

## Agenda Item 2

The Management Board and the Supervisory Board propose to the Annual General Meeting to pass the following resolution:

### RESOLUTION

The profit available for distribution recognised in the financial accounts of the Company as at 31 December 2017 and amounting to EUR 515,760,00.00 will be appropriated in accordance with the Management Board's recommendation:

Each share entitled to a dividend will receive EUR 1.20, adding up to a total of no more than EUR 515,760,000.00.

The Company is not entitled to any dividend payments from its own shares.

The dividend will be paid out to shareholders five banking days after the Annual General Meeting – in deviation from clause 23.4 of the Articles of Association which stipulates payout of dividend 10 days after the Annual General Meeting – i.e. on 1 June 2018.

### EXPLANATORY NOTE

From a tax perspective, according to legal requirements currently applicable in Austria, payout of the dividend shall be considered a capital repayment not subject to capital gains tax but reducing the tax acquisition costs of the shares.

## Agenda Item 3

The Management Board and the Supervisory Board propose to the Annual General Meeting to pass the following resolution:

### RESOLUTION

The Management Board members of Erste Group Bank AG are granted discharge for the financial year 2017.

## Agenda Item 4

The Management Board and the Supervisory Board propose to the Annual General Meeting to pass the following resolution:

### RESOLUTION

The members of the Supervisory Board of Erste Group Bank AG are granted discharge for the financial year 2017.

## Agenda Item 5

The Management Board and the Supervisory Board propose to the Annual General Meeting to pass the following resolution:

### RESOLUTION

The elected members of the Supervisory Board shall be entitled to the following annual remuneration for the financial year 2017 and for the years beyond (provided a future Annual General Meeting does not determine otherwise):

#### Fixed remuneration / Supervisory Board:

Chairperson	EUR 150,000
1st deputy chairperson	EUR 90,000
2nd deputy chairperson	EUR 80,000
Ordinary member	EUR 60,000

#### Fixed remuneration / committee:

Chairperson of the	
- Risk, Audit and	
IT Committee	EUR 10,000 each
- Remuneration and Nomination	
Committee	EUR 5,000 each
Ordinary member	EUR 0
Deputy Chairperson	EUR 0

In accordance with the duration of the respective Supervisory Board mandate, the remuneration for the business year shall be allocated in a prorated manner (pro rata temporis) or for the entire financial year.

#### Meeting attendance fee:

Additionally, every elected member of the Supervisory Board shall be entitled to an attendance fee of EUR 1,000 per meeting. The attendance fee shall only be due if the meeting is actually attended.

### EXPLANATORY NOTE

In recent years, the Annual General Meeting has agreed on a lump sum for Supervisory Board remuneration and the Supervisory Board was entrusted with allocating such sum to the individual members of the Supervisory Board by the passing of a resolution.

In the past, the Supervisory Board has used the following key for the allocation of remuneration:

Fixed remuneration / Supervisory Board:

Chairperson	EUR 100,000
Deputy chairperson	EUR 75,000
Ordinary member	EUR 50,000

The tasks to be performed, the required qualifications and the related responsibility of the members of the Supervisory Board have increased sharply over the last few years. The raised expectations of national and European supervisory authorities regarding knowledge, skills and the activities of members of the Supervisory Board comes accompanied with the establishment of a new and ever-growing rulebook, clearly demonstrating the increased regulatory demands. The related workload and time requirements for members of the Supervisory Board have increased in at least the same measure, but Supervisory Board remuneration in Erste Group Bank AG has not increased since the Annual General Meeting in 2011.

A comparison of Supervisory Board remuneration levels in listed companies of comparable size and structure in Europe shows that Supervisory Board remuneration in Erste Group Bank AG is lower – in some cases even considerably lower than elsewhere.

Therefore, the proposed new remuneration structure for the Erste Group Bank AG Supervisory Board represents an approximation of remuneration structures applicable in comparable listed companies in Europe. Notably, the proposed adjustment takes account of the responsibility and the workload and time requirements related to presiding over a body and the significantly higher workload related to participation in committees.

## Agenda Item 6

The Supervisory Board proposes to the Annual General Meeting to pass the following resolution:

### RESOLUTION

In addition to Sparkassen-Prüfungsverband in its capacity as statutory auditor, PwC Wirtschaftsprüfung GmbH will be appointed auditor of the annual financial statements and the management report as well as the consolidated financial statements and the group management report of the Company for the financial year 2019 in accordance with sec. 1 of the audit rules for savings banks (*Prüfungsordnung für Sparkassen*), annex to sec. 24 Savings Banks Act (ÖSpkG).

