

Erste Group debt investor presentation

January 2022

Disclaimer –

Cautionary note regarding forward-looking statements

- THE INFORMATION CONTAINED IN THIS DOCUMENT HAS NOT BEEN INDEPENDENTLY VERIFIED AND NO REPRESENTATION OR WARRANTY EXPRESSED OR IMPLIED IS MADE AS TO, AND NO RELIANCE SHOULD BE PLACED ON, THE FAIRNESS, ACCURACY, COMPLETENESS OR CORRECTNESS OF THIS INFORMATION OR OPINIONS CONTAINED HEREIN.
- CERTAIN STATEMENTS CONTAINED IN THIS DOCUMENT MAY BE STATEMENTS OF FUTURE EXPECTATIONS AND OTHER FORWARD-LOOKING STATEMENTS THAT ARE BASED ON MANAGEMENT'S CURRENT VIEWS AND ASSUMPTIONS AND INVOLVE KNOWN AND UNKNOWN RISKS AND UNCERTAINTIES THAT COULD CAUSE ACTUAL RESULTS, PERFORMANCE OR EVENTS TO DIFFER MATERIALLY FROM THOSE EXPRESSED OR IMPLIED IN SUCH STATEMENTS.
- NONE OF ERSTE GROUP OR ANY OF ITS AFFILIATES, ADVISORS OR REPRESENTATIVES SHALL HAVE ANY LIABILITY WHATSOEVER (IN NEGLIGENCE OR OTHERWISE) FOR ANY LOSS HOWSOEVER ARISING FROM ANY USE OF THIS DOCUMENT OR ITS CONTENT OR OTHERWISE ARISING IN CONNECTION WITH THIS DOCUMENT.
- THIS DOCUMENT DOES NOT CONSTITUTE AN OFFER OR INVITATION TO PURCHASE OR SUBSCRIBE FOR ANY SHARES AND NEITHER IT NOR ANY PART OF IT SHALL FORM THE BASIS OF OR BE RELIED UPON IN CONNECTION WITH ANY CONTRACT OR COMMITMENT WHATSOEVER.

Presentation topics –

1

Introduction to Erste Group

2

Summary quarterly update

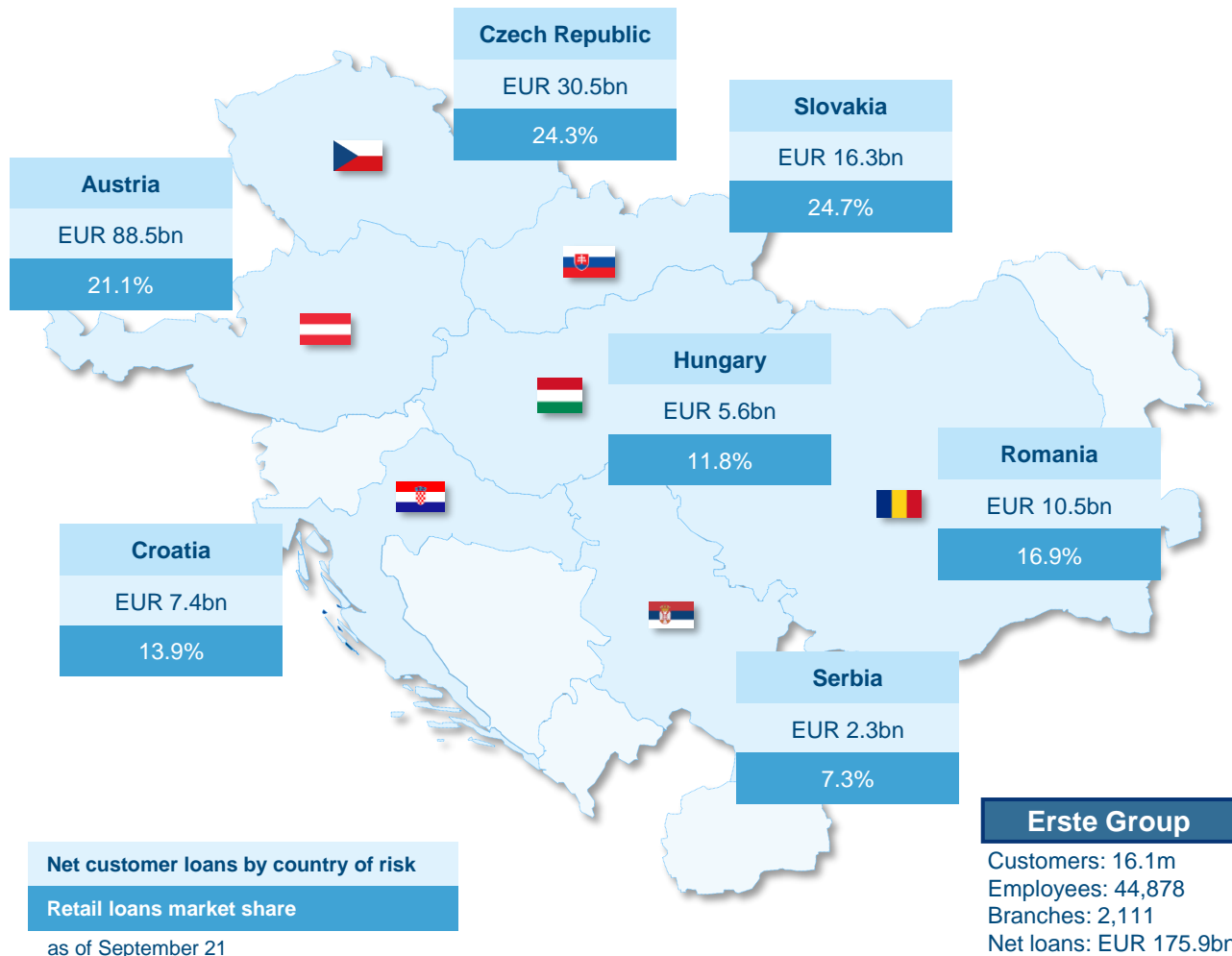
3

Funding strategy

4

Further information on latest quarterly financials

Erste Group's footprint – Leading retail & corporate bank in the eastern part of the EU



- Successful purpose driven business strategy: founded to create and safeguard prosperity
- Strong local banks with solid market positions in 7 core markets in CEE
- Favourable mix of mature and emerging markets with low penetration rates and high organic growth potential
- Dedicated omni-channel business model supported by cross-border digital platform George
- Strategy based on 3 pillars: efficiency, digital transformation and growth

Our strategy –

A real customer need is the reason for all business

Customer banking in Central and Eastern Europe

Eastern part of EU

Retail banking

Focus on local currency mortgage and consumer loans funded by local deposits

FX loans (in EUR) only where funded by local FX deposits (Croatia and Serbia)

Savings products, asset management and pension products

Expansion of digital banking offering

Corporate banking

SME and local corporate banking

Advisory services, with focus on providing access to capital markets and corporate finance

Transaction banking services (trade finance, factoring, leasing)

Commercial real estate business

Capital markets

Focus on customer business, incl. customer-based trading activities

In addition to core markets, presences in Poland, Germany, New York and Hongkong with institutional client focus and selected product mix

Building debt and equity capital markets in CEE

Public sector

Financing sovereigns and municipalities with focus on infrastructure development in core markets

Any sovereign holdings are only held for market-making, liquidity or balance sheet management reasons

Interbank business

Focus on banks that operate in the core markets

Any bank exposure is only held for liquidity or balance sheet management reasons or to support client business

Focus on CEE, limited exposure to other Europe

ESG: a key objective for Erste Group (1) – Economic success paired with environmental and social well-being



Our aspiration ...

We believe in a stronger, healthier and more prosperous society in the Central and Eastern European region.

Where we believe to have an impact ...

relevance

...we make an impact through 16 million customers, ~45,000 employees and ~2,100+ branches in the region.

history

...our 200 years of history built on our purpose of prosperity proves our long-term commitment to the well-being of society.

proximity

...our social banking activities support those who are especially in need of help and financial assistance.

Main topics where we aspire to make a change



Climate Action

Climate change is not only a global challenge. Our region needs green investments into energy transition, clean transportation and building renovation.



Clean Water

Clean water is still a prevailing challenge in our region. Wastewater collection, leakage and treatment deficiencies need long-term commitment and financing.



Recycling & Waste

Collection, sorting and reprocessing of urban and industrial waste is an important part of financial success and resilience of our clients and societies.



Affordable Housing

Housing is a growing concern of many middle-class citizens, especially young families. Our cities need affordable housing projects with long-term sustainable financing.



Financial Inclusion

There are still 14 million people in our region in risk of poverty. Many of them need access to banking services and financial guidance.



Financial Literacy

Financial literacy is a basis for successful financial life, financial stability and prosperity. Financial literacy needs to get into schools and the education system at large.



Gender Equality

Strong, resilient societies are built from successful individuals enjoying equal opportunities, rewards and recognition regardless of their gender.

ESG: a key objective for Erste Group (2) – Sustainability is embedded into the organisation



ESG supports our purpose to bring prosperity and securing financial resilience of our company

Main pillars of our ESG impact

Sustainable finance

We build our banking services with the aspiration to mobilise funds, services and client advisory for socio-environmental objectives and we refrain from harmful activities.

Working together

We believe that there is still a need for raising awareness through public advocacy and active contribution to new market standards. We are committed to actively participate on public initiatives and lead the impact in our region.

Good corporate citizenship and operations

We strive to demonstrate our deep commitment to strong institutions through clear respect for rules and standards, which we also expect from our business partners. In our operations we aim to minimise emissions and ultimately aspire to climate neutrality.

Employee engagement and social contribution

We aim to integrate sustainability into our culture. Therefore, we support employee's awareness, affiliation and engagement also through the means of corporate volunteering. Through our social banking activities we are ready to promote financial inclusion for those who need it most.

ESG: a key objective of Erste Group (3) – Tackling climate change: green finance and the transition to net zero



As a member of the Net-Zero Banking Alliance we will be leading the transition within CEE

We have ambitions in all our markets to reach net-zero financed emissions not later than mid-century.

Erste Group's financed emission intensity is estimated around a low 100gCO₂e/€, driven by a well balanced regional and industrial distribution of our lending book.

Building on our good legacy portfolio we aim to help our clients and societies in their transition to net-zero.



We will reach climate neutral operations by 2023

Erste Group reduced its Scope 1 & 2 emissions by 25% between 2016-2020.

We are committed to source more than 90%+ of our electricity from low emission sources by 2023.

ESG: a key objective of Erste Group (4) – Erste Group is a leader in green bond issues in CEE

ESG ratings and key indices



Erste Group was **upgraded to AA** in July 2019 and is considered a **leader among approx. 200 companies in the banking industry**.



Erste Group was awarded **prime status in ISS ESG ratings** in October 2018.



In 2021 Erste Group was upgraded to **LOW risk** with a **18.9 score ranking 23rd out of 386 diversified banks**



Since 2017 Erste Group is included in the Euronext Vigeo Index: Eurozone 120.



Included in the **Bloomberg Gender-Equality Index** since 2019 as the **only Austrian company** (as of 2020)



Included since 2016 in the **FTSE4Good Index Series** as a selection of companies with strong environmental, social and governance (ESG) practices

Our financing credentials

May 2021
ERSTE Group
Erste Group Bank
EUR 500,000,000
7y Sustainable Senior Preferred
Joint Bookrunner

June 2021
SLOVENSKÁ SPORITELNA Group
Slovenska sporitelna
EUR 100,000,000
7y Green Senior Preferred
Sole Bookrunner

September 2021
ČESKÁ SPORITELNA
Ceska sporitelna
EUR 500,000,000
7NC6 Green Senior Non-Preferred
Joint Bookrunner

October 2021
BCR
Banca Comerciala Romana
RON 500,000,000
7NC6 Green Senior Preferred
Sole Bookrunner

February 2021
HYPO TIROL
Hypo Tirol Bank
EUR 500,000,000
10y Social Covered Bond
Joint Bookrunner

March 2021
VIG VIENNA INSURANCE GROUP
Vienna Insurance Group
EUR 500,000,000
15y Sustainable Insurance Senior
Joint Bookrunner & Social Structuring

June 2021
UBS
UBS Group
EUR 500,000,000
5y OpCo Green Senior
Joint Bookrunner

June 2021
Oberbank 3 Banken Gruppe
Oberbank
EUR 250,000,000
10y Mortgage Green Covered Bond
Preferred Joint Bookrunner & Sole Green Structuring

August 2021
BAWAG P.S.K.
BAWAG P.S.K.
EUR 500,000,000
8y Green Mortgage Covered Bond
Joint Bookrunner

September 2021
HYPO OBERÖSTERREICH
Hypo Oberösterreich
EUR 250,000,000
7y Green Mortgage Covered Bond
Joint Bookrunner

September 2021
mBank
mBank
EUR 500,000,000
6NC5 Green Senior Non-Preferred
Joint Bookrunner

September 2021
VakifBank
VakifBank
USD 500,000,000
5y Sustainable Senior Unsecured
Joint Bookrunner

Erste Group Bank AG's ratings – Composition of issuer ratings

MOODY'S

Macro Profile	
Strong	
+	
Financial Profile	
Asset Risk	baa2
Capital	baa1
Profitability	baa3
Funding Structure	a2
Liquid Resources	baa1
+	
Qualitative Factors	
Business Diversification	0
Opacity, Complexity	0
Corporate Behaviour	0
=	
BCA Baseline Credit Assessment	baa1
+	
Affiliate Support	0
=	
Adjusted BCA	baa1
+	
LGF Loss Given Failure	+ 2
Government Support	0
=	
Senior Unsecured Long-Term Outlook / Short-Term	
A2 / Stable / P-1	

S&P Global Ratings

SACP - Stand-Alone Credit Profile		
a		
▲		
Anchor	bbb+	
Business Position	Strong	+1
Capital & Earnings	Adequate	0
Risk Position	Adequate	0
Funding	Above Average	+1
Liquidity	Strong	
+		
Support	+1	
▲		
ALAC Support	+1	
GRE Support	0	
Group Support	0	
Sovereign Support	0	
+		
Additional Factors	0	
=		
Issuer Credit Rating Long-Term Outlook / Short-Term		
A+ / Stable / A-1		

FitchRatings

VR - Viability Rating (Individual Rating)
a
SRF - Support Rating Floor
NF (No Floor)
IDR - Issuer Default Rating Long-Term Outlook / Short-Term
A / Stable / F1

Status as of 16 December 2021

Presentation topics

1

Introduction to Erste Group

2

Summary quarterly update

3

Funding strategy

4

More details to latest quarterly financials

Presentation topics

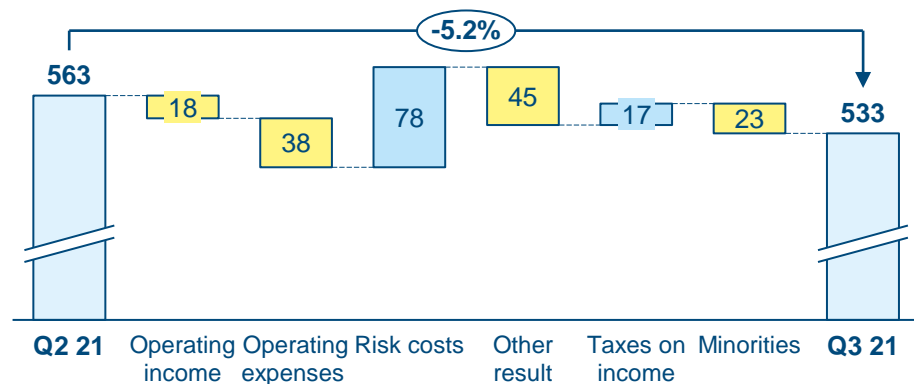
- Key developments
- Executive summary income statement and balance sheet data
- Macroeconomic update
- Business update
- Results and outlook at a glance

