

Remuneration Report 2021

Remuneration report of the management board and the supervisory board of Erste Group Bank AG for the financial year 2021

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Introduction

The remuneration report of Erste Group Bank AG for the financial year 2021 was compiled by the management board and the supervisory board and is presented to the annual general meeting for a vote in 2022. This report provides a comprehensive overview of the remuneration components for current and former members of the management board and the supervisory board as well as the resulting entitlements and payments for the financial year 2021.

In 2021, a new remuneration policy for the management board and the supervisory board was approved by the annual general meeting. The remuneration policy sets out the principles and framework of the remuneration system, while the remuneration report annually provides a detailed and comprehensive overview of the remuneration awarded to the members of the management board and supervisory board during the last financial year.

2021 - a year of broad-based macro recovery and strong performance in our markets

As of January 2021, Maurizio Poletto joined the ranks of the management board as its first-ever Chief Platform Officer. Thomas Schauler held the position of Chief Retail Officer in Erste Group Bank AG's management board – while maintaining his appointment at Erste Bank der oesterreichischen Sparkassen AG (EBOe) – until October 2021.

Michael Schuster, founder of the venture capital fund Speedinvest, was newly elected to the supervisory board on 19 May 2021. He succeeds Jack Stack, whose mandate ended at the annual general meeting on 19 May 2021. The mandates of supervisory board members Matthias Bulach and Jordi Gual Solé ended on 31 December 2021.

Erste Group generated a net profit of EUR 1,923.4 million in 2021, year on year profitability went up on the back of lower risk costs and improved operating performance. Net interest income increased on rate hikes, primarily in the Czech Republic, strong volume growth in all markets as well as a positive one-off effect resulting from TLTRO III take-up in Austria and Slovakia. Net fee and commission income rose supported by a strong economic recovery and rising equity markets. The cost/income ratio improved significantly to 55.6%. Asset quality improved and the NPL ratio reached a historic low at 2.4%. The favourable risk environment resulted in low-risk costs (9 bps of average gross customer loans). Erste Group recorded growth in customer loans and deposits in all core markets. The Common Equity Tier 1 ratio of 14.5% at the end of December 2021 demonstrates Erste Group's solid capital position, above regulatory requirements, and the internal target of 13.5%. Details on Erste Group's overall performance and financial results are presented in Erste Group's Annual Report 2021.

Remuneration of the management board

Basic remuneration principles for members of the management board

The remuneration policy, and thus the principles for the remuneration of the members of the management board and the supervisory board of Erste Group Bank AG, were submitted to the shareholders of Erste Group Bank AG for a vote at the annual general meeting on 19 May 2021 pursuant to section 78b in conjunction with section 98a of the Austrian Stock Corporation Act (AktG) and adopted with the required majority of votes.

The principles of the remuneration policy are aligned with the Statement of Purpose and the strategy of Erste Group and are designed to motivate the management board members to drive sustainable and positive corporate development. In addition, they ensure that Erste Group's remuneration is competitive with that of other credit institutions of a similar type and size.

The remuneration policy of Erste Group Bank AG is available at the following link: [Remuneration policy of the management board and supervisory board of Erste Group Bank AG](#)

OVERVIEW OF ELEMENTS OF REMUNERATION

The remuneration of the members of the management board of Erste Group Bank AG consists of two components, a fixed and a variable component.

Fixed remuneration

The fixed remuneration is granted irrespective of performance and, in addition to the basic, includes contributions to the company pension scheme (pension fund), insurance benefits and other benefits in kind. It is based on the area of responsibility of the respective management board member, taking into account the strategic and operational areas of responsibility.

Management board members do not receive any separate remuneration for their activities as supervisory board members in affiliated companies.

Variable remuneration

All variable remuneration is granted on the basis of performance. The award and payment of variable remuneration is linked to specific, verifiable performance criteria that are aligned with the business strategy and long-term development of Erste Group Bank AG. Targets at group or individual institution level as well as individual targets are taken into account. In case of non-fulfilment of defined minimum performance criteria, no variable remuneration is awarded or paid out. At least 50% of the variable remuneration is awarded in non-cash components.

Components of the remuneration of the members of the management board

Type/ component	Elements	Method of payment	Features
Fixed remuneration			
Base salary		Cash	- Consideration of the area of responsibility of the respective board member - Promoting cooperation within the board
	Pension fund	Assumption of contributions by the company	- Defined contribution pension plans via external pension fund - Severance fund (Mitarbeitervorsorgekasse)
Other remuneration	Insurances	Assumption of contributions by the company	- Risk insurance against occupational disability and in case of death - Risk accident insurance
	Benefits in kind	Various	- Any annual leave payments - Possible one-time sign-on bonus - Benefits in kind, e.g., company car including driver and parking space, employee shares etc.
Variable remuneration			
Upfront remuneration (40%)	Upfront cash payments (50% of the upfront part)	Cash payment in the subsequent fiscal year	
	Upfront non-cash component (50% of the upfront part)	Equity settlement in the second following year (1-year retention period)	- Alignment with the fulfilment of certain comprehensible performance criteria aligned with business strategy and long-term development of Erste Group
Deferrals (60%)	Deferral cash payments (50% of the deferrals)	Cash payment from the third following fiscal year in 3 annual tranches	- Consideration of targets at group and/or individual institution level and - Consideration of individual targets
	Deferred non-cash component (50% of the deferrals)	Equity settlement following the deferral and retention periods	