### EXPLANATORY NOTE

The first time the Annual General Meeting appointed PwC Wirtschaftsprüfung GmbH additional auditor of the annual financial statements and management report as well as the consolidated financial statements and the group management report was for the financial year 2017.

Among other activities, the Audit Committee of the Erste Group Bank AG Supervisory Board regularly reviewed and monitored the independence of PwC Wirtschaftsprüfung GmbH, in particular in connection with the additional services provided to Erste Group (non-audit services) pursuant to sec. 63a (4) (4) Banking Act, during the financial year 2017.

Following consideration of the threats to independence (sec. 6 (2) (b) of Regulation (EU) No. 537(2014)) related to PwC Wirtschaftsprüfung GmbH and submission of a statement of independence in accordance with sec. 270 Commercial Code (UGB) by PwC Wirtschaftsprüfung GmbH, the Audit Committee's recommendation to the Supervisory Board was to renew the audit mandate given to PwC Wirtschaftsprüfung GmbH as additional auditor of the annual financial statements and the management report as well as the consolidated financial statements and the group management report of the Company for the financial year 2019.

The fees invoiced by the auditors of Erste Group Bank AG and their subsidiaries for the financial year 2017 can be seen in the Erste Group annual report for financial year 2017. PwC's fees given there include the services of PwC Wirtschaftsprüfung GmbH and the companies of the PwC network.

## Agenda Item 7

The Supervisory Board proposes to the Annual General Meeting to pass the following resolution:

### RESOLUTION

The number of members of the Supervisory Board appointed by the Annual General Meeting shall be reduced from currently twelve members to eleven members, within the limits set forth by the Articles of Association.

### EXPLANATORY NOTE

According to clause 15.1 of the Articles of Association, the Supervisory Board consists of at least three and at most twelve members elected by the Annual General Meeting. Following the last election by the Annual General Meeting on 17 May 2017, the Supervisory Board consisted of twelve members appointed by the Annual General Meeting. Mr. Antonio Massanell Lavilla resigned as member of the Supervisory Board on 15 September 2017.

Clause 15.5, final sentence of the Articles of Association, stipulates the holding of a by-election in the next Ordinary Annual General Meeting in the event that a Supervisory Board member withdraws from the Supervisory Board prior to the end of his/her term of office, for whatever reason. Therefore, it would be necessary to refill the vacant position at the forthcoming Annual General Meeting on 24 May 2018, to ensure that the number of Supervisory Board members reaches twelve again like after the election at the Annual General Meeting held on 17 May 2017.

The Supervisory Board decided that no by-election shall be held at the next Annual General Meeting on 24 May 2018. As proposed in agenda item 10 clause 15.5 final sentence of the Articles of Association shall be cancelled.

## Agenda Item 8

The Management Board and the Supervisory Board propose to the Annual General Meeting to pass the following resolution:

### RESOLUTION

The Management Board shall be authorised to issue convertible bonds (including Contingent Convertible Bonds pursuant to sec. 26 Banking Act) until 24 May 2023 and with the Supervisory Board's approval, that grant subscription or conversion rights for the acquisition of company shares, in either case subject to the maintenance or the exclusion of the shareholders' subscription rights. The terms of issue may provide for an obligation to convert at the end of the term or at another point in time in addition to or instead of subscription or conversion rights. The number of convertible bonds issued may not exceed the volume needed to warrant satisfaction of any conversion or subscription rights exercised and, where the terms of issue stipulate conversion, fulfilment of related conversion obligations using the conditional capital increase. The issue price, terms of issue and the exclusion of shareholders' subscription rights shall be decided by the Management Board with the Supervisory Board's approval.

This authorisation shall replace the previously applicable authorisation in clause 8.3 of the Articles of Association. Accordingly, clause 8.3 of the Articles of Association shall be amended using the wording of the Articles of Association attached to agenda item 10.

### EXPLANATORY NOTE

The authorisation of the Management Board to issue convertible bonds serves the purpose of ensuring the company the greatest flexibility possible with regard to its financing and, if needed, to allow the Management Board to issue convertible bonds in accordance with the prevailing market situation at a given time.

This authorisation intends to grant the Management Board the latitude to issue convertible bonds, in accordance with the legal framework, that stipulate conversion in addition to or instead of the holder's subscription rights or conversion options.