Key developments – Setting the frame for today's presentation

- **CEE & AT macro recovery on track, expected 2021 real GDP growth upgraded further**
 - Economic growth in CEE & Austria has outperformed expectations so far this year
 - Faster than expected rate hikes in Czech Republic, Hungary and Romania
 - Loan growth guidance for 2021 improved again to **mid to high-single digit** growth
- **Fee performance goes from strength to strength**
 - Strong recovery in payment services fees continued in Q3 21
 - Asset management and insurance brokerage fees continue to make strong growth contribution
 - Further guidance upgrade to **low double-digit** growth in 2021
- **Benign credit risk environment results in further improvement of 2021 risk cost guidance**
 - Risk cost guidance revised to max 15bps in 2021, following 4bps in 1-9 21
 - NPL ratio at historic low of 2.4%; estimated at approx. 2.5% at year-end 2021
- **Further 2021 outlook upgrades**
 - NII expected to post low-single digit growth in 2021
 - Operating result to post double-digit growth, CIR to improve significantly yoy
 - Significant improvement in net profit → return to solid, double-digit ROTE
- **Erste Group returns to progressive dividend policy**
 - Payout 2021: EUR 1.0 per share additional payment following ECB lifting its dividend restriction; subject to EGM approval on 25 Nov 2021, resulting in total payout of EUR 1.5 per share
 - Payout 2022: Erste Group targets EUR 1.6 DPS for business year 2021

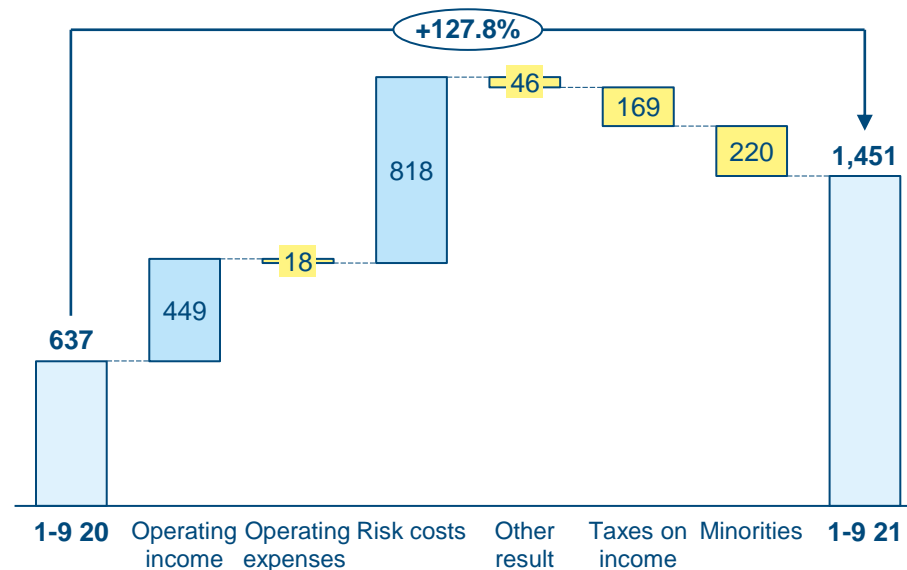
Executive summary – Group income statement performance

QoQ net profit reconciliation (EUR m)



- Q3 21 net result down solely due to TLTRO III related one-off booking of EUR 92.4m in Q2 21; supported by **strong operating performance** and a **further significant decline in risk costs**
- Operating income benefits from underlying NII growth and another **record fee income quarter** (strong payment fee recovery)
- Operating expenses increase on higher IT and marketing costs

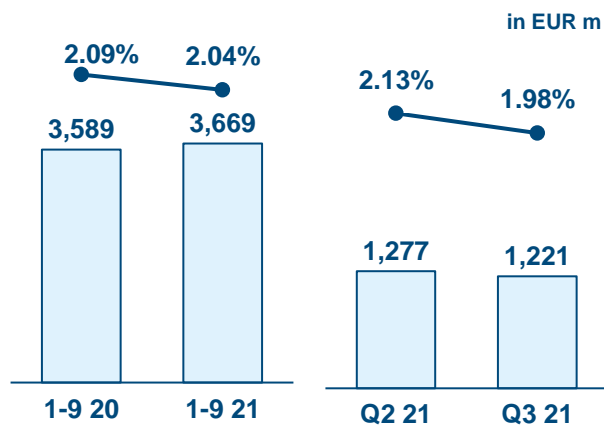
YoY net profit reconciliation (EUR m)



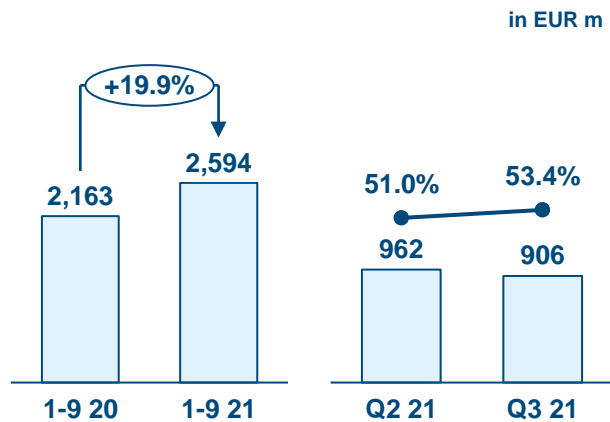
- YoY net profit growth primarily driven by **substantially higher operating income** and **significant decline in risk costs**
- Operating income benefits from **broad-based macro recovery**, translating into **strong fee performance** (payment services, asset management, securities business and insurance brokerage)
- Higher minorities charge due to improved profitability at savings banks

Executive summary – Key income statement data

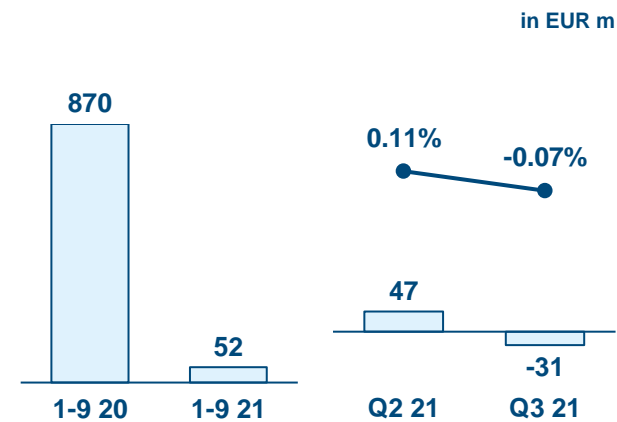
Net interest income & margin



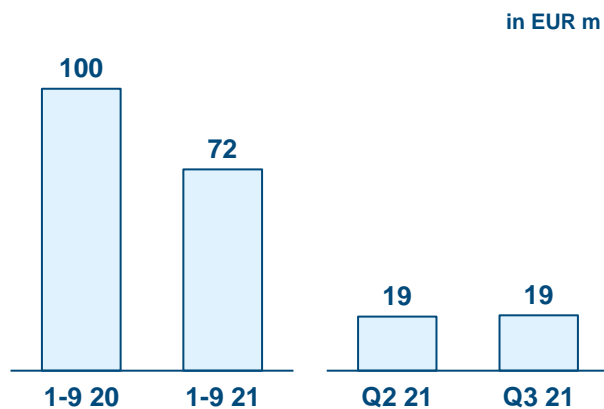
Operating result & cost/income ratio



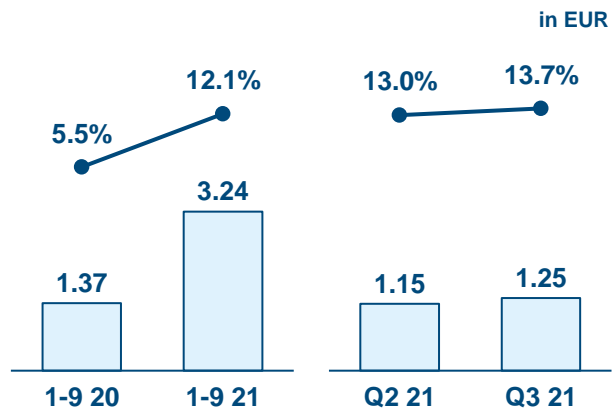
Cost of risk



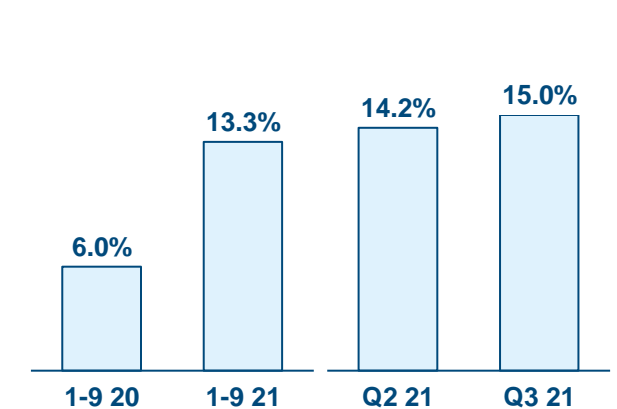
Banking levies



Reported EPS & ROE

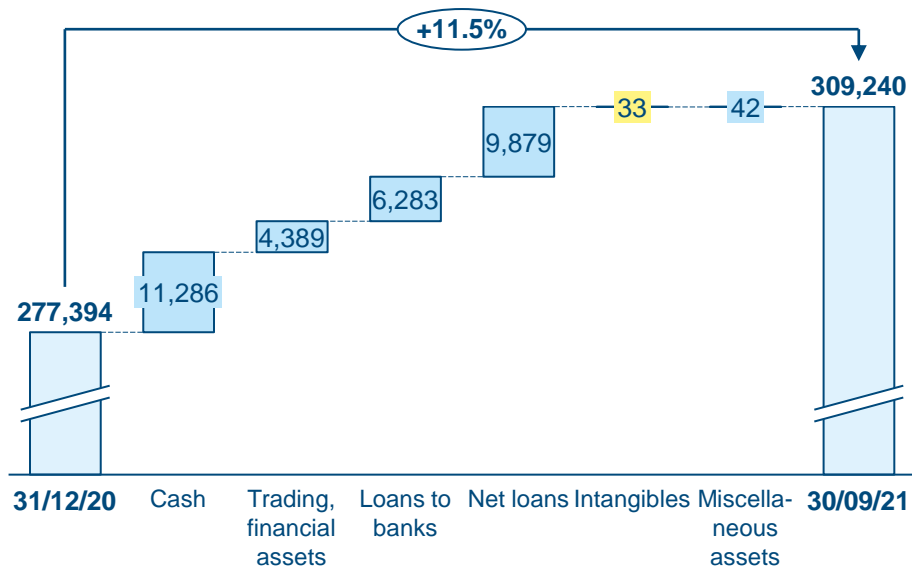


Return on tangible equity



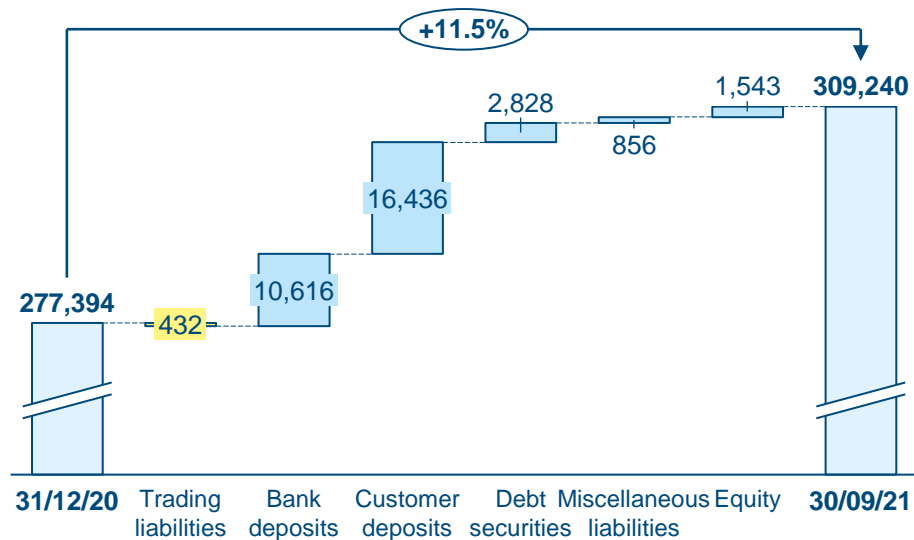
Executive summary – Group balance sheet performance

YTD total asset reconciliation (EUR m)



- Total assets up by 11.5%, mainly driven by a substantial increase in cash (+31.5%); **net loans to customers increased by 5.9%**
- Increase in the liquidity surplus (cash position) mainly driven by TLTRO III uptake and client deposit inflows

YTD equity & total liability reconciliation (EUR m)

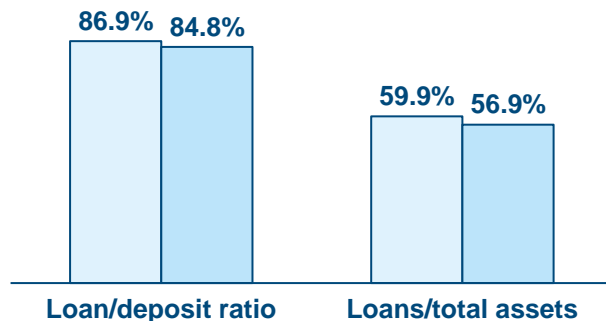


- Total liability growth driven by **rising customer deposits (+8.6%)** and bank deposits (+42.9%)
- Growing customer deposits drive **loan/deposit ratio to 84.8%** (YE 20: 86.9%)
- Increase in equity reflects rising net result