PROCEDURE FOR AWARDING VARIABLE REMUNERATION

Variable remuneration is partially awarded as upfront remuneration and partially as deferred remuneration spread over several years. For members of the management board with variable remuneration of greater than EUR 150,000, 60% of awarded variable remuneration is deferred. For variable remuneration levels below this threshold, 40% is deferred.

At least half of the upfront remuneration and deferred remuneration respectively is delivered in the form of a non-cash instrument, the other part in cash. Awards are granted in the year following the performance period.

Variable remuneration system in shares

Erste Group Bank AG uses shares, Performance Share Units (PSUs) and cash payments as variable remuneration components from performance year 2021 onwards. This way, variable remuneration is strongly aligned to the shareholders' perspective and long-term in nature.

Upfront remuneration

A maximum of 20% of total variable remuneration consists of a cash payment, which is paid in the 1st subsequent year after the performance period.

At least 20% of total variable remuneration is awarded in shares, which are retained for one year (retention period) after the date of award.

Deferred remuneration

Long Term Incentive (LTI) in the form of Performance Share Units (PSUs). For the deferred variable remuneration, the share award part is made as an LTI. Under this plan, at least 30% of the awarded variable remuneration of management board members is allocated in the form of PSUs. A PSU represents an unsecured contingent right to receive Erste Group shares in the future. This unsecured contingent right depends on the achievement of pre-determined group performance criteria that are assessed over the deferral period of 5 years.

This way, management is kept accountable for the sustainability of success, which further fosters the alignment of remuneration with the shareholders' interests. Group performance is measured on the basis of the annual weighted target achievements of group KPIs, e.g., operating result minus risk costs, cost income ratio and the Customer Experience Index. The number of PSUs is calculated according to the average group performance achievements at the end of the deferral period and may vary between 0% and 120%. After the date of vesting, the PSUs remain retained for an additional year (retention period).

The remaining 30% of the awarded variable remuneration is paid in cash in the third, fourth and fifth year following the performance period (**deferred cash payment**) – provided that group minimum performance requirements are met.

Deviation of the remuneration policy

There was no deviation from the remuneration policy in 2021.

Total remuneration of management board members

TOTAL REMUNERATION AWARDED OR OWED IN THE FINANCIAL YEAR

Total remuneration by management board function 2021

in EUR	Position	2021
Bernhard Spalt	Chairman of the Board	2,338,372.25
Ingo Bleier	Chief Corporates and Capital Markets Officer	1,639,612.82
Stefan Dörfler	Chief Financial Officer	1,640,743.57
Alexandra Habeler-Drabek	Chief Risk Officer	1,639,829.97
David O'Mahony	Chief Operations Officer	1,638,123.58
Maurizio Poletto	Chief Platform Officer	1,122,733.93
Thomas Schaufler (until 31 October 2021)	Chief Retail Officer	958,086.83
Total		10,977,502.95

Alexandra Habeler-Drabek and Thomas Schaufler also served as members of the management board of Erste Bank der oesterreichischen Sparkassen AG (EBOe). The latter did not award any remuneration for this; pro rata costs were charged to EBOe by Erste Group Bank AG.

Total remuneration by management board function 2020

in EUR	Position	2020
Bernhard Spalt	Chairman of the Board	2,083,663.67
Ara Abrahamyan	Chief Digital Transformation Officer	1,429,322.47
Ingo Bleier	Chief Corporates and Capital Markets Officer	1,480,987.64
Peter Bosek	Chief Retail Officer	1,468,597.08
Stefan Dörfler	Chief Financial Officer	1,480,943.81
Alexandra Habeler-Drabek	Chief Risk Officer	1,481,123.46
David O'Mahony	Chief Operations Officer	1,477,667.80
Total		10,902,305.93

The table below shows the amount paid to former management board members based on contractual obligations.

Total remuneration of former board members

in EUR	2021	2020
Former board members		
Ara Abrahamyan	1,115,561.74	-
Gernot Mittendorfer	700,000.00	841,065.87
Jozef Sikela	700,000.00	840,782.94
Total	2,515,561.74	1,681,848.81

The total amount shown in this table also includes the total remuneration granted and owed to the former members of the management board who left the company before the financial year 2021.

The following tables show the total remuneration awarded or owed for the 2021 financial year per management board member as well as a breakdown of the short-term and long-term variable remuneration.

