

Agenda Item 8

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

RESOLUTION

The Management Board is authorized, with the consent of the Supervisory Board, to issue convertible bonds (including Contingent Convertible Bonds according to § 26 Austrian Banking Act) until 18 May 2027, which have the subscription or conversion right for shares of the Company, in each case maintaining or excluding the subscription rights of the shareholders. In addition to or instead of a subscription or conversion right, the terms of issue may also establish a conversion obligation at the end of the term or at another point in time.

Convertible bonds may be issued only to the extent that conversion or subscription rights are satisfied and, in the case of a conversion obligation stipulated in the terms and conditions of issue, the corresponding conversion obligations are fulfilled from conditional capital. Furthermore, the volume of convertible bonds issued with exclusion of subscription rights from 18 May 2022 onwards is limited to the extent that the proportionate amount of the share capital attributable to new shares (i) for which subscription rights are excluded on the basis of section 5.1.2 of the Articles of Association, (ii) which serve to fulfill subscription rights, conversion rights and conversion obligations from convertible bonds issued with the exclusion of subscription rights from 18 May 2022 onwards pursuant to section 8.3 of the Articles of Association, and (iii) which serve to satisfy share options of employees, senior employees and members of the Management Board of the Company or a group company from conditional capital pursuant to section 6.3 of the Articles of Association, must not exceed in total 10% of the share capital of the Company.

The issue price, the terms of issue and the exclusion of shareholders' subscription rights shall be determined by the Management Board with the consent of the Supervisory Board.

This authorization replaces the authorization currently regulated in section 8.3 of the Articles of Association. The Articles of Association shall be amended in section 8.3 accordingly to read as follows:

<p>8.3</p>	<p>Der Vorstand ist ermächtigt, bis 18. Mai 2027 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. Für die Ausgabe von Wandelschuldverschreibungen mit Bezugsrechtsausschluss gilt Punkt 5.3. Ausgabebetrag, Ausgabebedingungen und der Ausschluss der Bezugsrechte der Aktionäre sind vom Vorstand mit Zustimmung des Aufsichtsrats festzusetzen.</p>	<p>The Management Board is authorized to issue until 18 May 2027, with the consent of the Supervisory Board, convertible bonds (including Contingent Convertible Bonds according to section 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. Section 5.3 shall apply to the issue of convertible bonds without subscription rights. 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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Only the German version of the Articles of Association is binding.

RATIONALE

The purpose of authorizing the Management Board to issue convertible bonds is to give the Company flexibility in its financing and to enable the Management Board to issue convertible bonds as needed and according to the respective market situation.

The authorization is intended to give the Management Board the room for manoeuvre permitted within the legal framework to issue convertible bonds that provide for a conversion obligation in addition to or instead of the subscription or conversion right of the holder of the convertible bond, as regulated in § 26 of the Austrian Banking Act.

The volume of the convertible bonds issued from 18 May 2022 onwards with the exclusion of subscription rights is limited to the extent that the sum of (i) the conditional capital required for their conversion, (ii) the authorized capital issued without subscription rights pursuant to section 5.1.2 of the Articles of Association, and (iii) the conditional capital pursuant to section 6.3 of the Articles of Association serving to satisfy share options of employees, senior employees and members of the Management Board of the Company or a group company, must not exceed in total 10% of the Company's share capital. This limit is in line with international recommendations.

Reference is made to the report of the Management Board on the exclusion of subscription rights in connection with the issue of convertible bonds.

With regard to the above resolution, an amendment of the Articles of Association in section 8.3 is necessary. Reference is made to the comparison of the amended provisions of the Articles of Association published on the Company's website at www.erstegroup.com/hauptversammlung.