Executive summary – Key balance sheet data

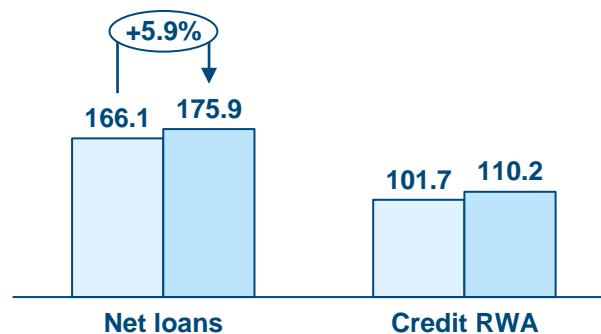
31/12/20
30/09/21

Loan/deposit & loan/TA ratio

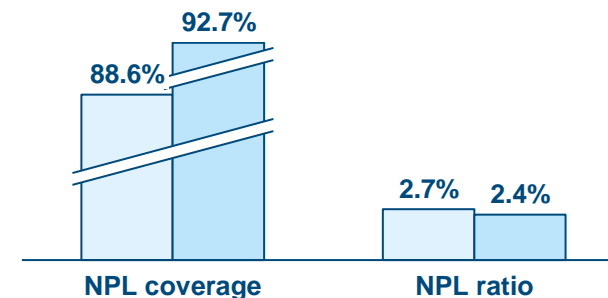


Net loans & credit RWA

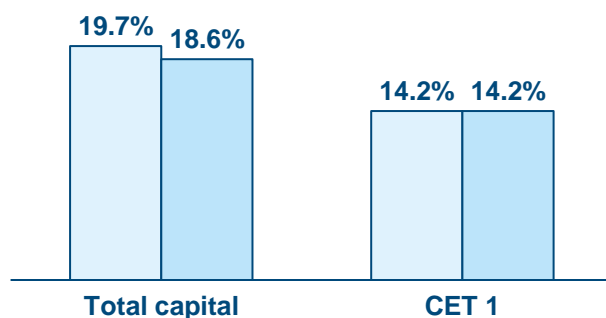
in EUR bn



NPL coverage ratio & NPL ratio

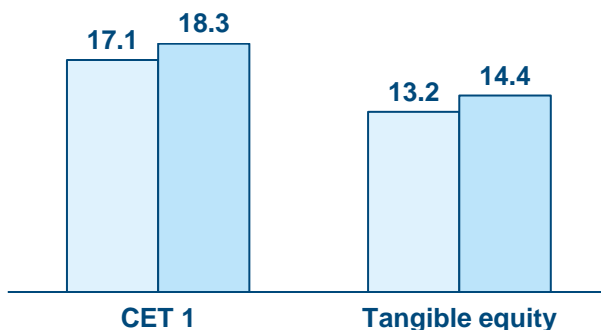


B3FL capital ratios

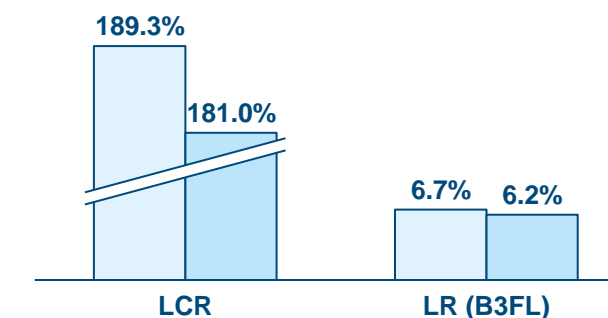


B3FL capital & tangible equity¹

in EUR bn



Liquidity coverage & leverage ratio²



1) Based on shareholders' equity, not total equity

2) Includes central bank exposures

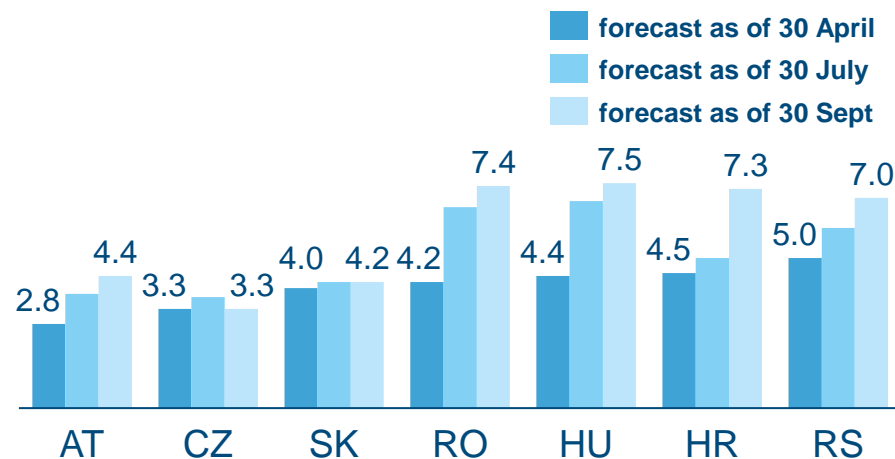
Macroeconomic update –

CEE & AT recovery stronger than expected, rate hikes in CZ, HU & RO

- **CEE & AT economies have switched to higher gear – growth expectations have further increased**

- AT: output already at pre-crisis level
- CZ & SK: sound domestic and foreign demand but supply chain disruptions impact industrial output
- RO: recovery supported by industry, private services & investments
- HU: significant investment activity supports growth
- HR: strong summer tourism has contributed to recovery
- EU Multi-Annual Financial Framework and Next Generation funds to further support recovery and growth

Real GDP expectations for 2021 (in %)

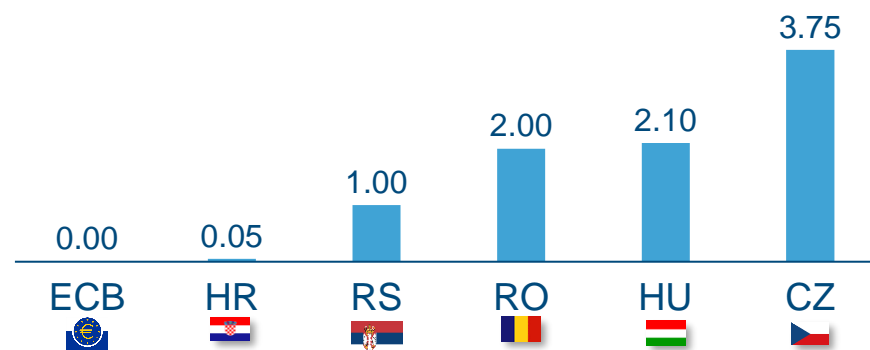


- **Interest rate tightening cycle has started in CEE – faster and more sizeable than expected**

- Strong economic recovery and elevated inflation led to higher rate expectations
 - CEE economies have proved their resilience and experienced quick recovery
 - Inflation has risen due to mismatch between supply and demand following re-opening of economies; expected to moderate in 2022
- **Further rate hikes expected in CZ, HU, RO**
 - CZ: 4.25% by end 22
 - HU: 3.50% by end 22
 - RO: 3.00% by end 22

Key interest rates (in %)

(as of 11 January)

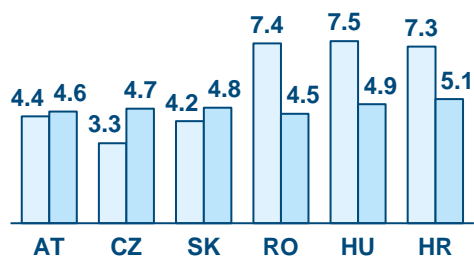


Macroeconomic update –

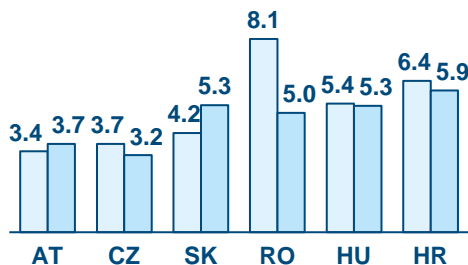
2021 economic rebound set to continue in 2022, albeit at slower pace

2021
2022

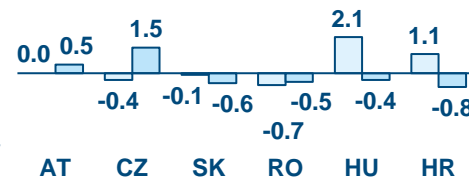
Real GDP growth (in %)



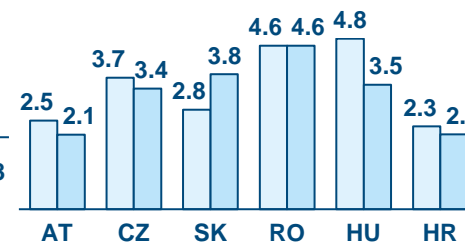
Dom. demand contribution* (in %)



Net export contribution* (in %)

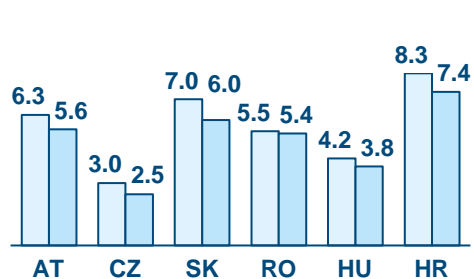


Consumer price inflation (avg, in %)

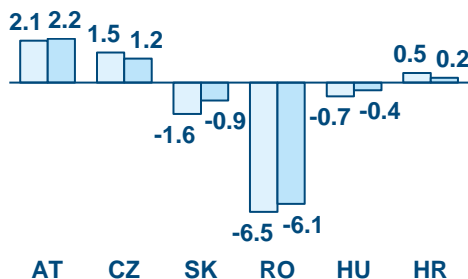


- Based on better than expected H1 2021 economic performance **growth expectations were upgraded further**
- Recovery mostly driven by **household consumption and investments** while supply chain issues have impacted industrial output
- Strong economic recovery has been accompanied by visibly higher inflation; inflationary pressure expected to ease in 2022

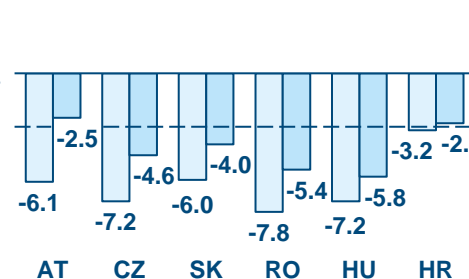
Unemployment rate (avg, in %)



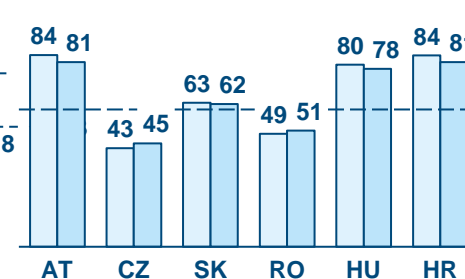
Current account balance (% of GDP)



Gen gov balance (% of GDP)



Public debt (% of GDP)



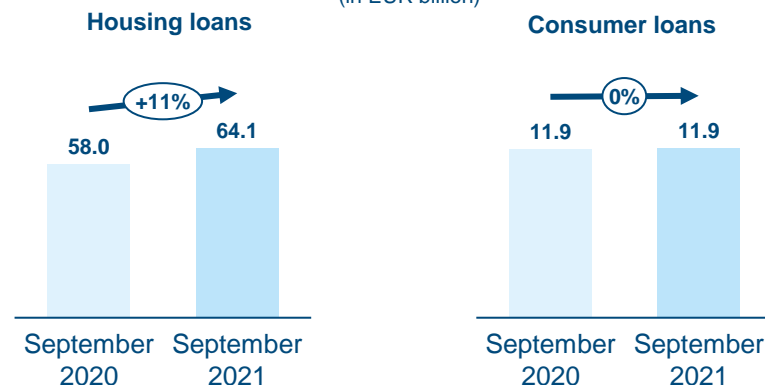
- **Unemployment rates** have increased from very low levels, expected to decline in CEE& AT in 2022
- Lower tax revenues and higher social payments have led to rising fiscal deficits

* Contribution to real GDP growth. Domestic demand contribution includes inventory change. Source: Erste Group Research, EU Commission

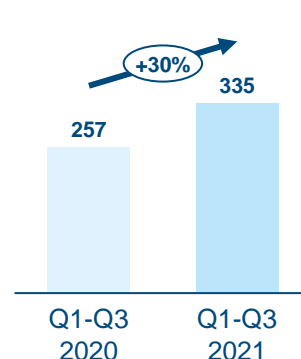
Business update – Retail – what’s happening on the ground? (1)

- Strong **demand for housing loans**, continued in Q3 2021; re-financing and increased mortgage demand in expectation of interest rate hikes as the key drivers in CEE
- **Demand for consumer loans** remains flat due to strong savings rates and a change in consumer behaviour
- **Deposit volumes** continue to **increase**, but at a lower pace, customers see Erste Group as a trusted partner
- **High demand for securities products continues in Q3**, proving strategic focus on building up wealth
 - Substantial increase in fee income from securities again driven by AT, CZ, HU – investment funds volumes growing
 - Long term securities saving plans in focus
 - Increase of opened securities saving plans strongly supported by new digital solutions
 - Annualised investment volume regular savings: > EUR 1 bn
- **Demand for insurance solutions growing** given increased awareness for financial protection (e.g. because of natural disasters in our region)

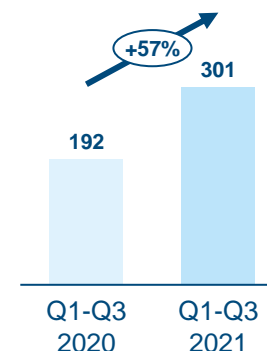
Loan portfolio
(in EUR billion)



Development of fee income securities (in EUR million)



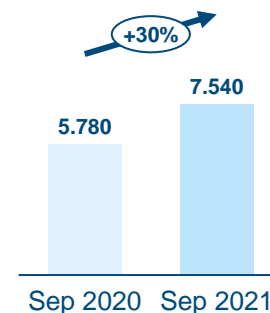
Newly opened regular securities saving plans (in thsd pieces)



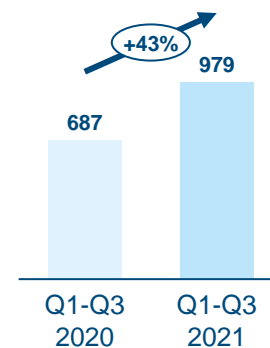
Business update – Retail – what’s happening on the ground? (2)

- **Branch operations** back to “normal”, client traffic only slightly below pre-crisis levels
- **Clients going digital:**
 - More than **7.5 million George** users across 6 markets
 - Digital sales continue to increase substantially; current accounts, consumer loans and term deposits as “most popular” digital products
- **Offering for securities and insurance products** further extended, additional “green products” under development:
 - Offering of **sustainable investment solutions** broadened (e.g. Erste Fair Invest launched in Austria)
 - Offering of **green mortgages** being prepared for selected markets
 - **George insurance hub** set up in cooperation with Vienna Insurance Group in Prague, delivering digital Bancassurance solutions for Erste Group
- **Austrian savings banks** show a **strong sector performance**, particularly driven by **securities business**

Number of George users
(2020 vs 2021 YoY, in thsd)



Development of digital sales
(2020 vs 2021, in thsd pieces)



Business update

Corporates & Markets – what’s happening on the ground?