Total remuneration awarded or owed for 2021 by management board member

in EUR	Fixed remuneration			Total remuneration	Relative part	
	Base salary	Other remuneration	Variable remuneration		Fixed	Variable
Bernhard Spalt	1,000,000.00	185,372.25	1,153,000.00	2,338,372.25	50.7%	49.3%
Ingo Bleier	700,000.00	132,612.82	807,000.00	1,639,612.82	50.8%	49.2%
Stefan Dörfler	700,000.00	133,743.57	807,000.00	1,640,743.57	50.8%	49.2%
Alexandra Habeler-Drabek	700,000.00	132,829.97	807,000.00	1,639,829.97	50.8%	49.2%
David O'Mahony	700,000.00	131,123.58	807,000.00	1,638,123.58	50.7%	49.3%
Maurizio Poletto	500,000.08	71,733.85	551,000.00	1,122,733.93	50.9%	49.1%
Thomas Schaufler (until 31 October 2021)	416,666.14	125,420.69	416,000.00	958,086.83	56.6%	43.4%
Total	4,716,666.22	912,836.73	5,348,000.00	10,977,502.95		

Thomas Schaufler received a holiday compensation payment of EUR 61,673.09 as part of his contract termination, which is included in other remuneration and paid out in the financial year 2021.

Total remuneration awarded or owed for 2020 by management board member

in EUR	Fixed remuneration			Total remuneration	Relative part	
	Base salary	Other remuneration	Variable remuneration		Fixed	Variable
Bernhard Spalt	1,000,000.00	183,663.67	900,000.00	2,083,663.67	56.8%	43.2%
Ara Abrahamyan	700,000.00	129,322.47	600,000.00	1,429,322.47	58.0%	42.0%
Ingo Bleier	700,000.00	130,987.64	650,000.00	1,480,987.64	56.1%	43.9%
Peter Bosek	700,000.00	138,597.08	630,000.00	1,468,597.08	57.1%	42.9%
Stefan Dörfler	700,000.00	130,943.81	650,000.00	1,480,943.81	56.1%	43.9%
Alexandra Habeler-Drabek	700,000.00	131,123.46	650,000.00	1,481,123.46	56.1%	43.9%
David O'Mahony	700,000.00	127,667.80	650,000.00	1,477,667.80	56.0%	44.0%
Total	5,200,000.00	972,305.93	4,730,000.00	10,902,305.93		

VARIABLE REMUNERATION AWARDED OR OWED

Starting with performance year 2021, the variable remuneration system in shares for management board members is applied.

Variable remuneration awarded or owed for 2021 by management board member

in EUR	Upfront		Deferral		Total variable remuneration
	Cash	Non-cash	Cash	Non-cash	
Bernhard Spalt	230,575.39	230,624.61	345,893.64	345,906.36	1,153,000.00
Ingo Bleier	161,381.10	161,418.90	242,086.93	242,113.07	807,000.00
Stefan Dörfler	161,381.10	161,418.90	242,086.93	242,113.07	807,000.00
Alexandra Habeler-Drabek	161,381.10	161,418.90	242,086.93	242,113.07	807,000.00
David O'Mahony	161,381.10	161,418.90	242,086.93	242,113.07	807,000.00
Maurizio Poletto	110,190.28	110,209.72	165,270.14	165,329.86	551,000.00
Thomas Schaufler (until 31 October 2021)	83,169.81	83,230.19	124,785.28	124,814.72	416,000.00
Total	1,069,459.88	1,069,740.12	1,604,296.78	1,604,503.22	5,348,000.00

A detailed description of the remuneration scheme can be found in the current remuneration policy.

The remuneration policy of the management board and supervisory board of Erste Group Bank AG is available at the following link: [Remuneration policy of Erste Group Bank AG](#)

For the performance years 2020 and prior, a pay-out model using phantom shares was in place. Outstanding deferrals in phantom shares still come to payment.

Variable remuneration awarded or owed for 2020 by management board member

in EUR	Upfront		Deferral		Total variable remuneration
	Cash	Phantom shares	Cash	Phantom shares	
Bernhard Spalt	-	360,000.00	-	540,000.00	900,000.00
Ara Abrahamyan	-	240,000.00	-	360,000.00	600,000.00
Ingo Bleier	-	260,000.00	-	390,000.00	650,000.00
Peter Bosek	-	252,000.00	-	378,000.00	630,000.00
Stefan Dörfler	-	260,000.00	-	390,000.00	650,000.00
Alexandra Habeler-Drabek	-	260,000.00	-	390,000.00	650,000.00
David O'Mahony	-	260,000.00	-	390,000.00	650,000.00
Total	-	1,892,000.00	-	2,838,000.00	4,730,000.00

DETAILS REGARDING VARIABLE REMUNERATION

Performance management

The performance criteria and their impact on the variable remuneration of the management board of Erste Group Bank AG were determined by the supervisory board at the beginning of the year.

