board discussed in detail strategies and related measures with the Supervisory Board. Legal transactions requiring approval were submitted to the Supervisory Board, and the Supervisory Board was given sufficient opportunity to thoroughly examine any reports and resolutions proposed by the Management Board. In addition, the Supervisory Board conducted ten Working Group sessions in which specific strategic measures were discussed in detail with the Management Board.

In this context, the Supervisory Board undertook the measures necessary to assure that the governance of the Addiko Group's affairs was effective, lawful, compliant and appropriate.

The Supervisory Board had formed the following five standing Committees:

- the Audit and Compliance Committee/Audit, Compliance & AML Committee (which held five meetings in 2022),
- the Credit & Risk Committee (which is a merger of the former Credit and the Risk Committee held six meetings and adopted three circular decisions in 2022),
- the Digitalization & IT Committee (which held four meeting in 2022),
- the Nomination & Remuneration Committee (which held six meetings in 2022) and
- the Committee for Management Board Matters (which held three meetings and adopted one circular decision in 2022).

The Chairman of the Supervisory Board, as well as the Chairmen of the Committees of Addiko Bank AG's Supervisory Board were in regular contact with the Management Board.

Within meetings taking place at least once every quarter in person and via virtual meetings, the Supervisory Board regularly received information on the following topics: business performance in the previous quarter, financial performance, risk development and significant matters, as well as major legal disputes. Between the quarterly reports, the Management Board also informed the Supervisory Board of current economic developments. In addition, the

Supervisory Board received regular reports of key executives, especially of the Compliance Officer and Internal Audit Officer.

Changes to the Management Board and the Supervisory Board

The Management Board of Addiko Bank AG changed during the reported business year, i.e. one management board member Mr. Edgar Flaggel was appointed as management board member. Hence, the management board consists of four members.

In 2022, the Supervisory Board of Addiko Bank AG changed in such a way that Mrs. Dragica Pilipovic-Chaffey, Mr. Pieter van Groos and Mr. Sebastian Prinz von Schoenaich-Carolath were not re-elected as members of the Supervisory Board and Mr. Sava Ivanov Dalbokov and Mr. Johannes Proksch were appointed to the Supervisory Board by the General Meetings on 14 April 2022. Accordingly, the Supervisory Board consists of seven members, thereof two delegated by the Workers Council.

Consolidated Corporate Governance Report, Austrian Code of Corporate Governance

Since the 2020 Consolidated Corporate Governance Report of Addiko Bank AG was audited by Deloitte Audit Wirtschaftsprüfungs GmbH (with regard to Rules 1 to 76 of the Austrian Code of Corporate Governance) and CMS Reich-Rohrwig Heinz Rechtsanwälte GmbH (with regard to Rules 77 to 83 of the Austrian Code of Corporate Governance) pursuant to Section 96 (2) Austrian Stock Corporation Act, the Corporate Governance Report 2022 was not audited. Nevertheless, being a publicly listed entity, Addiko Bank AG adheres to the Austrian Code of Corporate Governance. The Supervisory Board determined that Addiko Bank AG has to comply with the Austrian Code of Corporate Governance as amended in January 2023. The Supervisory Board strives to consistently comply with the provisions of the Code that relate to the Supervisory Board. In this context, the Supervisory Board complies with all Rules relating to the cooperation of the Supervisory Board and the Management Board, and to the Supervisory Board itself, except for the deviations presented in the Corporate Governance Report.

Separate and Consolidated Financial Statements 2022

KPMG Wirtschaftsprüfungs GmbH audited the separate Financial Statements of Addiko Bank AG and the Consolidated Financial Statements of the Addiko Group as at 31 December 2022, issuing unqualified audit opinions. Pursuant to statutory provisions, the Management Report and the Group Management Report have been audited as to whether they are consistent with the separate and Consolidated Financial Statements and have been prepared in accordance with the applicable legal requirements. The Consolidated Non-Financial Report was read and considered not to be materially inconsistent with the Consolidated Financial Statements nor to be materially misstated.

The separate Financial Statements of Addiko Bank AG were prepared in accordance with the regulations of the Austrian Banking Act (BWG) and - where applicable - with the provisions of the Austrian Commercial Code (UGB). The Consolidated Financial Statements of the Addiko Group were prepared in accordance with IFRS as adopted by the EU and in compliance with the requirements under Section 245a Austrian Commercial Code (UGB) and Article 59a Austrian Banking Act (BWG). The Annual Report, the Group Annual Report, the Consolidated Corporate Governance Report, the Consolidated Non-Financial Report and the Management Board's proposal for the allocation of the annual profit 2022 - all prepared by the Management Board - were discussed in detail with KPMG Audit Wirtschaftsprüfungs GmbH at the meeting of the Audit and Compliance Committee held on 2 March 2023.

At the meeting, the aforementioned Committee inter alia resolved to propose approval of the separate Financial Statements of Addiko Bank AG by the Supervisory Board.

The Chairwoman of the Audit, Compliance and AML Committee reported on the Committee's recommendations at the meeting of the Supervisory Board on 3 March 2022. At this meeting, the separate and Consolidated Financial Statements were examined thoroughly in the presence of the auditor and verified by the Supervisory Board to ensure, in particular, that they were lawful, compliant and appropriate.

Addiko Bank

The Management Report of Addiko Bank AG as well as that of the Addiko Group, the Consolidated Corporate Governance Report and the Consolidated Non-Financial-Report were examined and found, in the opinion of the Supervisory Board, to be consistent with legal requirements.

Pursuant to Austrian GAAP in connection with the Austrian Banking Act, Addiko Bank AG generated net accumulated profits in the amount of EUR 31.3 million in the financial year 2022, which includes the communicated 2021 balance sheet profit of EUR 38.8 million (carried forward to the financial year 2022). The Management Board of the Addiko Bank AG intends to propose to the upcoming General Assembly on 21 April 2023 a dividend proposal of EUR 23.6 million equivalent to EUR 1.21 per share. The dividend proposal is based on the currently valid dividend policy of distributing 60% of the group result, and also includes a distribution of 60% the group result for the year 2021, which follows the decision on the rejection of the so-called Swiss Franc Law by the Constitutional Court of the Republic of Slovenia. The remaining amount of EUR 7.7 million shall be carried forward to the balance sheet of the following year.

The result of the examination is that the Supervisory Board had no objections to the separate Financial Statements, the Consolidated Financial Statements and the audit performed by the auditor.

The Supervisory Board, therefore, concurred with the results of the audit on 3 March 2022 and approved the separate Financial Statements of Addiko Bank AG. The separate Financial Statements have, therefore, been adopted. In addition, the Supervisory Board reviewed the separate consolidated non-financial report. The consolidated financial statements were noted by the Supervisory Board.

The Supervisory Board would like to express thanks to the members of the Management Board, the leadership team and to the entire staff for their outstanding commitment and achievements in 2022.

On behalf of the Supervisory Board

Dr. Kurt Pribil m.p.
Chairman of the Supervisory Board

Vienna, 3 March 2023