The reasoning for exclusion of subscription rights shall be provided in a separate report.

## Agenda Item 9

The Management Board and the Supervisory Board propose to the Annual General Meeting to pass the following resolution:

### RESOLUTION

1. Cancellation of the currently authorised capital in accordance with the decision of the Annual General Meeting on 21 May 2014 to the extent not yet made avail of

and

2. authorisation of the Management Board, subject to approval by the Supervisory Board, to increase registered capital by 24 May 2023 – if necessary in several tranches – by an amount of up to EUR 343,600,000.00 (three hundred forty-three million six hundred thousand euros) by issuing up to 171,800,000 (one hundred seventy-one million eight hundred thousand) voting no-par value bearer shares in return for contributions in cash and/or in kind, with the issue price and the terms of issue being determined by the Management Board with the Supervisory Board's consent.

Furthermore, the Management Board is authorised to exclude the statutory subscription rights of the shareholders, in their entirety or in part, with the consent of the Supervisory Board (exclusion of the subscription rights),

- a) if the capital increase is performed in return for a cash contribution and the shares issued to the exclusion of the shareholders' subscription rights do not exceed a total of EUR 43,000,000.00 (forty-three million euros); and/or
- b) the capital increase is performed in return for contributions in kind.

These measures can also be combined. However, the total pro-rata amount attributable to (i) shares for which shareholders' subscription rights are excluded under this authorisation and to (ii) shares issued to holders of convertible bonds, which are issued and sold on the basis of the authorisation under clause 8.3 of the Articles of Association on or after 24 May 2018 to the exclusion of subscription rights for the purpose of granting conversion or subscription rights or fulfilling conversion obligations, must not exceed EUR 171,920,000 (one hundred seventy-one million nine hundred twenty thousand euros).

As far as the authorized capital provided for in paragraph 2 a is used for the issue of shares to employees, managers and members of the Management Board of the company or its affiliated undertakings, that amount and the amount used from conditional capital to cover stock options to employees, managers and members of the Management Board of the company or its affiliated undertakings in total must not exceed the amount of EUR 43,000,000 (forty-three million euros).

This authorisation replaces the capital previously approved in clause 5 of the Articles of Association. Accordingly, clause 5 of the Articles of Association shall be amended using the wording of the Articles of Association attached to agenda item 10.

## EXPLANATORY NOTE

Erste Group Bank AG aims to give itself the opportunity to fulfil any future capital requirements resulting from statutory regulations partially or entirely by way of capital increases. Added to that, additional growth is to be ensured, for which the acquisition of other companies or shares in other companies may be necessary. Injecting additional equity capital into the company will be necessary for both purposes.

Based on a resolution of the Annual General Meeting taken on 21 May 2014, what is known as authorised capital was established, by which the Management Board was authorised to increase registered capital – if necessary in several tranches – in the amount of up to EUR 171,800,000 by 21 May 2019.

The Management Board has not availed itself of this authorisation.

In order to provide the Management Board and the Supervisory Board with the greatest possible flexibility, new authorised capital is to be agreed with the volume described above and with a new term of five years. The capital previously authorised shall be cancelled to the extent that it remains unutilised.

In the proposed new authorisation, the Management Board shall be given opportunity, subject to the Supervisory Board's approval, to partially exclude the shareholders' subscription rights (up to EUR 43,000,000, this corresponds to 5% of the company's registered capital), if the capital increase is performed in return for a cash contribution.

Any exclusion of the shareholders' subscription rights in connection with a cash capital increase intends to give the company the greatest possible flexibility in terms of future capital requirements that may result from statutory or other regulatory requirements or changes to the economic situation or for the purpose of issuance of shares to employees, managers and members of the Management Board of the company or its affiliated undertakings.

Furthermore, with the consent of the Supervisory Board, the Management Board is to be authorised to exclude the shareholders' subscription rights, in their entirety or in part, in the event of a capital increase in return for contributions in kind. The option of excluding subscription rights shall put the company in the position to use the authorised capital in return for contributions in kind, for the acquisition of companies, businesses or business units or stakes in one or several companies at home or abroad or of other assets.