The **first criterion for determining the variable remuneration of the members of the management board is the financial performance of Erste Group as a whole**. The fulfilment of minimum performance criteria (net result attributable to owners of the parent, capital and liquidity requirements) is the basic prerequisite for the awarding of variable remuneration. Based on the fulfilment of weighted business-related performance criteria, a bonus pool multiplier reflecting the overall achievement at group level is determined. For the year 2021, the bonus pool multiplier was calculated based on the following criteria: operating result minus risk costs, cost/income ratio and customer experience.

The **individual targets for the award of variable remuneration take into account Erste Group's strategic and operational objectives as well as a leadership component**. In this way, the variable remuneration contributes to the long-term development of the company and creates incentives to actively pursue the key pillars of Erste Group's strategy (efficiency, digital transformation and growth).

The individual strategic targets are defined in more detail in the scorecard of the respective board member, and the achievement of these is evaluated at the end of the performance period.

Performance with regard to leadership targets of management board members is assessed by the remuneration committee. The results of multi-source feedback are used as an objective basis for this assessment. The Head of People & Culture presents individual feedback profiles and average scores to the members of the remuneration committee, who discuss each individual feedback profile and adjust the rating based on situational observations. In addition, the leadership criteria for top executives are consulted to underpin the final rating. The remuneration committee may make comparative adjustments before approving the final ratings.

A validation process ensures that there is a balanced mix of feedback providers, close cooperation between board members and the feedback providers and frequent interaction as a reliable basis for observing and giving specific feedback based on different work situations.

In 2021, a LEAD 360° survey was used to gather feedback from multiple sources on how each management board member and his/her team collaborates with other areas, adapts to change and implements the business strategy. Feedback is obtained from the chairman of the management board or the chairman of the supervisory board of Erste Group Bank AG as well as from other members of the management board of Erste Group Bank AG and the local banks and subsidiaries. In addition, the members of the management board evaluate themselves.

Target achievement and variable remuneration 2021

Board member	Function	KPI	Weighting	Financial targets (100% achievement)	Achievement in %	Weighted target achievement	Approved bonus in EUR
Bernhard Spalt	CEO	Operating result	18.8%	2,890.7 mn EUR	150.0%	28.1%	
		Return on tangible equity (ROTE)	18.8%	6.6%	150.0%	28.1%	
		Strategic targets: Continuously build the Erste Group brand across all markets, establish and drive the ESG and Diversity objectives, ensure effective cost containment	37.5%	According to the scorecard	89.5%	33.6%	
		Leadership KPIs	25.0%	Assessment by remuneration committee	100.0%	25.0%	
		Total	100.0%			114.8%	1,153,000.00
Ingo Bleier	C&M	Operating result (C&M Segment)	18.8%	1,292.7 mn EUR	150.0%	28.1%	
		Operating result (Group)	7.5%	2,890.7 mn EUR	150.0%	11.3%	
		Return on tangible equity (ROTE)	11.3%	6.6%	150.0%	16.9%	
		Customer Experience Index (SME)	7.5%		85.0%	6.4%	
		Strategic targets: Focus on C&M Digital Initiative and further driving sustainable business growth	30.0%	According to scorecard	107.5%	32.2%	
		Leadership KPIs	25.0%	Assessment by remuneration committee	120.0%	30.0%	
Total	100.0%			124.9%	807,000.00		
Stefan Dörfler	CFO	Operating result (Group)	15.0%	2,890.7 mn EUR	150.0%	22.5%	
		Return on tangible equity (ROTE)	15.0%	6.6%	150.0%	22.5%	
		Data management	7.5%		100.0%	7.5%	
		Strategic targets: Completion of group wide data project, enabling digital transformation, focus on capital management targets and divisional strategic initiatives, ensure effective cost containment	37.5%	According to scorecard	116.0%	43.5%	
		Leadership KPIs	25.0%	Assessment by remuneration committee	100.0%	25.0%	
		Total	100.0%			121.0%	807,000.00
Alexandra Habeler-Drabek	CRO Holding & EBOe	Risk costs	12.0%	0.67% - 0.52%	140.0%	16.8%	
		NPL ratio	12.0%	4% - 3%	140.0%	16.8%	
		Data management	6.0%		100.0%	6.0%	
		Strategic targets: Ensuring adequate COVID-19 risk management, enabling pro-active Compliance Risk-Management, further evolve cyber control and ESG Risk frameworks, ensure effective cost containment	30.0%	According to scorecard	108.0%	32.4%	
		EBOe targets	15.0%		109.5%	16.4%	
		Leadership KPIs	25.0%	Assessment by remuneration committee	100.0%	25.0%	
Total	100.0%			113.4%	807,000.00		
David O'Mahony	COO	Operating result (Group)	15.0%	2,890.7 mn EUR	150.0%	22.5%	
		Return on tangible equity (ROTE)	15.0%	6.6%	150.0%	22.5%	
		Data management	7.5%		100.0%	7.5%	
		Strategic targets: Continuously modernize group IT environment, further digitize end-to-end operations, assure security performance across all entities, ensure effective cost containment	37.5%	According to scorecard	104.0%	39.0%	
		Leadership KPIs	25.0%	Assessment by remuneration committee	100.0%	25.0%	
		Total	100.0%			116.5%	807,000.00