• Recovery continues

- The segments SME, large corporates and real estate showed further growth on loans
- NII improving due to volume growth, stable margins and one-off repayment fees
- Underlying investment and M&A appetite remains strong, in particular in the wood, pulp, paper and packaging sector; we also see larger portfolio deals in the CRE sector, in particular in the logistics sub-segment; there is still additional institutional money-flow into CEE; shopping center market has developed well despite the pandemic and sees further investment appetite as well

• Capital markets business is performing very well

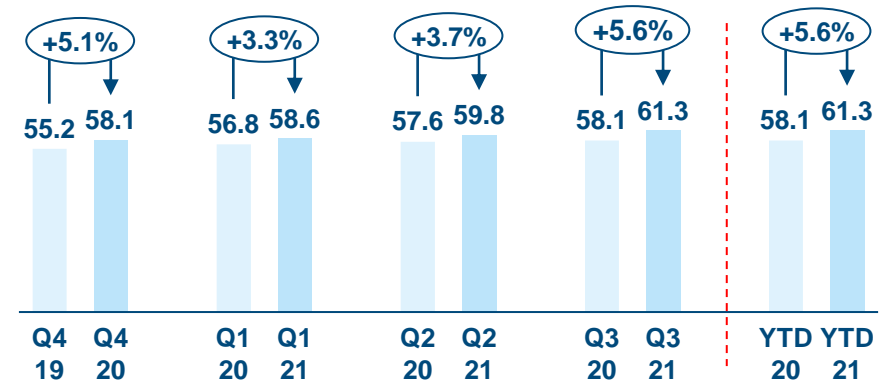
- Total issuance volume of more than EUR 85bn accompanied by Erste Group (+5% yoy) which was achieved through 165 mandated transactions (for all C&M customer segments)
- Net fee and trading income substantially higher than last year

• ESG related assets are constantly growing

- ESG assets under management stood at EUR 13.7bn at the end of Q3 21; up by almost EUR 2bn yoy
- Asset management sales increased strongly yoy and reached a level of close to EUR 2.9bn ytd

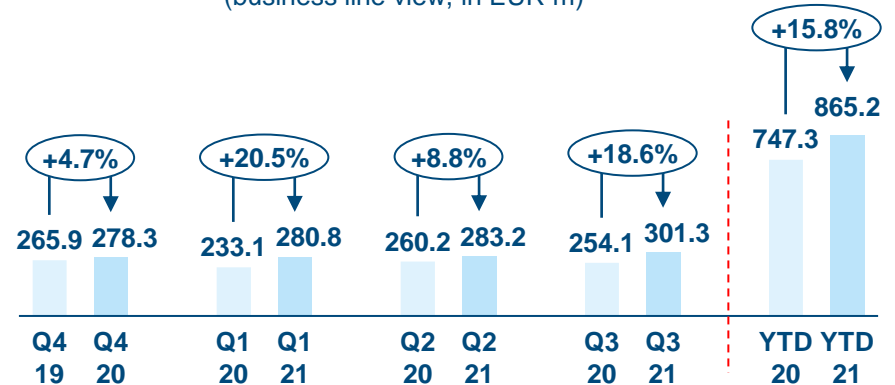
Corporate loan stock development

(gross, business line view, in EUR bn)



Corporate segment operating results development

(business line view, in EUR m)



Q3 2021 – Results and outlook at a glance

Q3 21 key takeaways

2021 outlook

Operating environment

- **Macro recovery on track in CEE, forecasts upgraded again in Q3 21**
- Loan growth accelerated at +5.9% ytd
- Deposit growth decelerated markedly in Q3 21

- **Real GDP to rise 3.3-7.5% in 2021** in Erste Group's core CEE markets and Austria
- **Mid to high-single digit loan growth** expected
- Outlook beyond 2021 impacted by economic fragility

Business performance

- **Strong fee performance** driven by asset management and payment services
- NII starting to benefit from interest rate tailwinds
- Sound cost development

- **Double-digit operating result growth**
- Fees on course for stellar performance – low double-digit growth expected

Credit risk

- Very favourable risk environment results in **net release of risk costs**
- Strong asset quality indicators: NPL ratio at 2.4%, NPL coverage at 92.7%

- **2021e risk charge expected to be max 15 bps of gross customer loans**
- 2021e NPL ratio expected at approx. 2.5%

Capital position & capital return

- **Fully loaded CET 1 ratio remained solid at 14.2%**
- EUR 0.8 DPS accrued in H1 21

- EUR 1/share catch-up dividend in Q4, following ECB lifting dividend restriction; subject to EGM approval
- **EUR 1.6 DPS target for business year 2021**

Profitability

- **ROTE hits 15.0%**
- Improved operating performance and low risk costs were key net profit drivers

- 2021e net result to be significantly higher than in 2020
- **Double-digit ROTE expected for 2021**

Risk factors to guidance

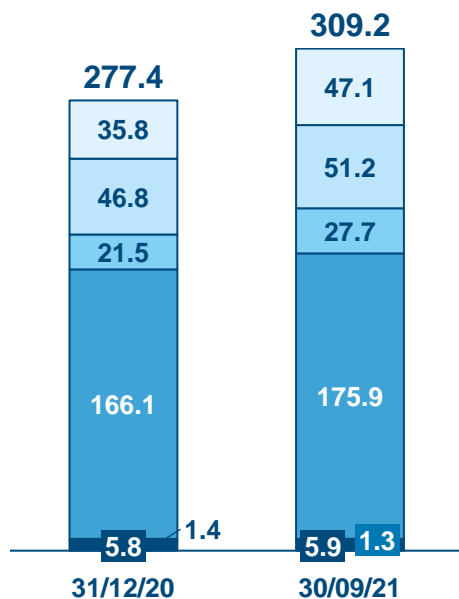
- Political, regulatory, geopolitical, economic, health and competition risks, also non-financial and legal risks
- Elevated level of uncertainty due to Covid-19 crisis
- Economic downturn may put goodwill at risk

Presentation topics

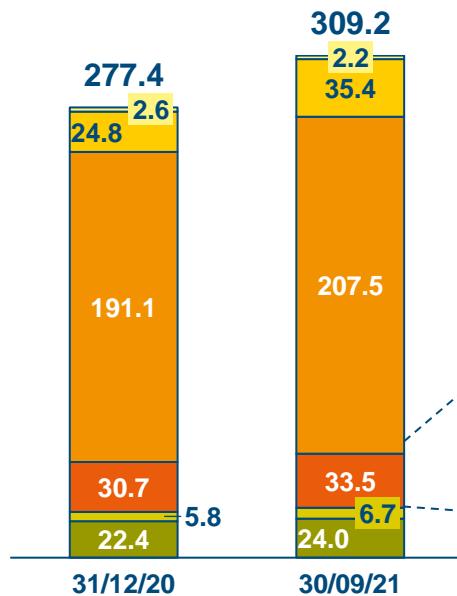
- 1 Introduction to Erste Group
- 2 Summary quarterly update
- 3 Funding strategy**
- 4 More details to latest quarterly financials

Erste Group's balance sheet structure – Favourable loan/deposit ratio of 84.8% at Sep 21 (Dec 20: 86.9%)

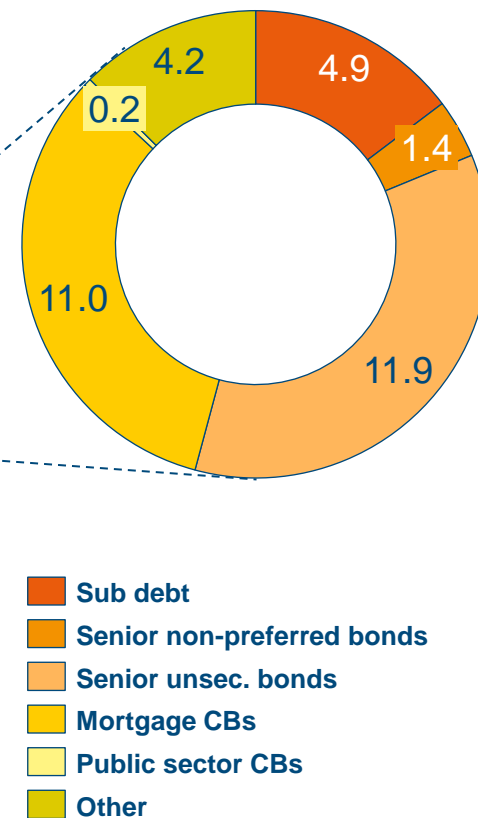
Assets (EUR bn)



Liabilities & equity (EUR bn)



Debt securities (EUR bn)



- Cash
- Trading, financial assets
- Loans to banks
- Net loans
- Intangibles
- Miscellaneous assets

- Trading liabilities
- Bank deposits
- Customer deposits
- Debt securities
- Miscellaneous liabilities

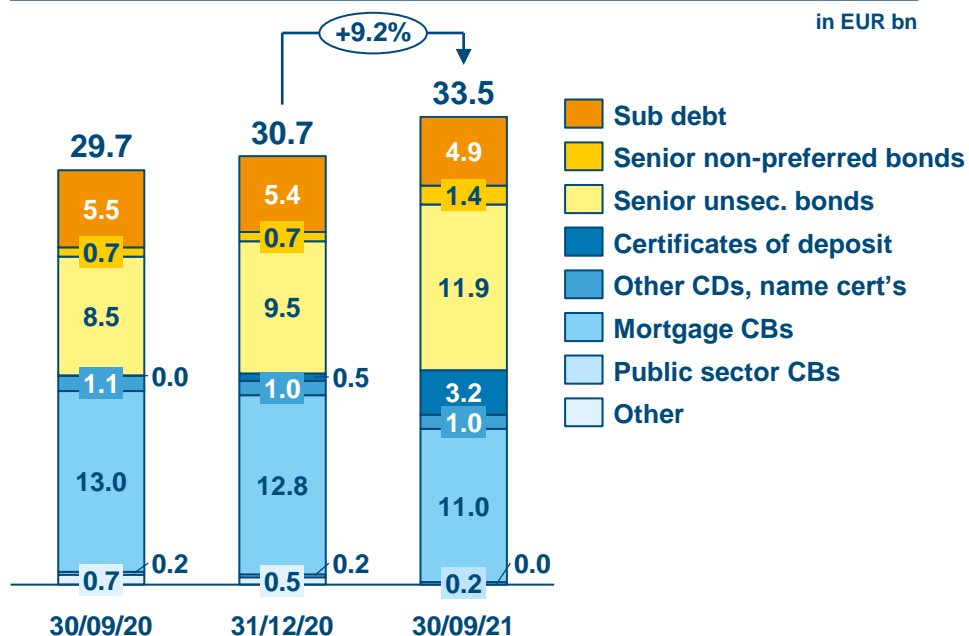
- Equity

- Sub debt
- Senior non-preferred bonds
- Senior unsec. bonds
- Mortgage CBs
- Public sector CBs
- Other

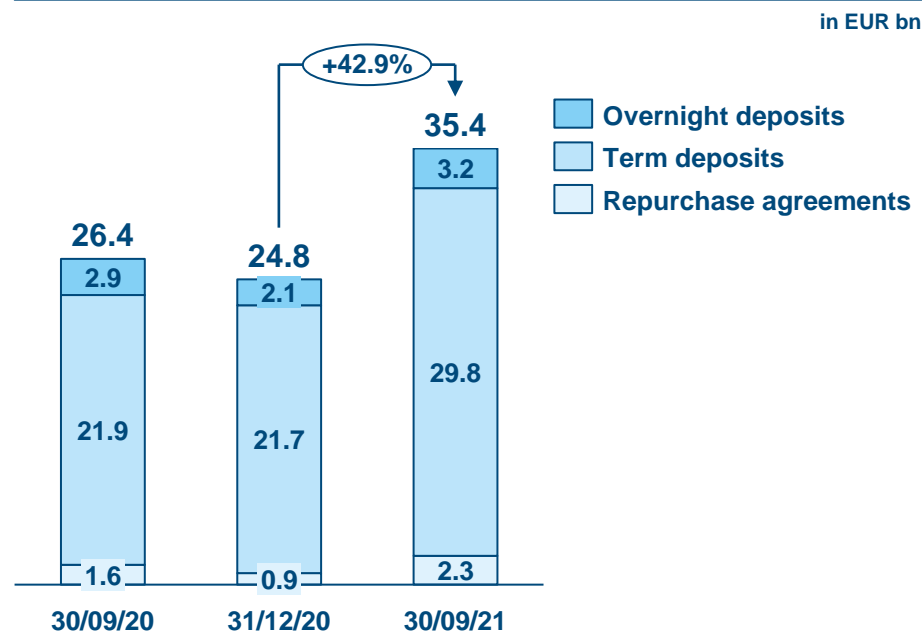
Debt vs interbank funding –

Stable wholesale funding reliance, as customer deposits grow strongly

Debt securities issued



Interbank deposits

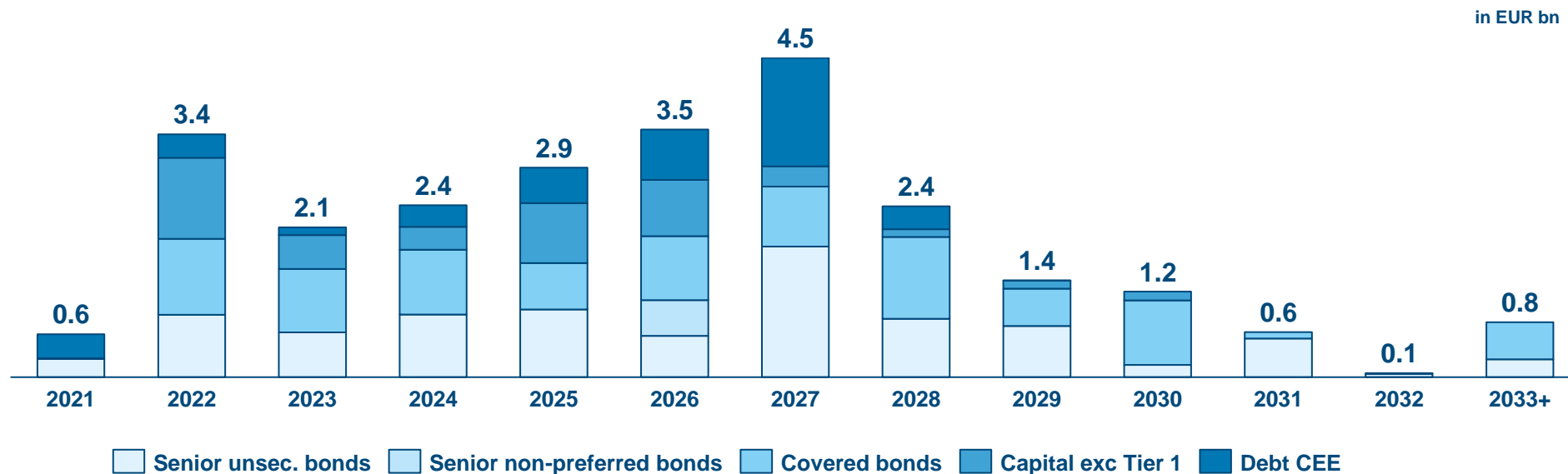


- Increased MREL-related issuance leads to rise in stock of senior unsecured bonds
- Temporary increase in CDs reflect increased activity in Group Markets business
- High liquidity (attributable to substantial deposit inflow and TLTRO III) results in decline in covered bonds issuances

- Significant increase in interbank deposits predominantly driven by increased TLTRO III balance, balance sheet management

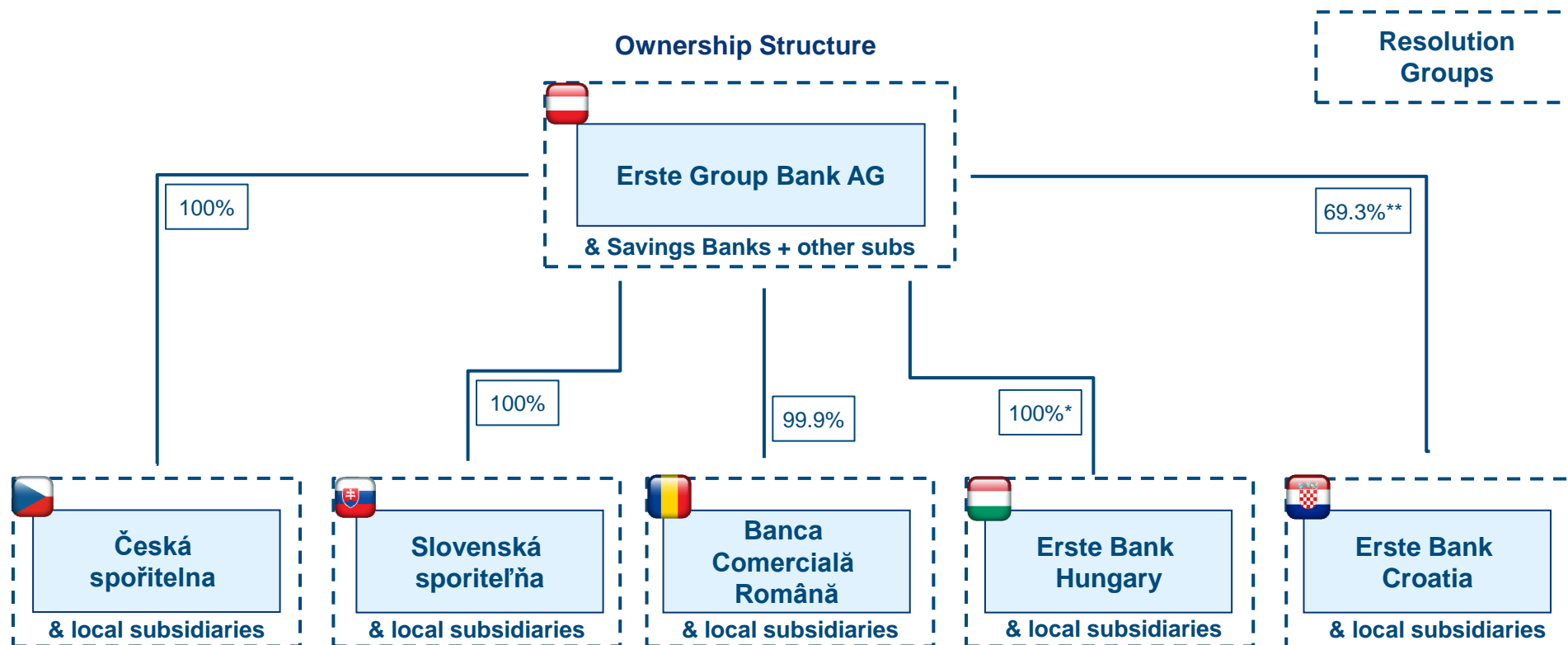
LT funding – Stable LT funding needs in 2021 with focus on senior preferred funding

