

## Agenda Item 7

The Supervisory Board proposes that the general meeting adopt the following resolution:

### RESOLUTION

Messrs. Brian Deveraux O'Neill, born on 28 February 1953, and Jordi Gual Sole, born on 12 June 1957, are appointed to the Supervisory Board of Erste Group Bank AG until the end of the general meeting set to resolve on the granting of discharge for the financial year 2021.

Mr. John James Stack, born on 4 August 1946, is appointed to the Supervisory Board of Erste Group Bank AG until the end of the general meeting set to resolve on the granting of discharge for the financial year 2020.

Ms. Marion Khüny, born on 18 May 1969, shall be elected as member of the Supervisory Board of Erste Group Bank AG until the end of the general meeting set to resolve on the granting of discharge for the financial year 2018.

Messrs. Friedrich Rödler, born on 21 June 1950, and Jan Homan, born on 7 November 1947, are appointed to the Supervisory Board of Erste Group Bank AG until the end of the general meeting set to resolve on the granting of discharge for the financial year 2021.

### JUSTIFICATION

According to section 15.1 of the Articles of Association, the Supervisory Board must consist of at least three and at most twelve members elected by the general meeting.

Following the last election by the general meeting on 12 May 2015, the Supervisory Board consisted of twelve members appointed by the general meeting.

Mr. Gonzalo Gortázar resigned as member of the Supervisory Board in autumn 2016.

Ms. Bettina Breiteneder will be resigning as member of the Supervisory Board effective from the end of the general meeting of Erste Group Bank AG on 17 May 2017.

The mandates of Brian Deveraux O'Neill and John James Stack will be expiring at the end of the general meeting on 17 May 2017.

At the forthcoming general meeting on 17 May 2017, four members will need to be appointed in order to ensure that the number of Supervisory Board members reaches twelve again after the election at the general meeting held on 12 May 2015.

The reelection of Brian Deveraux O'Neill and John James Stack as Supervisory Board members is proposed. Both have been Supervisory Board members since 2005 and have declared themselves willing to stand for election.

Furthermore, the election of Jordi Gual Sole, born on 12 June 1957, and Ms. Marion Khüny, born on 18 May 1969, is proposed.

Jordi Gual Sole has been CEO of CaixaBank S.A. since July 2016. Before this, he served as chief economist and chief strategy officer of CaixaBank, joining Caixa Group in 2005. Mr. Gual has a PhD in economics from the University of California, Berkeley. He is professor in economics at IESE Business School and researcher at the Centre for Economic Policy Research (CEPR) in London. Furthermore, Mr. Jordi Gual Sole was economic advisor to the Directorate-General for Economic and Financial Affairs in Brussels and visiting professor at the University of California, Berkeley.

Marion Khüny, most recently was divisional board member for market, counterparty and liquidity risk at Commerzbank AG, Frankfurt. Prior to that, she was division manager for market and operational/reputational risk at UniCredit Bank AG Munich and co-head for credit proprietary trading at Unicredit Group. She holds a diploma in International Business Administration from the Leopold-Franzens-University, Innsbruck/Marquette University, Milwaukee, USA, and is Chartered Financial Analyst (CFA) and Financial Analyst (DVFA) of the German Association of Investment Professionals. It is proposed to elect Ms. Marion Khüny until the end of the general meeting set to resolve on the granting of discharge for the financial year 2018, thus until the end of the term of office of the prematurely departing Supervisory Board member Bettina Breiteneder.

The mandates of Friedrich Rödler and Jan Homan will be expiring at the end of the general meeting 2019.

The early re-election of both candidates is proposed due to the following reasons:

The mandates of all Management Board members of Erste Group Bank AG will be expiring in 2020. A prolongation of the mandates of the Chairman and first Deputy Chairman of the Supervisory Board beyond 2020 will safeguard the continuity of the management bodies of Erste Group Bank AG.

Additionally, the current draft of the joint ESMA and EBA Guidelines on the assessment of the suitability of the members of the management body and key function holders restrictively governs the requirements for independence of the members of the Supervisory Board. Since it is unclear whether and under what circumstances the re-election of Mr Rödler and Mr Homan as chairpersons will be possible under the applicable regulatory regime in 2019, this option shall be safeguarded with the early re-election of Mr. Rödler and Mr. Homan in this general meeting.

In determining the candidates for the Supervisory Board in compliance with the EBA Guidelines for the assessment of the suitability of members of the management body and holders of key functions ("EBA Guidelines"), the FMA Circular on the suitability assessment of managing directors, Supervisory Board members and holders of key functions ("FMA Circular") and the internal policy of Erste Group Bank AG for the selection and aptitude assessment of Supervisory Board members ("Suitability policy

of Erste Group Bank AG"), the Nomination Committee carried out suitability assessments of the proposed candidates.

In performing these suitability assessments, the Nomination Committee took into account the proposed candidate's personal reliability, professional competence and required experience and, in so doing, took due consideration of the governance criteria.

The Nomination Committee has come to a positive decision and recommended that the Supervisory Board propose the election and reelection of the proposed candidates at the general meeting. The Supervisory Board endorsed this assessment.

The candidates proposed by the Supervisory Board were selected on the basis of the criteria set forth by the Stock Corporation Act (AktG) and the Federal Banking Act (BwG). The candidates proposed by the Supervisory Board have submitted the declaration required under sec. 87 (2) Stock Corporation Act (AktG) and the declaration is available on the Company's website referenced in the Company Register.

Under this agenda item, only the candidate proposals made by shareholders whose interests make up at least 1% of the registered capital will be taken into account, provided these proposals, plus the declarations pursuant to sec. 87 (2) Stock Corporation Act (AktG) and sec. 28a Federal Banking Act (BWG) have been received by the Company in text form by no later than 8 May 2017 for each proposed person and will be published on the Company's website by no later than 10 May 2017. Failure to comply with these requirements will result in the respective person not being included in the vote. As regards the specifics and requirements for consideration of such proposals, reference is made to the letter of convocation, particularly to the section "Information on shareholders' rights pursuant to sections 109, 110, 118 and 119 Stock Corporation Act (AktG)".