Board member	Function	KPI	Weighting	Financial targets (100% achievement)	Achievement in %	Weighted target achievement	Approved bonus in EUR
Maurizio Poletto	CPO	Operating result (Group)	15.0%	2,890.7 mn EUR	150.0%	22.5%	
		Digital sales metric	15.0%		120.0%	18.0%	
		Customer Experience Index (Retail)	7.5%		93.3%	7.0%	
		Strategic targets: Further drive Erste Group's platform strategy (Retail and Corporate), including innovations for digital banking experiences	37.5%	According to scorecard	100.0%	37.5%	
		Leadership KPIs	25.0%	Assessment by remuneration committee	100.0%	25.0%	
		Total	100.0%			110.0%	551,000.00
Thomas Schaufler	RETAIL Holding & EBOe	Operating result (Retail Segment)	5.6%	1,155.9 mn EUR	150.0%	8.4%	
		Operating result (Group)	2.3%	2,890.7 mn EUR	150.0%	3.4%	
		Return on tangible equity (ROTE)	3.4%	6.6%	150.0%	5.1%	
		Customer Experience Index (Retail)	2.3%		93.3%	2.1%	
		Strategic targets: Further evolve the Group Retail Strategy; focus on implementation group-wide initiatives delivering sustainable business growth	9.0%	According to scorecard	100.0%	9.0%	
		EBOe targets	52.5%		112.0%	58.8%	
		Leadership KPIs	25.0%	Assessment by remuneration committee	100.0%	25.0%	
Total	100.0%			111.8%	416,000.00		

The maximum amount awarded for variable remuneration of the management board members is 100% of fixed remuneration.

If the calculated variable remuneration of a management board member would exceed 100% of fixed remuneration, the variable remuneration amount actually awarded is set at 100% of fixed remuneration.

In the financial year 2021, Alexandra Habeler-Drabek and Thomas Schaufler were members of the management boards of Erste Group Bank AG and Erste Bank der oesterreichischen Sparkassen AG (EBOe). Therefore, the variable remuneration is awarded on the basis of the weighted target achievements of EBOe and Erste Group. The target structure for EBOe is similar to that in Erste Group Bank AG (e.g., operating result EBOe, return on allocated capital, strategic targets and leadership).

TOTAL REMUNERATION PAID

In the financial years 2021 and 2020, the following amounts were paid to management board members for their entitlements from management board activities undertaken in previous years. Payments to former members of the management board are shown cumulatively.

Total remuneration paid

in EUR	Bernhard Spalt		Ingo Bleier		Stefan Dörfler		Alexandra Habeler-Drabek	
	2021	2020	2021	2020	2021	2020	2021	2020
Fixed remuneration								
Base salary	1,000,000.00	1,000,000.00	700,000.00	700,000.00	700,000.00	700,000.00	700,000.00	700,000.00
Other remuneration	185,372.25	183,663.67	132,612.82	130,987.64	133,743.57	130,943.81	132,829.97	131,123.46
Variable remuneration								
Cash payment								
Financial year 2020	-	-	-	-	-	-	-	-
Financial year 2019	-	-	-	-	-	-	-	-
Financial year 2018	-	-	-	-	-	-	-	-
Financial year 2017	-	-	-	-	-	-	-	-
Financial year 2016	-	-	-	-	-	-	-	-
Financial year 2015	-	-	-	-	-	-	-	-
Financial year 2014	-	-	-	-	-	-	-	-
Financial year 2013	-	-	-	-	-	-	-	-
Phantom shares								
Financial year 2020	-	-	-	-	-	-	-	-
Financial year 2019	182,258.48	-	112,343.65	-	112,910.82	-	111,536.52	-
Financial year 2018	-	-	-	-	-	-	-	-
Financial year 2017	-	-	-	-	-	-	-	-
Financial year 2016	-	-	-	-	-	-	-	-
Financial year 2015	-	-	-	-	-	-	-	-
Financial year 2014	-	-	-	-	-	-	-	-
Financial year 2013	-	-	-	-	-	-	-	-
Total	1,367,630.73	1,183,663.67	944,956.47	830,987.64	946,654.39	830,943.81	944,366.49	831,123.46