However, the total pro-rata amount attributable to shares for which shareholders' subscription rights are excluded under this authorisation and to shares issued to

holders of convertible bonds, which are issued and sold on the basis of the authorisation under clause 8.3 of the Articles of Association on or after 24 May 2018 to the exclusion of subscription rights for the purpose of granting conversion or subscription rights or fulfilling conversion obligations, must not exceed EUR 171,920,000 (this corresponds to 20% of the registered capital). In this manner, the authorisation of the Management Board shall be limited to a share volume of EUR 171,920,000 – factoring in all the shares issued for the granting of conversion or subscription rights or for the fulfilment of conversion obligations with respect to holders of convertible bonds (pursuant to item 8.3 of the Articles of Association), thus complying with international recommendations.

Reference is made to the Management Board Report on the possible exclusion of subscription rights in connection with the issuing of shares from the authorised capital.

In view of the resolution indicated, an amendment of clause 5 of the Articles of Association is necessary. The new text of the Articles of Association shall be attached under agenda item 10.

## Agenda Item 10

The Management Board and the Supervisory Board propose to the Annual General Meeting to pass the following resolution:

### RESOLUTION

Clauses 5, 8.3, 15.5 and 21.4 of the Articles of Association shall be amended by adjusting clause 5 of the Articles of Association to the Management Board's new authorisation pursuant to agenda item 9, by adjusting clause 8.3 of the Articles of Association to the Management Board's new authorisation pursuant to agenda item 8, deletion of the final sentence of clause 15.5 and correction of the reference in the German text of clause 21.4, with these provisions now reading as follows:

**a) Clause 5 of the Articles of Association shall be amended to read as follows:**

5.	GENEHMIGTES KAPITAL	AUTHORISED CAPITAL
5.1	Der Vorstand ist ermächtigt, das Grundkapital mit Zustimmung des Aufsichtsrats bis 24. Mai 2023 – allenfalls in mehreren Tranchen – in der Höhe von bis zu EUR 343.600.000 (in Worten: Euro dreihundertdreißig Millionen sechshunderttausend) durch Ausgabe von bis zu 171.800.000 (in Worten: einhunderteinundsiebzig Millionen achthunderttausend) auf Inhaber lautende, stimmberechtigte Stückaktien gegen Bar- und/oder Sacheinlage zu erhöhen, wobei der Ausgabekurs und die Ausgabebedingungen vom Vorstand mit Zustimmung des Aufsichtsrats festgesetzt werden. Der Vorstand ist ferner ermächtigt, mit Zustimmung des Aufsichtsrats das gesetzliche Bezugsrecht der Aktionäre ganz oder teilweise auszuschließen (Bezugsrechtsausschluss):	The <i>Vorstand</i> [hereinafter: Management Board] shall be authorised to increase the registered capital with the consent of the <i>Aufsichtsrat</i> [hereinafter: Supervisory Board] until 24 May 2023 - also in several tranches - by an amount of up to EUR 343,600,000 (in words: three hundred forty-three million six hundred thousand ) by issuing up to 171,800,000 (in words: one hundred seventy one million eight hundred thousand) voting no-par value bearer shares in return for contributions in cash and/or in kind, with the issue price and the issuing conditions being determined by the Management Board with the consent of the Supervisory Board. Furthermore, the Management Board is authorised to fully or partly exclude the statutory subscription right of the shareholders with the consent of the Supervisory Board (exclusion of the subscription right):
5.1.1	wenn die Kapitalerhöhung gegen Bareinlage erfolgt und die unter Ausschluss des Bezugsrechtes ausgegebenen Aktien insgesamt EUR 43.000.000 (in Worten: dreiundvierzig Millionen) nicht überschreiten; und /oder	if the capital increase is in return for a cash contribution and the shares issued while excluding the subscription right of the shareholders, taken together, do not exceed EUR 43,000,000 (in words: forty-three million); and/or
5.1.2	wenn die Kapitalerhöhung gegen Sacheinlagen erfolgt.	if the capital increase is in return for contributions in kind.
5.2.	Die Maßnahmen der Punkte 5.1.1 bis 5.1.2	The measures in sections 5.1.1 to 5.1.2 can