Maturity profile of debt



- TLTRO III outstanding as of 30 Sept 2021: EUR 21bn

Multiple point of entry resolution strategy – MREL compliance at Point of Entry Levels (bail-in)



Erste Group follows an MPE resolution strategy with each resolution group issuing its external MREL debt

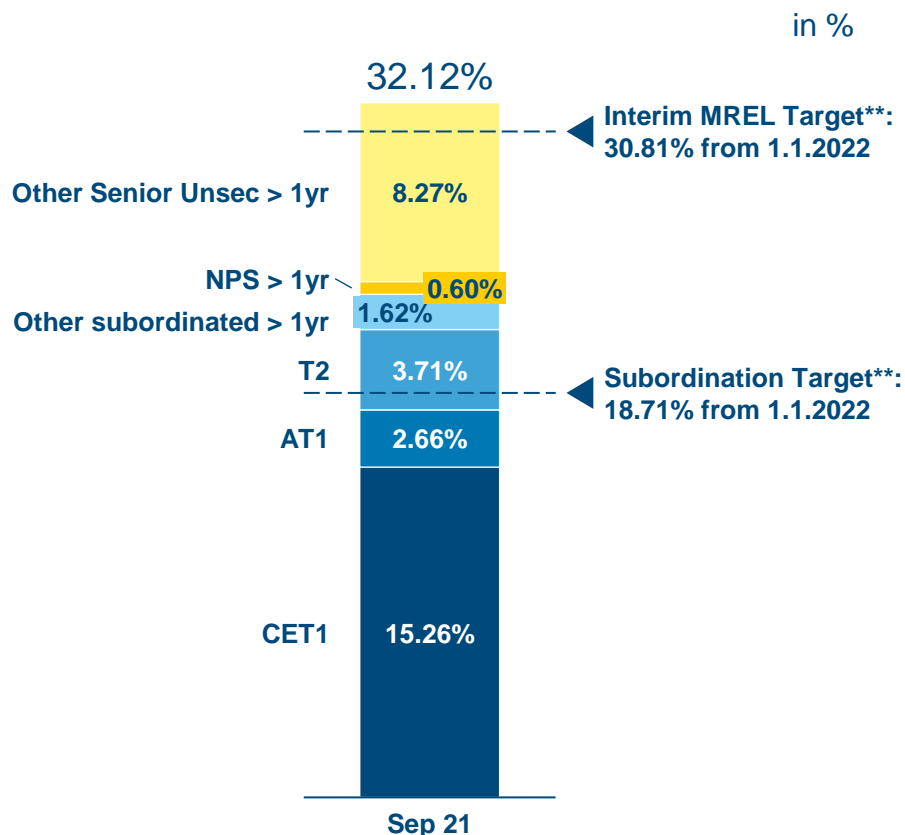
*Erste Bank Hungary: 30% held by Corvinus/Hungarian State and EBRD (15% each) with option agreement to sell stakes to Erste Group Bank AG

**Erste Bank Croatia: direct stake of 59%; indirect stake through Steiermärkische Sparkasse

MREL details

Austrian resolution group: MREL requirement based on RWA fulfilled

MREL capacity based on TREA (RWA)*



* TREA... total risk exposure amount

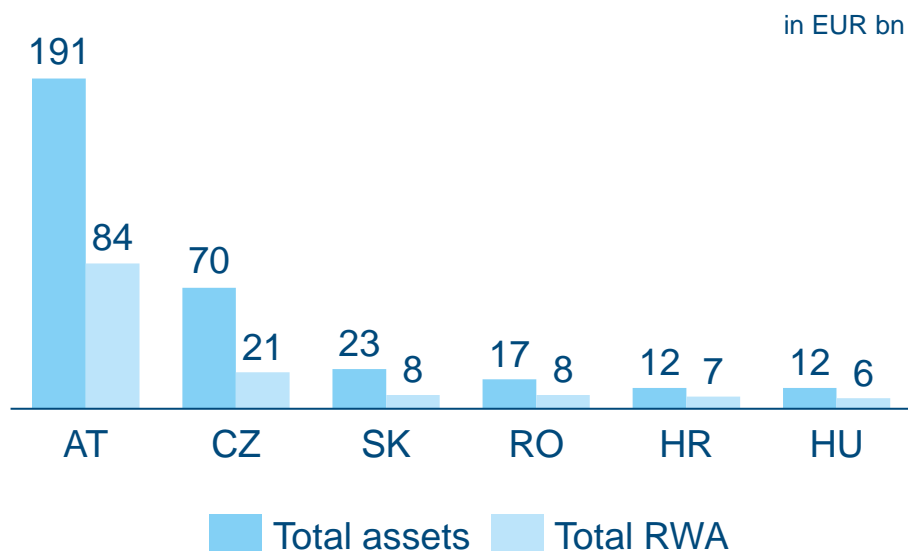
** Target including the Combined Buffer Requirement (CBR)

Key take-aways

- Erste Group's setup is based on a multiple point of entry (MPE) resolution approach
- In Q2 2021, Erste Group Bank AG received its MREL requirement calibrated on balance sheet data as of 31 Dec 2019 and based on BRRD2
- Erste Group Bank AG, as the Point of Entry of the Austrian resolution group, must comply with a MREL requirement of 30.81% of TREA (incl. CBR) and 9.92% of Leverage Ratio Exposure (LRE). In addition, the subordination requirement is set at 18.71% (incl. CBR) of TREA and 8.60% of LRE respectively.
- Based on the Austrian resolution group's RWAs as of Sep 2021 of approx. EUR 84.07bn, the current MREL ratio stands at 32.12%, thereof 23.86% being subordinated eligible liabilities.
- As of Q3 2021 the AT resolution group would be compliant with the interim MREL and subordination requirements (TREA and LRE-based) to be fulfilled from 1 Jan 2022.
- Potential changes in the MREL requirement will be reflected in Erste Group Bank AG's funding plan as to ensure compliance with MREL & subordination targets

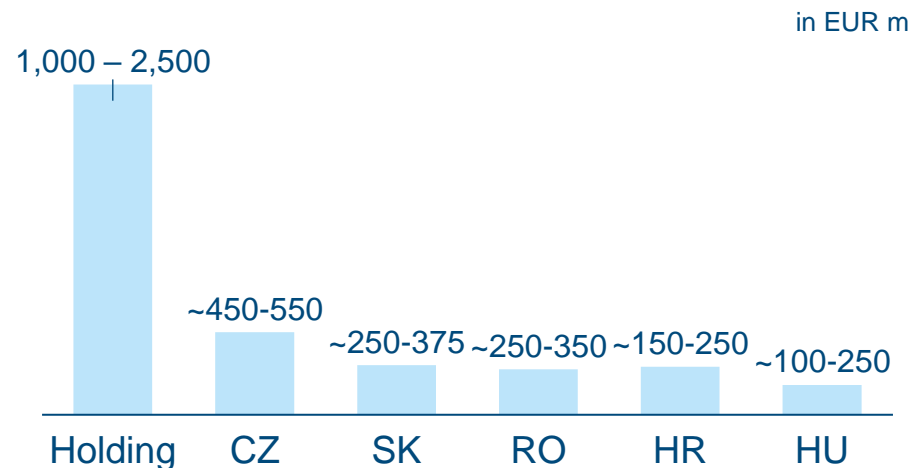
MREL update – MREL-related issuance progresses as planned

MREL resolution groups (September 2021)



- Under MREL there are 6 MPE resolution groups: 3 (AT, SK, HR) covered by the Single Resolution Board and 3 (CZ, RO, HU) covered by the respective National Resolution Authority
- The Austrian resolution group (parent company, EBOe and savings banks) is not considered a legal entity or reporting unit, hence there is neither a statutory reporting nor a capital requirement for the Austrian resolution group

Preliminary 3year MREL issuance plan (avg. p.a.)



- CEE issuances will mainly be placed in domestic market and Euro markets
- First NPS issuances by Holding (in EUR) and BCR (in RON) in 2019 and Slovenská sporiteľňa in 2020
- MREL-related issuances in 2021:
 - Holding: ~EUR 2bn PS bonds (3 benchmarks)
 - CZ: EUR 500m NPS bond (1 inaugural benchmark)
 - SK: EUR 200m PS bonds (in 2 tranches)
 - RO: RON 1bn NPS and RON 500m PS bonds
 - HR: EUR 445m PS (international EUR 400m and domestic EUR 45m bonds)

Erste Group's long-term issuance track record – Return to the covered bond market with a EUR 1.5bn dual-tranche



- Q1 22 – After a 2-year absence from the syndicated covered bond market Erste Group started into 2022 with a successful EUR 1.5bn 6.5y & 15y dual-tranche **mortgage covered bond** (printed at MS-3bp and +5bp)
- Q4 21 - Heading out of the quiet period Erste Group Bank AG concluded its wholesale funding activities for 2021 with a EUR 500mn 11NC6 **T2 note** issued at MS+110bp – representing the tightest spread / lowest coupon for a benchmark T2 for the issuer
- Q3 21 - In September 2021, Erste Group decided to return to the **senior preferred** market twice with a EUR 500mn 8y note priced at MS+45bp followed by a CHF 200mn 7y note priced at SARON MS+41bp. The latter represents the first CHF benchmark transaction for Erste Group after more than 10 years.
- Q2 21 - After Q1 2021 results, Erste Group announced its **inaugural sustainable senior preferred note**: The EUR 500mn 7y transaction was priced at MS+35bps – inside the spotted fair value – translating into a 2bps “greenium”.

Additional information: Erste Group Bank AG as issuer

Summary of benchmark issues

Seniority	ISIN	Coupon	Reset	Maturity / First Call	Term	Currency	Volume in mn
Mortgage Covered Bond	XS0743547183	3.500%		08/02/2022	10	EUR	1,000
Mortgage Covered Bond	XS1346557637	0.625%		19/01/2023	7	EUR	750
Mortgage Covered Bond	XS1845161790	0.250%		26/06/2024	6	EUR	750
Mortgage Covered Bond	XS1181448561	0.750%		05/02/2025	10	EUR	500
Mortgage Covered Bond	XS1807495608	0.625%		17/04/2026	8	EUR	750
Mortgage Covered Bond	XS1550203183	0.625%		18/01/2027	10	EUR	750
Mortgage Covered Bond	XS1750974658	0.750%		17/01/2028	10	EUR	1,000
Mortgage Covered Bond	AT0000A2UXM1	0.100%		12/07/2028	6.5	EUR	750
Mortgage Covered Bond	AT0000A2A6W3	0.010%		11/09/2029	10	EUR	500
Mortgage Covered Bond	AT0000A2CDT6	0.100%		15/01/2030	10	EUR	750
Mortgage Covered Bond	AT0000A286W1	0.875%		15/05/2034	15	EUR	500
Mortgage Covered Bond	AT0000A2UXN9	0.500%		12/01/2037	15	EUR	750
Senior Preferred	XS1982725159	0.375%		16/04/2024	5	EUR	500
Senior Preferred	AT0000A2JAF6	0.050%		16/09/2025	5	EUR	500
Senior Preferred	AT0000A2GH08	0.875%		13/05/2027	7	EUR	750
Senior Preferred	AT0000A2KW37	0.100%	3m Euribor +52bps	16/11/2027	8NC7	EUR	750
Sustainable Senior Preferred	AT0000A2RAA0	0.125%		17/05/2028	7	EUR	500
Senior Preferred	AT0000A2SUH1	0.250%		14/09/2029	8	EUR	500
Senior Preferred	AT0000A2N837	0.250%		27/01/2031	10	EUR	500
Senior Preferred	CH1135555584	0.250%		02/10/2028	7	CHF	500
Senior Non-Pref.	XS2000538343	0.875%		22/05/2026	7	EUR	500
Tier 2	XS0840062979	7.125%		08/10/2022	10	EUR	302
Tier 2	XS2083210729	1.000%	5y ms+130.0bps	10/06/2025	10.5NC5.5	EUR	500
Tier 2	AT0000A2J645	1.625%	5y ms+210.0bps	08/09/2026	11NC6	EUR	500
Tier 2	AT0000A2U543	0.875%	5y ms+110.0bps	15/11/2027	11NC6	EUR	500
AT1	XS1597324950	6.500%	5y ms+620.4bps	15/04/2024	perpNC7	EUR	500
AT1	XS1961057780	5.125%	5y ms+485.1bps	15/10/2025	perpNC6.5	EUR	500
AT1	XS2108494837	3.375%	5y ms+343.3bps	15/04/2027	perpNC7.2	EUR	500
AT1	AT0000A2L583	4.250%	5y ms+464.6bps	15/04/2028	perpNC7.4	EUR	750