in EUR	David O'Mahony		Maurizio Poletto		Thomas Schaufler		Former board members	
	2021	2020	2021	2020	2021	2020	2021	2020
Fixed remuneration								
Base salary	700,000.00	700,000.00	500,000.08	-	416,666.14	-	350,000.00	2,212,489.15
Other remuneration	131,123.58	127,667.80	71,733.85	-	125,420.69	-	65,561.74	1,248,175.64
Variable remuneration								
Cash payment								
Financial year 2020	-	-	-	-	-	-	-	320,000.00
Financial year 2019	-	-	-	-	-	-	96,000.00	316,800.00
Financial year 2018	-	-	-	-	-	-	366,000.00	298,200.00
Financial year 2017	-	-	-	-	-	-	346,200.00	296,400.00
Financial year 2016	-	-	-	-	-	-	344,400.00	225,600.00
Financial year 2015	-	-	-	-	-	-	261,600.00	-
Financial year 2014	-	-	-	-	-	-	-	-
Financial year 2013	-	-	-	-	-	-	-	-
Phantom shares								
Financial year 2020	-	-	-	-	-	-	-	-
Financial year 2019	-	-	-	-	-	-	1,196,907.02	-
Financial year 2018	-	-	-	-	-	-	216,463.32	918,329.58
Financial year 2017	-	-	-	-	-	-	229,071.96	290,135.57
Financial year 2016	-	-	-	-	-	-	305,792.84	386,975.71
Financial year 2015	-	-	-	-	-	-	227,130.48	288,018.49
Financial year 2014	-	-	-	-	-	-	-	-
Financial year 2013	-	-	-	-	-	-	-	105,051.84
Total	831,123.58	827,667.80	571,733.93	-	542,086.83	-	4,005,127.36	6,906,175.98

The effects of the new payout model will be visible as of 2023, when the first upfront payment in shares will become effective.

For the performance years 2020 and prior, a pay-out model using phantom shares was in place. Outstanding deferrals in phantom shares still come to payment.

Development of share-based remuneration

The tables below give detailed information on the share-based variable remuneration of management board members.

Development of share-based remuneration through upfront shares

in EUR or in units	Number of shares		New shares awarded for	Shares paid out
	1.1.2021		2021	
Bernhard Spalt	-		7,548	-
Ingo Bleier	-		5,283	-
Stefan Dörfler	-		5,283	-
Alexandra Habeler-Drabek	-		5,283	-
David O'Mahony	-		5,283	-
Maurizio Poletto	-		3,607	-
Thomas Schaufler (until 31 October 2021)	-		2,724	-
Total	-		35,011	-

Remuneration in upfront shares will be paid for the first time in 2023 (for the performance period 2021) after the one-year retention period of the shares awarded as upfront payment is completed.

Development of share-based remuneration through Performance Share Units (PSUs)

in EUR or in units	Number of PSUs		New PSUs awarded for	Total number of PSUs
	1.1.2021		2021	
Bernhard Spalt	-		11,321	11,321
Ingo Bleier	-		7,924	7,924
Stefan Dörfler	-		7,924	7,924
Alexandra Habeler-Drabek	-		7,924	7,924
David O'Mahony	-		7,924	7,924
Maurizio Poletto	-		5,411	5,411
Thomas Schaufler (until 31 October 2021)	-		4,085	4,085
Total	-		52,513	52,513

Remuneration in PSUs will be transferred for the first time in 2028 (for the performance period 2021) after the deferral and vesting period.

For the share-based remuneration through upfront-shares and PSUs a share price of EUR 30.5544 was taken into consideration, which represents the average share price of Erste Group Bank AG on the 30 consecutive trading days before the date of the award on 7 April 2022.

Development of share-based remuneration in phantom shares

in EUR or in units	Number of phantom shares	New phantom shares awarded	Phantom shares paid out in cash	Average weighted share price 2020	Countervalue of phantom shares paid	Number of phantom shares
	1.1.2021					31.12.2021
Bernhard Spalt	20,885	41,258	8,355	21,81	182,258.48	53,788
Ingo Bleier	12,875	29,799	5,150	21.81	112,343.65	37,524
Stefan Dörfler	12,936	29,799	5,176	21.81	112,910.82	37,559
Alexandra Habeler-Drabek	12,783	29,799	5,113	21.81	111,536.52	37,469
David O'Mahony	-	29,799	-	-	-	29,799
Maurizio Poletto	-	-	-	-	-	-
Thomas Schaufler (until 31 October 2021)	-	-	-	-	-	-
Total	59,479	160,454	23,794	21.81	519,049.47	196,139

The calculation of the phantom shares paid out in cash in 2021 is based on the volume-weighted average price of the Erste Group Bank AG share in 2020.

Annual change in total remuneration, economic performance and average compensation of other employees

In future, the table below will show a five-year comparison of the change in total remuneration, the economic performance of the company and the average remuneration of other employees of Erste Group Bank AG (Holding).

