

Publication of Erste Group Bank AG regarding Corporate Governance and Remuneration pursuant to section 65a BWG

Pursuant to section 65a of the Austrian Banking Act (BWG), Erste Group Bank AG is obliged to discuss compliance with the following provisions of the BWG on its website:

1) §§ 5 para. 1 no. 6 to 9a: Qualification requirements for managing directors

The qualification requirements for management board members of Erste Group Bank AG are governed by the internal guideline for the selection and suitability assessment of management board members of Erste Group Bank AG. In accordance with the relevant legal provisions, this guideline defines the internal regulatory framework for the selection and suitability assessment of proposed and appointed management board members and represents an important benchmark for good corporate governance and corporate control. The following criteria form the basis for the assessment of proposed and appointed Executive Board members: personal reliability, professional suitability and required experience as well as governance criteria (potential conflicts of interest, independence, time availability, overall composition of the Executive Board, diversity).

2) Section 28a (5) items 1 to 5: Qualification requirements for members of the Supervisory Board

The qualification requirements for supervisory board members of Erste Group Bank AG are defined in the internal guideline for the selection and suitability assessment of supervisory board members of Erste Group Bank AG. In accordance with the relevant legal provisions, this guideline governs the internal regulatory framework for the selection and suitability assessment of proposed and appointed supervisory board members and represents an important benchmark for good corporate governance and corporate control. The following criteria form the basis for the assessment of proposed and appointed Supervisory Board members: personal reliability, professional suitability and required experience as well as governance criteria (potential conflicts of interest, independence, time availability, overall composition of the Supervisory Board, diversity).

3) § 29: Nomination Committee

A nomination committee has been established at Erste Group Bank AG that meets the requirements of section 29 of the BWG. The tasks as well as the functioning of the committee are defined in the rules of procedure for the nomination committee of Erste Group Bank AG. The nomination committee is responsible, in particular, for preparing proposals for the selection of management board and supervisory board members and for assessing their suitability in accordance with the standards set out in points 1) and 2).

4) § Section 39b including Annex: Principles of Remuneration Policies and Practices

The principles of the remuneration policy of Erste Group Bank AG, both for variable and fixed remuneration, are laid down in a corresponding guideline ("Erste Group Bank AG Remuneration Policy"). This policy is reviewed annually and - if necessary - adapted. Approval of the Remuneration Policy guideline is the responsibility of the Remuneration Committee. The principles are based on the legal requirements, in particular section 39b of the BWG including the annex in implementation of Directive 2013/36/EU (CRD V) and on the relevant circular issued by the FMA. In addition, the EBA guidelines on sound remuneration policies (EBA/GL/2021/04) and on remuneration policies and practices in relation to the sale and provision of retail banking products and services (EBA/GL/2016/06) have been taken into account. Supporting principles of the Erste Group Bank AG Remuneration Policy, which reflects the principles of the remuneration policy, are e.g. a balanced relationship between fixed and variable remuneration components, ensuring risk adequacy and sustainability in the remuneration policy and a transparent link between performance/success and remuneration with due consideration of consumer interests.

Without prejudice to section 39b of the BWG including Annex, the principles of the remuneration policy for the management board and the supervisory board are also laid down in the remuneration policy in accordance with section 78a in conjunction with section 98a of the Austrian Stock Corporation Act (AktG). The remuneration policy of the management board and supervisory board is published in accordance with section 78b AktG at the website of Erste Group Bank AG.

5) § 39c: Remuneration Committee

At Erste Group Bank AG, a remuneration committee has been established that complies with the requirements of section 39c of the BWG. The tasks as well as the functioning of the committee are defined in the rules of procedure for the remuneration committee of Erste Group Bank AG. In particular, the remuneration committee is responsible for monitoring the remuneration policy, remuneration practices and remuneration-related incentive structures.

6) § Section 64 (1) (18) and (19): extended disclosures in the notes regarding branches and return on assets:

As part of the preparation of the annual financial statements, it is ensured that the required extended disclosures in the notes are included in the notes in accordance with the statutory provisions and are thus subject to audit by the auditor.