	<p>können auch kombiniert werden. Jedoch darf (i) der auf Aktien, für die das Bezugsrecht der Aktionäre aufgrund dieser Ermächtigung in Punkt 5.1 ausgeschlossen wird, und (ii) der auf Aktien, die zur Gewährung von Umtausch- oder Bezugsrechten oder zur Erfüllung von Wandlungspflichten an Gläubiger von Wandelschuldverschreibungen, die nach Beginn des 24. Mai 2018 unter Bezugsrechtsausschluss aufgrund der Ermächtigung in Punkt 8.3 emittiert und veräußert worden sind, ausgegeben werden, insgesamt entfallende anteilige Betrag EUR 171.920.000 (in Worten: einhunderteinundsiebzig Millionen neunhundertzwanzigtausend) nicht überschreiten.</p>	<p>also be combined. The aggregate pro rata amount of registered capital represented by shares in respect of which the shareholders' subscription rights are excluded under this authorization in section 5.1, together with the pro rata amount of registered capital attributable to shares to which conversion or subscription rights or obligations relate under bonds which were issued and sold on the basis of the authorization in section 8.3, subject to an exclusion of subscription rights, on or after 24 May 2018 must not, however, exceed the proportionate amount of EUR 171,920,000 (in words: one hundred seventy one million nine hundred twenty thousand).</p>
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**b) Clause 8.3 shall be amended to read as follows:**

<b>8.3</b>	<p>Der Vorstand ist ermächtigt, bis 24. Mai 2023 mit Zustimmung des Aufsichtsrats Wandelschuldverschreibungen (einschließlich bedingter Pflichtwandelschuldverschreibungen gemäß § 26 BWG), welche das Bezugs- oder das Umtauschrecht auf den Erwerb von Aktien der Gesellschaft einräumen, jeweils unter Wahrung oder unter Ausschluss der Bezugsrechte der Aktionäre, zu begeben. Die Ausgabebedingungen können zusätzlich oder anstelle eines Bezugs- oder Umtauschrechts auch eine Wandlungspflicht zum Ende der Laufzeit oder zu einem anderen Zeitpunkt begründen. Die Begebung von Wandelschuldverschreibungen darf höchstens in jenem Umfang erfolgen, der eine Befriedigung geltend gemachter Umtausch- oder Bezugsrechte und, im Falle einer in den Ausgabebedingungen festgelegten Wandlungspflicht, die Erfüllung der entsprechenden Wandlungspflichten aus der bedingten Kapitalerhöhung gewährleistet. Ausgabebetrag, Ausgabebedingungen und der Ausschluss der Bezugsrechte der Aktionäre sind vom Vorstand mit Zustimmung des Aufsichtsrats festzusetzen.</p>	<p>The Management Board is authorised, to issue until 24 May 2023, with the consent of the Supervisory Board convertible bonds (including Contingent Convertible Bonds according to § 26 Austrian Banking Act), which have the conversion or subscription right for shares of the Company, observing or excluding the subscription rights of the shareholders. The terms and conditions may, in addition or instead of a conversion or subscription right, also provide for the mandatory conversion at the end of the term or at any other time. The issuance of convertible bonds is limited to the extent that all conversion or subscription rights, and in case of a mandatory conversion stipulated in the terms and conditions, the mandatory conversion, are covered by conditional capital. The issue amount, the terms and conditions of the issue of the convertible bonds and the exclusion of the subscription rights for the shareholders will be determined by the Management Board with the consent of the Supervisory Board.</p>
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- c) **Clause 15.5 of the Articles of Association shall be amended to read as follows: (edits made visible)**

15.	AUFSICHTSRAT	SUPERVISORY BOARD
15.5	Jedes Mitglied des Aufsichtsrats kann seine Funktion mit sofortiger Wirkung durch eingeschriebene Mitteilung an den Vorsitzenden des Aufsichtsrats ohne Angabe von Gründen niederlegen. <del>Scheidet ein Mitglied vor Beendigung seiner Funktionsdauer, aus welchem Grund immer, aus dem Aufsichtsrat aus, so ist ehebaldigst, spätestens jedoch in der nächsten ordentlichen Hauptversammlung eine Ersatzwahl vorzunehmen.</del>	Any member of the Supervisory Board may withdraw from his/her office with immediate effect by registered notification to the Chairman of the Supervisory Board without giving reasons. <del>If a member withdraws prior to the end of his/her term of office for whatsoever reason from the Supervisory Board, a by-election shall be carried out as soon as possible, however, not later than at the next ordinary shareholders' meeting.</del>

- d) **Clause 21.4 of the Articles of Association shall be amended to read as follows: (edits made visible)**

21.4	Die zur Deckung der Teilschuldverschreibungen gemäß Punkt <del>18.1</del> <b>21.1</b> bestimmten Deckungswerte sind als Kauti- on für die Befriedigung der Ansprüche aus solchen Schuldverschreibungen bestimmt.	The covering assets determined as cover of the bonds according to item 21.1 shall be a bail (Kauti- on) for the satisfaction of claims arising out of such bonds.
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