Annual change

		2019	2020	2021	Change 2020 vs 2021	
					Absolute	Relative
Total remuneration of board members	in EUR	13,415,357.83	10,902,305.93	10,977,502.95	75,197.02	0.69%
Financial success (company performance)						
Net result attributable to owners of the parent	in EUR million	1,470.1	783.1	1,923.4	1,140.3	145.61%
Operating result	in EUR million	2,972.7	2,934.6	3,435.5	500.9	17.07%
Return on tangible equity		11.2%	5.1%	11.0%	↗	↗
Cost/income ratio		59.0%	59.0%	55.6%	↘	↘
Provisioning ratio	in basis points	7	78	9	↘	↘
Average remuneration of employees of Holding who are not members of the management board	in EUR	102,729.42	99,901.89	106,648.76	6,746.87	6.75%

The remuneration of the members of the management board at individual level is shown in the table "Total remuneration by management board function 2021".

The average remuneration of employees of Holding who are not members of the management board is calculated on the basis of full-time equivalent including the following components: base salary, allowances, pension contributions and variable remuneration.

Remuneration of the supervisory board

Principles of the remuneration policy for supervisory board members

The annual general meeting granted the members of the supervisory board by resolution on 24 May 2018 for the financial year 2017 and the following years (provided a future annual general meeting does not determine otherwise) annual remuneration based on a fixed scale. In accordance with this resolution, the chairperson of the supervisory board receives remuneration of EUR 150,000, the 1st vice chairperson EUR 90,000, the 2nd vice chairperson EUR 80,000 and ordinary members of the supervisory board EUR 60,000 each. The chairpersons of the risk, audit and IT committees receive additional remuneration of EUR 10,000 each, the chairpersons of the remuneration and nomination committees of EUR 5,000. 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. Members of the employees' council do not receive attendance fees or supervisory board remuneration.

Total remuneration for supervisory board members for the financial year 2021 thus totalled EUR 900,164.39. In addition, attendance fees paid to the members of the supervisory board were set at EUR 1,000 per meeting of the supervisory board or one of its committees.

Total remuneration of supervisory board members

Membership in supervisory board committees

	Executive committee	Nomination committee	Audit committee	Risk committee	Remuneration committee	IT committee
Chairman	Friedrich Rödler	Friedrich Rödler	Friedrich Rödler (financial expert)	Maximilian Hardegg	Friedrich Rödler (remuneration expert)	Maximilian Hardegg
Vice Chairman	Jan Homan	Jan Homan	Maximilian Hardegg	Jan Homan	Jan Homan	Friedrich Rödler
Member	Maximilian Hardegg	Maximilian Hardegg	Matthias Bulach (until 31 December 2021)	Henrietta Egerth-Stadlhuber (until 31 December 2021)	Jordi Gual Solé (until 31 December 2021)	Henrietta Egerth-Stadlhuber
Member	Elisabeth Krainer Senger-Weiss	Elisabeth Krainer Senger-Weiss	Jan Homan	Marion Khüny	Maximilian Hardegg	Marion Khüny
Member	Barbara Pichler	Barbara Pichler	Friedrich Santner	Elisabeth Krainer Senger-Weiss	András Simor	Michael Schuster (from 19 May 2021)
Member	Karin Zeisel	Karin Zeisel	Michèle F. Sutter-Rüdisser	Friedrich Rödler	John James Stack (until 19 May 2021)	Andreas Lachs
Member			Regina Haberhauer	Markus Haag	Michèle F. Sutter-Rüdisser (from 19 May 2021)	Barbara Pichler (from 19 May 2021)
Member			Barbara Pichler	Regina Haberhauer	Andreas Lachs	Karin Zeisel
Member			Jozef Pinter	Andreas Lachs	Barbara Pichler	
Member				Jozef Pinter	Karin Zeisel	
Substitute	Andreas Lachs	Andreas Lachs	Marion Khüny	Regina Haberhauer	Friedrich Santner	Elisabeth Krainer Senger-Weiss
Substitute	Jozef Pinter	Jozef Pinter	Andreas Lachs	Barbara Pichler	Markus Haag	Markus Haag
Substitute			Karin Zeisel	Karin Zeisel	Regina Haberhauer	Regina Haberhauer
Substitute					Jozef Pinter	Jozef Pinter

In 2021, all members of the supervisory board attended more than half of the supervisory board and committee meetings that took place after their election or delegation to the supervisory board or before their resignation from their mandate or revocation of their delegation.

Furthermore, in 2021, the ordinary members of the supervisory board or their substitutes, if applicable, attended in person, by videoconferencing or teleconferencing more than half of the committee meetings held after their election or delegation to the supervisory board or before resigning from their mandate or their delegation being revoked.

The following table shows the attendance of meetings by ordinary members without accounting for the attendance of substitute members. In the exceptional circumstances caused by Covid-19 in 2021, members attending virtual meetings only via acoustic channels are still considered to be in regular attendance in all regards under an ordinance issued by the Federal Ministry of Justice.