Presentation topics

1

Introduction to Erste Group

2

Summary quarterly update

3

Funding strategy

4

Further information on latest quarterly financials

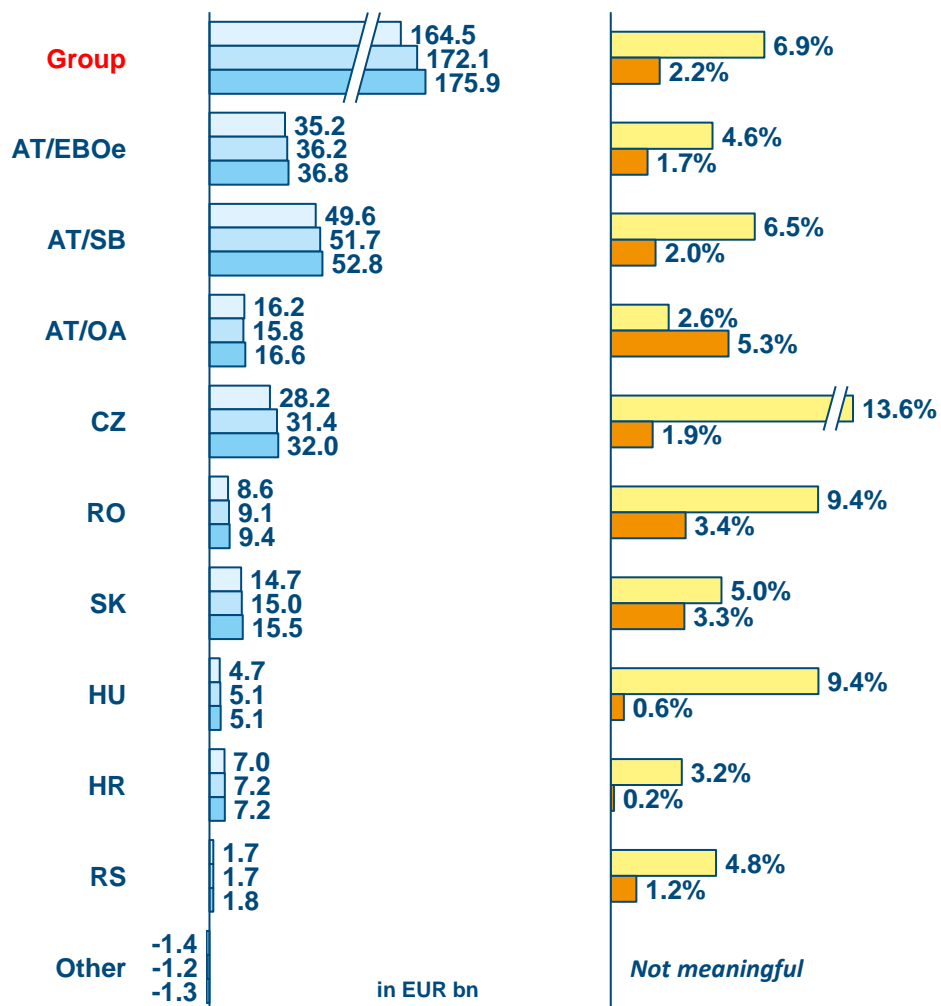
Presentation topics

- Operating trends
 - Volumes
 - Revenues and costs
 - Impairments and asset quality
- Capital
- Additional information

Operating trends: net loan stock & growth –

Continuation of solid net loan growth in Q3 21, ytd +5.9%

■ YoY ■ 30/09/20
■ QoQ ■ 30/06/21
■ 30/09/21

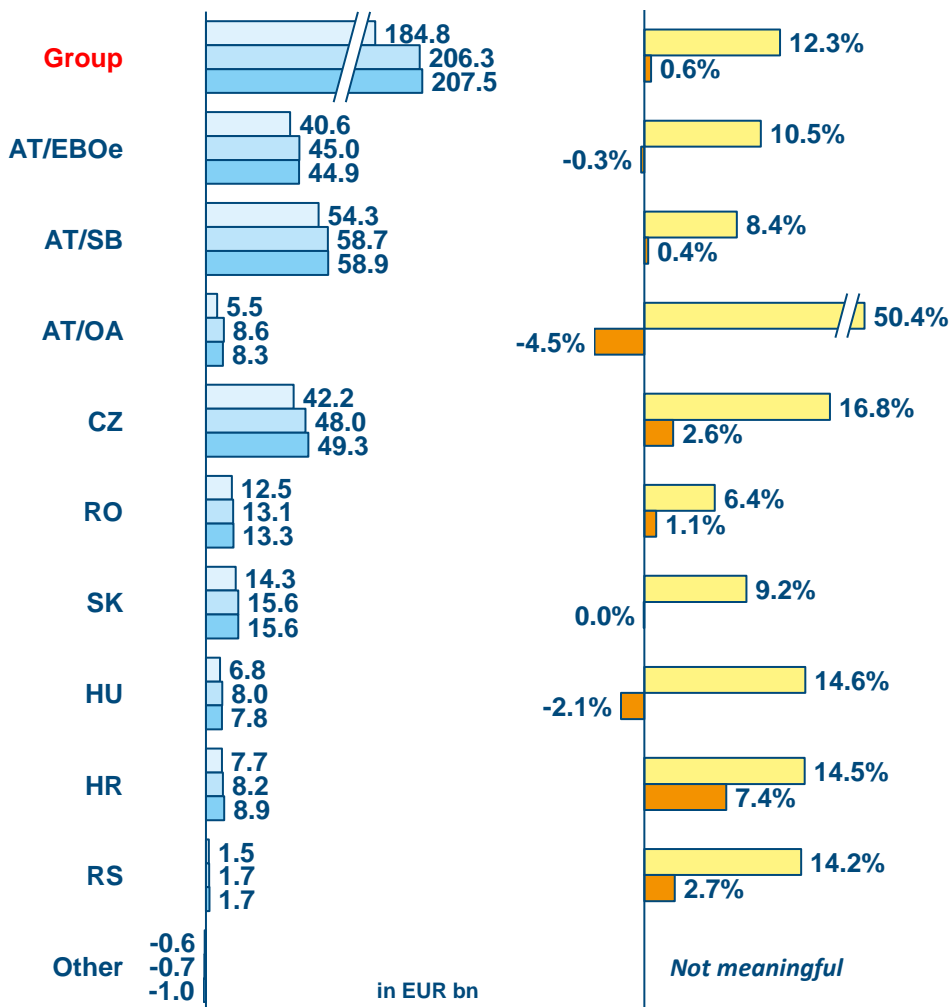


- Yoy growth predominantly driven by Retail (+8.2%) and Savings Banks (+6.1%); Corporates at +4.7%
- Qoq growth dynamics more pronounced in Retail (+2.9%) than in Corporates (+2.3%); Savings Banks at +1.9%
- Year-on-year segment trends:
 - CZ: dynamic increase, supported by CZK appreciation, in Retail growth attributable to mortgages, while Corporate loans were mainly driven by SMEs
 - RO: Corporate loans (with dynamic developments in Large Corporates) outperformed Retail loan growth
 - HU: growth momentum attributable to Retail business
- Quarter-on-quarter segment trends:
 - AT/OA: loan dynamics most visible in Large Corporates and Commercial Real Estate business
 - SK: net loan development stronger in Corporates, in particular SMEs and commercial real estate, than in Retail
 - AT/EBOe: loan growth more pronounced in Retail than in Corporates

Operating trends: customer deposit stock & growth –

Deposit growth decelerates, loan/deposit ratio at 84.8%

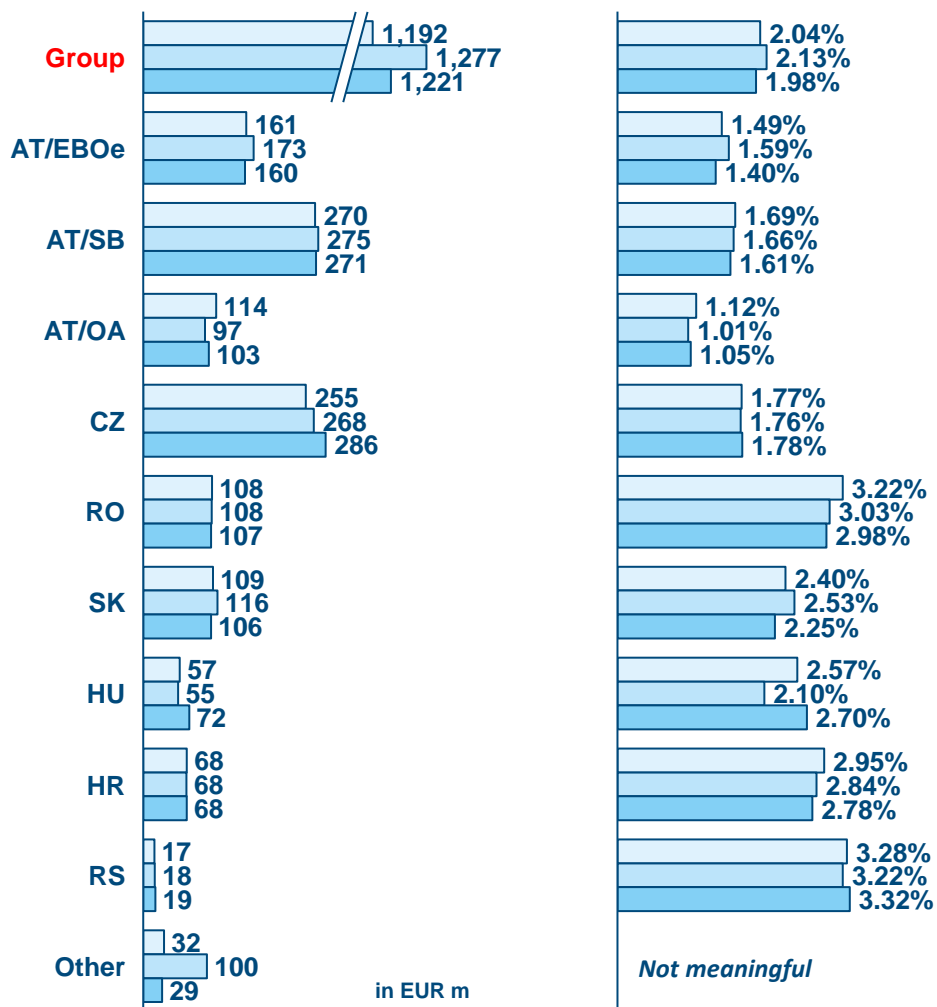
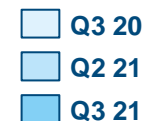
■ YoY ■ 30/09/20
■ QoQ ■ 30/06/21
■ 30/09/21



- YoY growth due to exceptional inflows of retail deposits (+14.3%), solid inflows of corporate deposits (+9.7%) and Savings Banks (+8.4%)
- QoQ development more visible in Corporates (+2.5%), as growth in Retail (+1.0%) and Savings Banks (+0.4%) decelerate
- Year-on-year segment trends:
 - AT/OA: rising Corporate and Group Markets deposits in Holding
 - CZ: exceptionally strong inflow of retail deposits (+22.9%), supported by Corporates (+3.3%), balanced between SMEs and Large Corporates
 - AT/EBOe: deposit build up more pronounced in Retail (+10.4%) than in Corporates (+9.1%), supported by Group Markets (+22.4%)
- Quarter-on-quarter segment trends:
 - HR: strong deposit inflow in Corporates (+15.2%) balanced across business lines, Retail up by 5.7%
 - AT/OA: decline in corporate business
 - HU: deposit outflows in Group Markets (-8.2%) and Retail (-0.5%) only partially offset by Corporates (+0.5%)

Operating trends: NII and NIM –

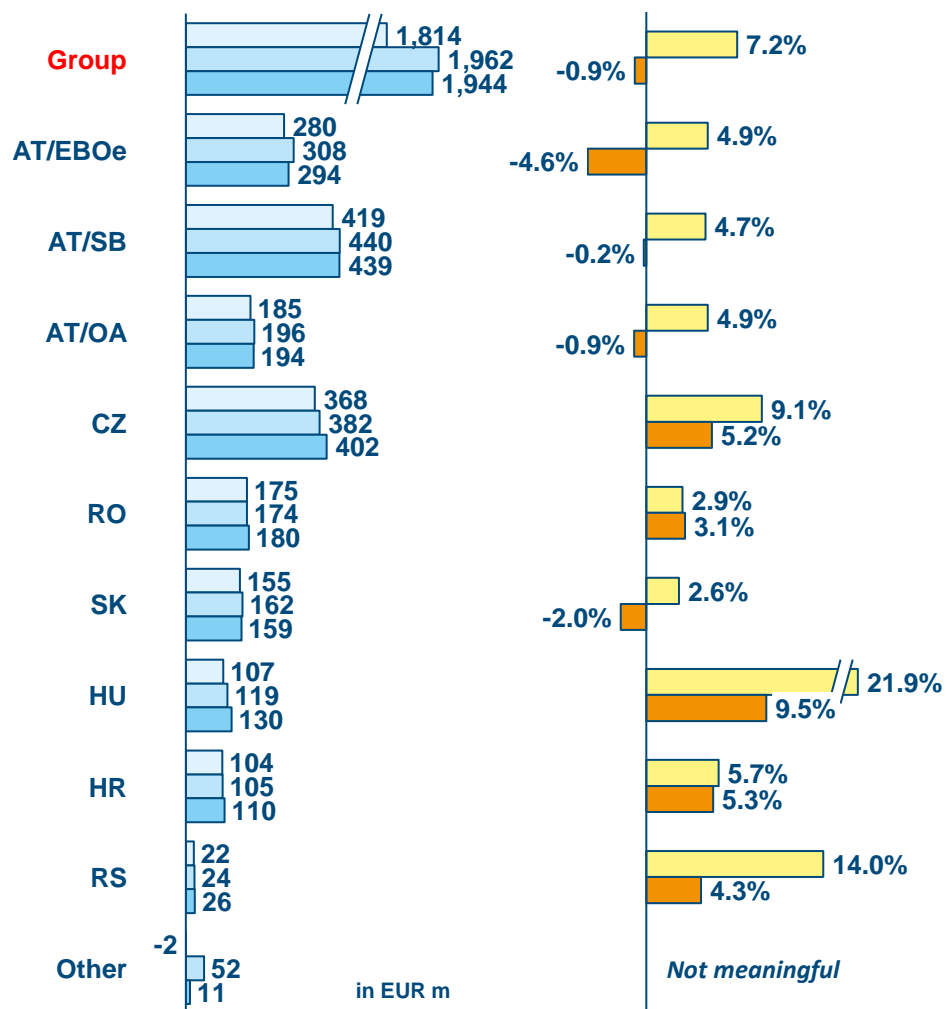
NII advances yoy on volume growth and rising rates in CZ



- NII up yoy on solid volume growth and improved rate environment in CZ
- Qoq decline solely due to TLTRO III booking in AT and SK in Q2 21
- Year-on-year segment trends:
 - CZ: volume growth and rate hikes push NII up; FX effect EUR 10m
 - HU: higher loan volumes and rising yields support NII
 - AT/OA: lower NII in the Group Markets business of the Holding
- Quarter-on-quarter segment trends:
 - AT/EBOe, AT/SB, SK, Other: decline attributable to TLTRO III booking in Q2 21
 - CZ: see yoy development
 - HU: NII improvement due to volume growth and higher interest expense related to intercompany loan in Q2 21