Meeting attendance

Name	Supervisory board (7 meetings)	Risk committee (16 meetings)	Executive-committee (2 meeting)	Audit committee (7 meetings)	Nomination committee (6 meetings)	Remuneration committee (5 meetings)	IT committee (4 meetings)
Friedrich Rödler	100%	100%	100%	100%	100%	100%	100%
Jan Homan	100%	100%	100%	100%	100%	100%	
Maximilian Hardegg	100%	88%	50%	86%	67%	100%	100%
Matthias Bulach	100%			100%			
Henrietta Egerth-Stadlhuber	100%	81%					100%
Jordi Gual Solé	100%					80%	
Marion Khüny	100%	100%					100%
Elisabeth Krainer Senger-Weiss	100%	100%	100%		100%		
Friedrich Santner	100%			100%			
Michael Schuster	100% ²						100% ²
András Simor	100%					100%	
John James Stack	100% ¹					100% ¹	
Michèle F. Sutter-Rüdisser	100%			86%		100% ²	
Markus Haag	100%	88%					
Regina Haberhauer	71%			86%			
Andreas Lachs	86%	81%				60%	100%
Barbara Pichler	100%		50%	86%	100%	60%	100% ²
Jozef Pinter	100%	94%		86%			
Karin Zeisel	100%		100%		100%	80%	100%

¹ member until 19 May 2021, ² members since 19 May 2021

Remuneration of members of the supervisory board for 2021

	in EUR	Attendance fees	Remuneration of supervisory board	Total
Friedrich Rödler		46,000.00	170,000.00	216,000.00
Jan Homan		41,000.00	90,000.00	131,000.00
Maximilian Hardegg		42,000.00	100,000.00	142,000.00
Matthias Bulach		14,000.00	60,000.00	74,000.00
Henrietta Egerth-Stadlhuber		26,000.00	60,000.00	86,000.00
Jordi Gual Solé		10,000.00	60,000.00	70,000.00
Marion Khüny		27,000.00	60,000.00	87,000.00
Elisabeth Krainer Senger-Weiss		32,000.00	60,000.00	92,000.00
Friedrich Santner		15,000.00	60,000.00	75,000.00
Michael Schuster (from 19 May 2021)		8,000.00	37,315.07	45,315.07
András Simor		12,000.00	60,000.00	72,000.00
John James Stack (until 19 May 2021)		4,000.00	22,849.32	26,849.32
Michèle F. Sutter-Rüdisser		18,000.00	60,000.00	78,000.00
Delegated by the employees' council				
Markus Haag		-	-	-
Regina Haberhauer		-	-	-
Andreas Lachs		-	-	-
Barbara Pichler		-	-	-
Jozef Pinter		-	-	-
Karin Zeisel		-	-	-
Total		295,000.00	900,164.39	1,195,164.39

Remuneration of the supervisory board members for supervisory board functions in fully consolidated subsidiaries

Members of the supervisory board receive for their board functions in fully consolidated subsidiaries (affiliated companies) of Erste Group Bank AG a remuneration based on principles for the determination of supervisory board remuneration, that do also apply to all external members of the supervisory board of the individual affiliated company.

Remuneration of the supervisory board members in fully consolidated subsidiaries

in EUR	Affiliated company	2021
	Erste Bank der oesterreichischen Sparkassen AG (Chairman)	101,750.00
Friedrich Rödler	Erste Bank Hungary Zrt. (Member)	42,500.00
	TIROLER SPARKASSE Bankaktiengesellschaft Innsbruck (Member)	15,500.00
Maximilian Hardegg	Česká spořitelna, a.s. (Member)	60,500.00
	Erste Bank der oesterreichischen Sparkassen AG (Vice Chairman)	22,401.64
Jan Homan	Slovenská sporiteľňa, a.s. (1 st Vice Chairman)	27,500.00
Elisabeth Krainer Senger-Weiss	Banca Comercială Română (Member)	68,000.00
Friedrich Santner	Steiermärkische Bank und Sparkassen AG (Chairman)	44,800.00
John James Stack	Česká spořitelna, a.s. (Chairman until 26 April 2021)	30,600.00
Total		413,551.64

Supervisory board members of the affiliated companies receive additional remuneration for their functions as chairpersons of a committee, which is already included in the individual amounts in this chart.

D&O Insurance

Erste Group Bank AG has directors' and officers' liability insurance. Unless otherwise provided by local law, the insurance policy covers former, current and future members of the management board or managing directors, of the supervisory board, of the administrative board and of the advisory board as well as senior management, holders of statutory powers of attorney (Prokuristen) and management staff of Erste Group Bank AG and the subsidiaries in which Erste Group Bank AG holds more than 50% of the shares or voting rights either directly or indirectly through one or more subsidiaries. The costs are borne by the company.

For the supervisory board
Friedrich Rödler e.h.

For the management board
Bernhard Spalt e.h.

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