Operating trends: operating income –

4th consecutive record fee performance drives revenues

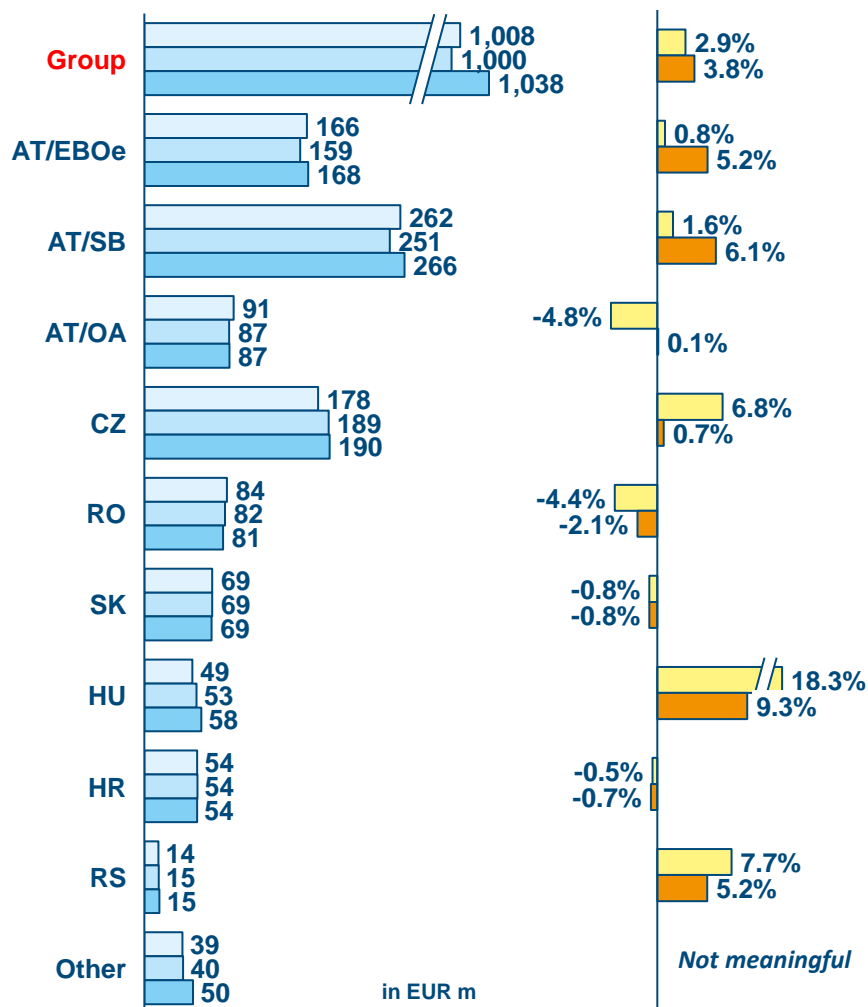


- Revenues up yoy, pushed by exceptional fee performance and higher NII
- QoQ decline solely attributable to TLTRO III booking in NII in Q2 21, partially offset by higher fee income and net trading and FV result; fees rise to EUR 591.4m
- Year-on-year segment trends:
 - CZ: rising NII and fee income more than offset lower net trading and FV result
 - HU: development reflects better NII and fees
 - RS: improvement across all major revenue lines
- Quarter-on-quarter segment trends:
 - AT/EBOe, AT/SB, SK: lower NII on TLTRO III booking in Q2 21 partially offset by improved fee income
 - HU: improved NII and fees more than offset lower net trading and FV result
 - HR: better operating performance mainly attributable to rising fee income

Operating trends: operating expenses –

Costs increase on higher IT and marketing spend

■ YoY ■ Q3 20
■ QoQ ■ Q2 21
■ Q3 21

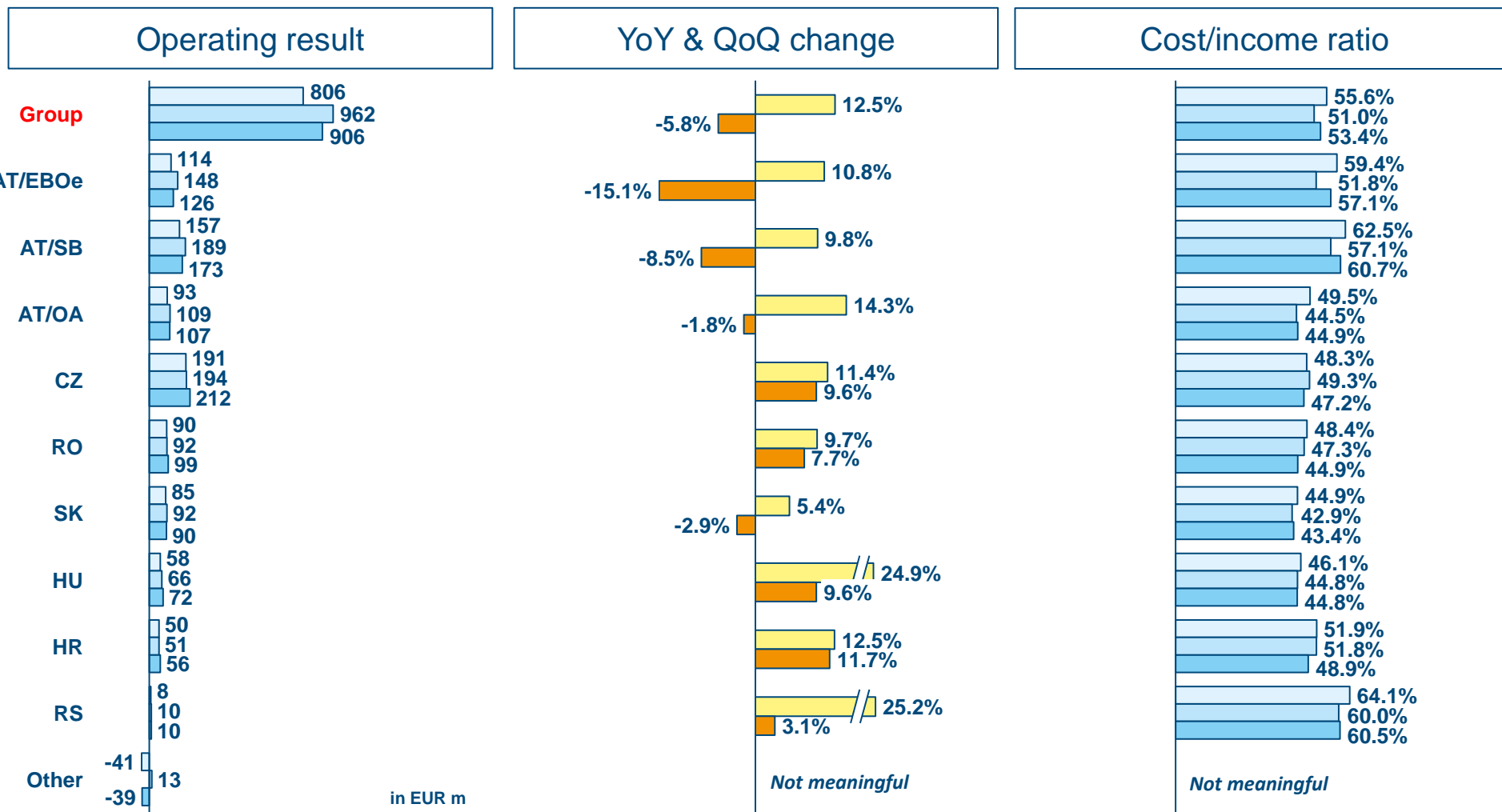


- Yoy operating expenses characterised by higher other administrative expenses, in particular IT and marketing expenses, while personnel expenses decline
- Qoq development attributable to an increase in IT, marketing and personnel expenses
- Year-on-year segment trends:
 - CZ: higher personnel and marketing expenses; FX effect EUR 7m
 - HU: increase attributable to personnel expenses and higher depreciation charge
- Quarter-on-quarter segment trends:
 - AT/EBOe: higher IT expenses partially offset by lower personnel expenses
 - AT/SB: development mainly due to an increase in IT expenses, personnel and consulting expenses slightly up

Operating trends: operating result and CIR –

Operating result improves by ~20% ytd

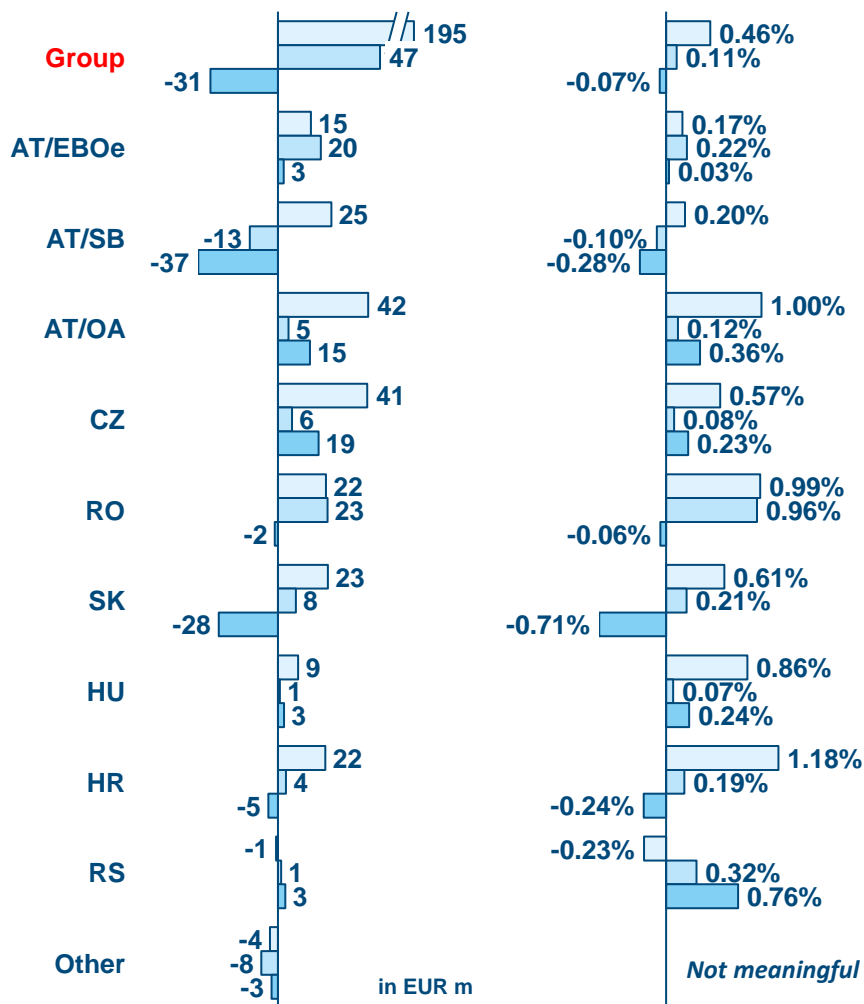
■ YoY ■ Q3 20
■ QoQ ■ Q2 21
■ Q3 21



Operating trends: risk costs (abs/rel*) –

Benign risk environment leads to significant guidance upgrade

Q3 20
Q2 21
Q3 21



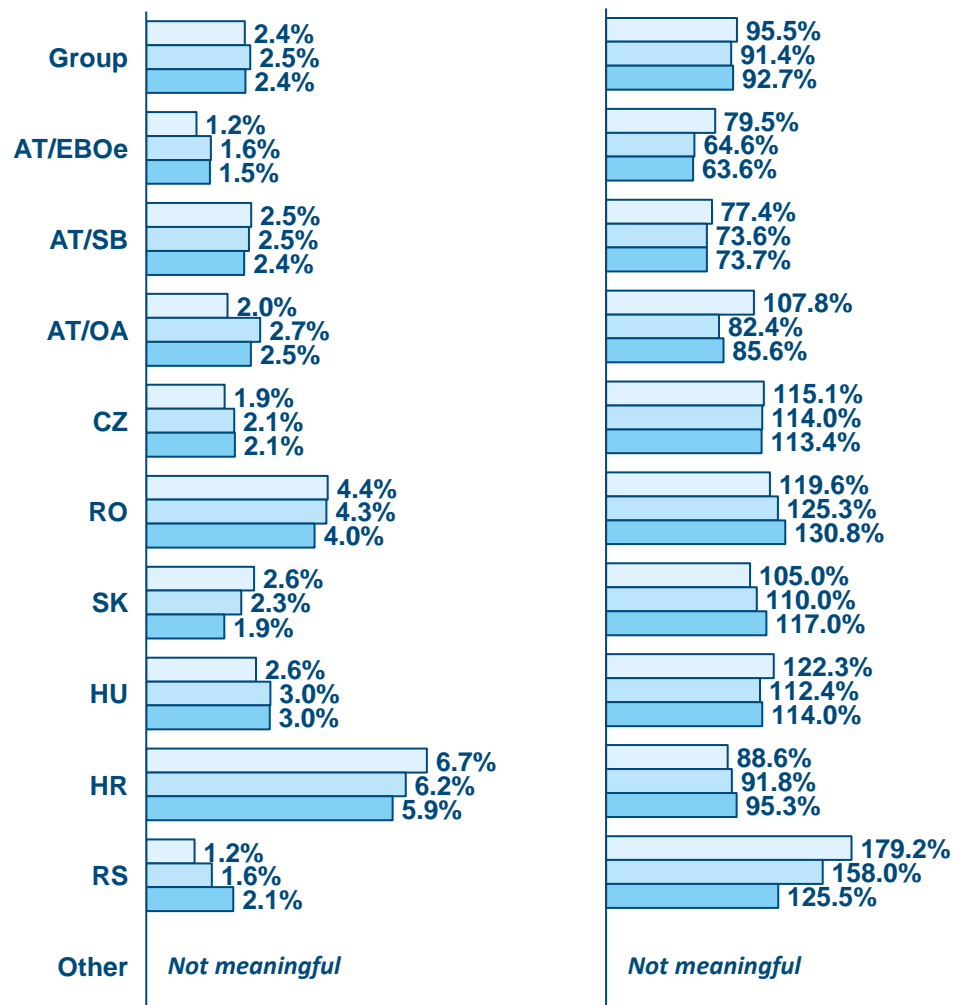
- 2021 risk guidance upgraded to **max 15bps** due to good portfolio performance across the Group after phasing-out of moratoria and revision of NPL inflow assumptions
- NPL ratio expected at approx. 2.5% at year-end 21
- Majority of macro overlays (FLI) updated in Q3, management overlays (Covid heatmap) not updated yet due to the still prevailing level of uncertainty; review planned for Q4 21
- Quarter-on-quarter segment trends:
 - AT/OA: parameter update on corporate side resulted in additional allocation
 - CZ: risk costs driven by single case defaults
 - SK: significant release due to upgrade of single customer from default

*) A positive (absolute) figure denotes risk costs, a negative figure denotes net releases. Relative risk costs are calculated as annualised quarterly impairment result of financial instruments over average gross customer loans.

Operating trends: asset quality – NPL ratio and coverage

NPL ratio improves to historic low, coverage ratio with ample buffer

30/09/20
30/06/21
30/09/21



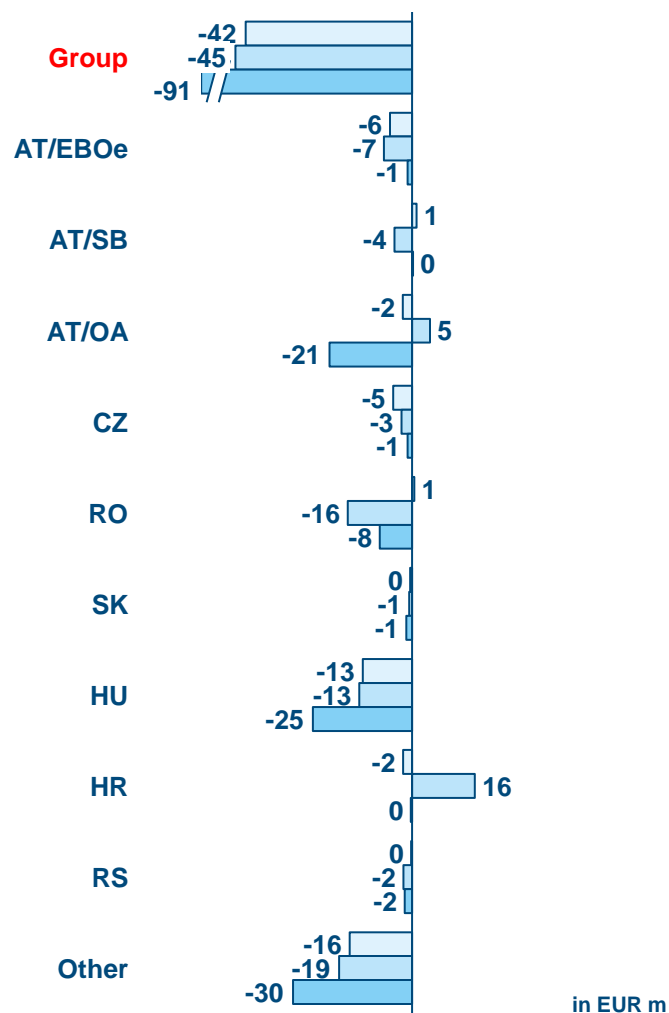
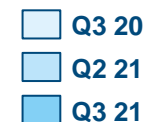
- **NPL ratio** improves to **2.4%** and **NPL coverage** increases to **92.7%** on stable NPL stock and accelerating loan growth
- **Stage 2 ratio** at elevated level of 17.9%, improved ytd, with strong coverage of 3.9%
- **Post-moratoria experiences continue to be promising**
 - No significant increase in hard defaults observed yet
 - Current positive trends led to downward revision of new NPL inflows

Risk provisions by IFRS9 stages

in EUR million	IFRS9 stages					CLA	Coverage
	Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Sep 21	Sep 21
Stage 1	80.4%	78.4%	78.2%	78.9%	79.2%	377	0.3%
Stage 2	16.7%	18.4%	18.7%	18.1%	17.9%	1,242	3.9%
Stage 3	2.2%	2.5%	2.5%	2.4%	2.3%	2,249	54.6%
POCI	0.2%	0.2%	0.2%	0.2%	0.2%	329	27.1%
Subject to IFRS9	99.6%	99.6%	99.6%	99.5%	99.5%	3,957	2.2%
Not subject to IFRS 9	0.4%	0.4%	0.4%	0.5%	0.5%	0	0.0%
Gross customer loans	168,276	170,020	171,811	176,094	179,848	3,957	2.2%

Operating trends: other result –

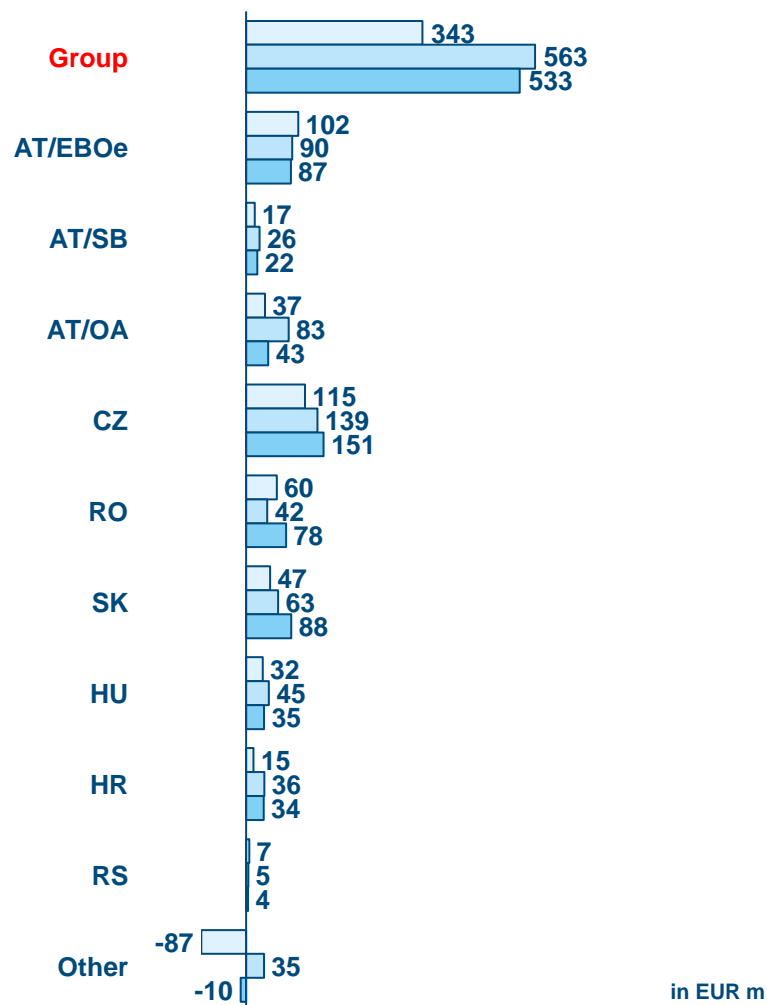
Other result declines on minor one-offs



- Other result deteriorates yoy and qoq on minor one-offs
- Year-on-year segment trends:
 - AT/OA: breakage costs related to early loan repayment
 - HU: booking of the estimated loss related to loan moratorium extension and estimated interest refund related to revolving loans in moratoria
 - Other: valuation effects in the Holding
- Quarter-on-quarter segment trends:
 - RO: improvement due to tax litigation provisions booked in Q2 21
 - HR: normalisation following provision releases in Q2 21
 - HU: see above

Operating trends: net result –

Net profit broadly stable qoq despite positive one-off in Q2 21

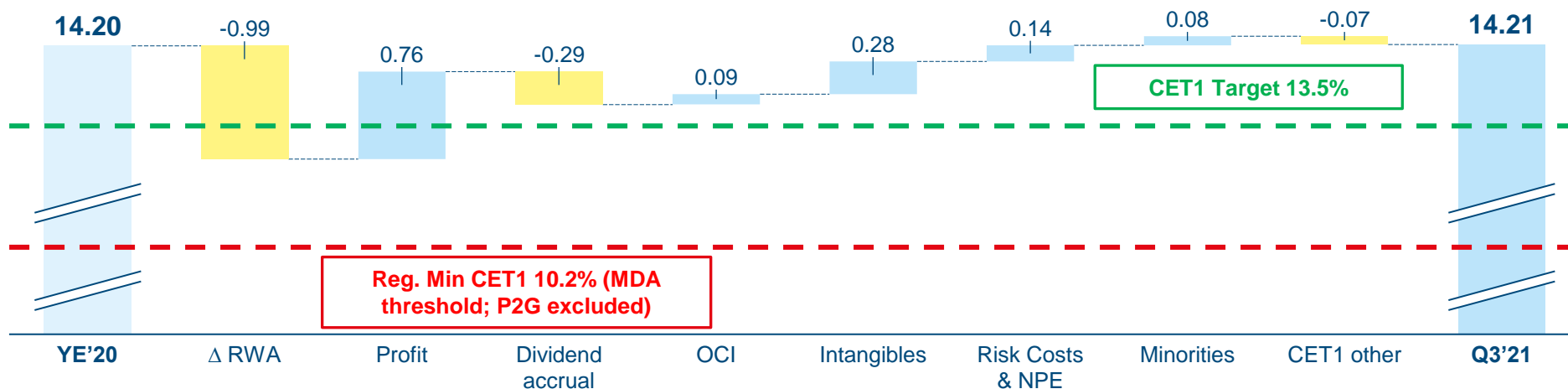


- Yoy profitability up on lower risk costs and exceptionally improved operating performance
- Qoq development attributable to non-recurrence of TLTRO III booking in Q2 21, partially offset by lower risk costs
- Year-on-year segment trends:
 - AT/EBOe: Q3 20 net result supported by pos. one-off tax effect due to reclassification within Austrian tax group (neutral on group level)
 - CZ: improved operating performance and lower risk costs
 - SK: net result improves on lower risk costs
- Quarter-on-quarter segment trends:
 - AT/OA: other result and slightly higher risk costs weigh on net result
 - RO: net result improves on lower risk costs and temporarily lower other result in Q2 21
 - HU: improved operating performance more than offset by lower other result
- Return on equity at 13.7%, following 13.0% in Q2 21, and 9.6% in Q3 20
- Return on tangible equity at 15.0%, following 14.2% in Q2 21, and 10.5% in Q2 20

Capital: CET1 waterfall –

Strong fully loaded CET1 ratio of 14.2%, pro-forma at 14.5%

In %



Solid CET1 ratio

- Half year profit of EUR 914m (CRR scope) included, EUR 0.8 per share accrued in H1 21
- Positive **OCI** development driven mainly by improvement in FX translation (EUR +160m), partially offset by lower FV changes from debt instruments (EUR -82m)
- Lower deduction for **other intangible assets**, mainly due to prudent amortisation of software assets (EUR +313m)¹
- Decrease in **risk provisions** (EUR +71m) further supported by lower deduction for the **NPE backstop** (EUR +98m)
- Increase in **minorities** (EUR +94m) driven by consideration of remaining YE'20 profit from minorities

Erste Group returns to progressive dividend policy

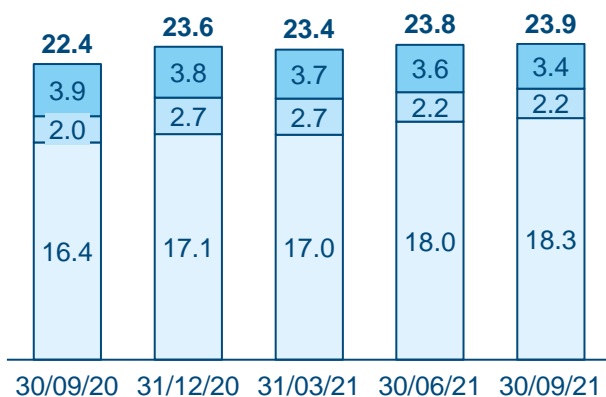
- Payout 2021: EUR 1.0 DPS, subject to EGM approval on 25 November 2021, capital neutral considering full accrual in 2020
- Payout 2022: Erste Group targets EUR 1.6 DPS for business year 2021

Capital & RWA –

Risk-weighted assets growth moderates in Q3 21

Basel 3 capital

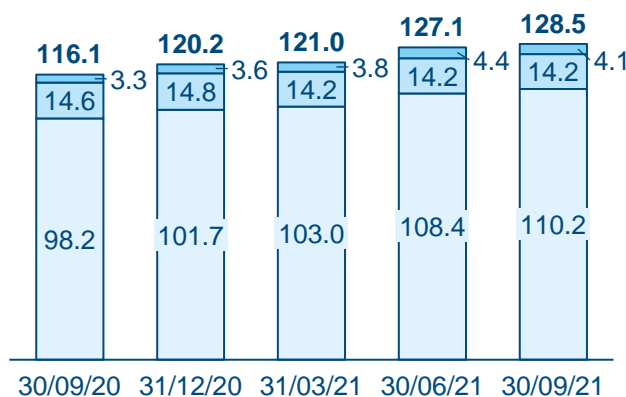
in EUR bn



■ Tier 2 ■ AT1 ■ CET1

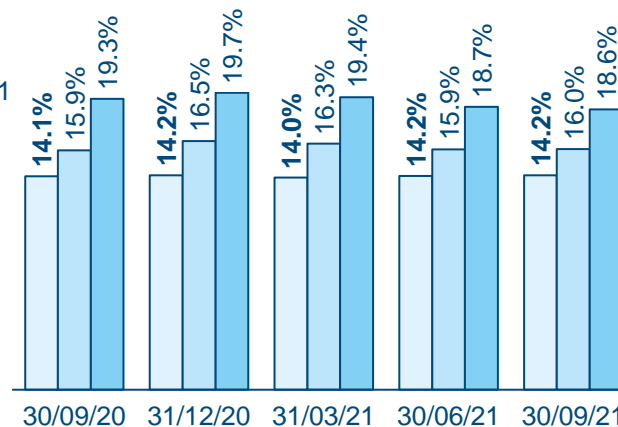
Risk-weighted assets

in EUR bn



■ Market risk ■ Op risk ■ Credit RWA

Basel 3 capital ratios



■ CET1 ■ Tier 1 ■ Total capital

- CET1 capital improves by EUR 1.2bn ytd mainly on:
 - Interim profit (H1 21): EUR 565m
 - Other intangible assets (software): EUR 342m
 - OCI and prudential filter impact: EUR 106m
 - NPE backstop: EUR 98m
 - Non-inclusion of Q3 21 impact
- AT1 declines by EUR 500m on calling XS1425367494 AT1 instrument

- Ytd credit RWAs up by EUR 8.5bn on:
 - Business effects: ~ 7.0 EUR bn (growth)
 - Method and regulatory effect: ~ EUR 2.9bn (mainly new LGD model in Retail and CRR2 effects)
 - Asset quality effects: ~ EUR -1.8bn
 - FX effect: ~ EUR +0.5bn
- Ytd op risk down EUR 0.6bn driven by removal of regulatory add-on

- CET1 ratio at solid 14.2%
- Planned dividend for H1 21 included in capital ratios
- Medium-term target remains unchanged at 13.5%

Regulatory capital position/requirement (SREP) – Capital requirements (SREP) for 2021; Erste Group target of 13.5% unchanged

	Erste Group Consolidated						Erste Group Unconsolidated			
	Phased-in		ECB Capital Relief				Fully loaded			
	2019	2020	Fully loaded Q3 2021	Measures 1) Q3 2021	Fully loaded YE 2021	2019	2020	Q3 2021	YE 2021	
Pillar 1 CET1 requirement	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	
Combined buffer requirement 5)	4.91%	4.68%	4.67%	2.17%	4.67%	4.75%	4.63%	4.63%	4.63%	
Capital conservation buffer	2.50%	2.50%	2.50%	0.00%	2.50%	2.50%	2.50%	2.50%	2.50%	
Countercyclical capital buffer 2)	0.45%	0.18%	0.17%	0.17%	0.17%	0.25%	0.13%	0.13%	0.13%	
OSII buffer	2.00%	2.00%	1.00%	1.00%	1.00%	2.00%	2.00%	1.00%	1.00%	
Systemic risk buffer	2.00%	2.00%	1.00%	1.00%	1.00%	2.00%	2.00%	1.00%	1.00%	
Pillar 2 CET1 requirement 3)	1.75%	0.98%	0.98%	0.98%	0.98%	1.75%	0.98%	0.98%	0.98%	
Pillar 2 CET1 guidance	1.00%	1.00%	1.00%	0.00%	1.00%	0.00%	0.00%	0.00%	0.00%	
Regulatory minimum ratios excluding P2G										
CET1 requirement	11.16%	10.16%	10.15%	7.65%	10.15%	11.00%	10.11%	10.12%	10.12%	
1.50% AT1 Tier I requirement	12.66%	11.99%	11.98%	9.48%	11.98%	12.50%	11.94%	11.94%	11.94%	
2.00% T2 Own funds requirement	14.66%	14.43%	14.42%	11.92%	14.42%	14.50%	14.38%	14.38%	14.38%	
Regulatory minimum ratios including P2G										
CET1 requirement	12.16%	11.16%	11.15%	n.a.	11.15%	11.00%	10.11%	10.12%	10.12%	
1.50% AT1 Tier I requirement	12.66%	12.99%	12.98%	n.a.	12.98%	12.50%	11.94%	11.94%	11.94%	
2.00% T2 Own funds requirement	14.66%	15.43%	15.42%	n.a.	15.42%	14.50%	14.38%	14.38%	14.38%	
Reported CET1 ratio as of September 2021			14.45%	4)				21.25%	4)	

- Buffer to MDA restriction as of 30 September 21: 424bps
- Available distributable items (ADI) as of 30 September 21: EUR 3.0bn (post expected dividend in Q4 21); based on CRR II, which allows additional own funds components to be included, ADIs are at EUR 5.4bn

1) Following ECB's announcement re. measures in reaction to COVID-19 on 12 March 2020 and 1 July 2021, ECB allows banks to operate temporarily below the level of capital defined by the Pillar 2 Guidance (P2G) and the Capital Conservation Buffer (CCB). However, MDA restrictions still apply in case of a combined buffer requirement breach.

2) Planned values based on Q3 2021 exposure (Q2 21 countercyclical buffer of 0.17% for Erste Group consolidated)

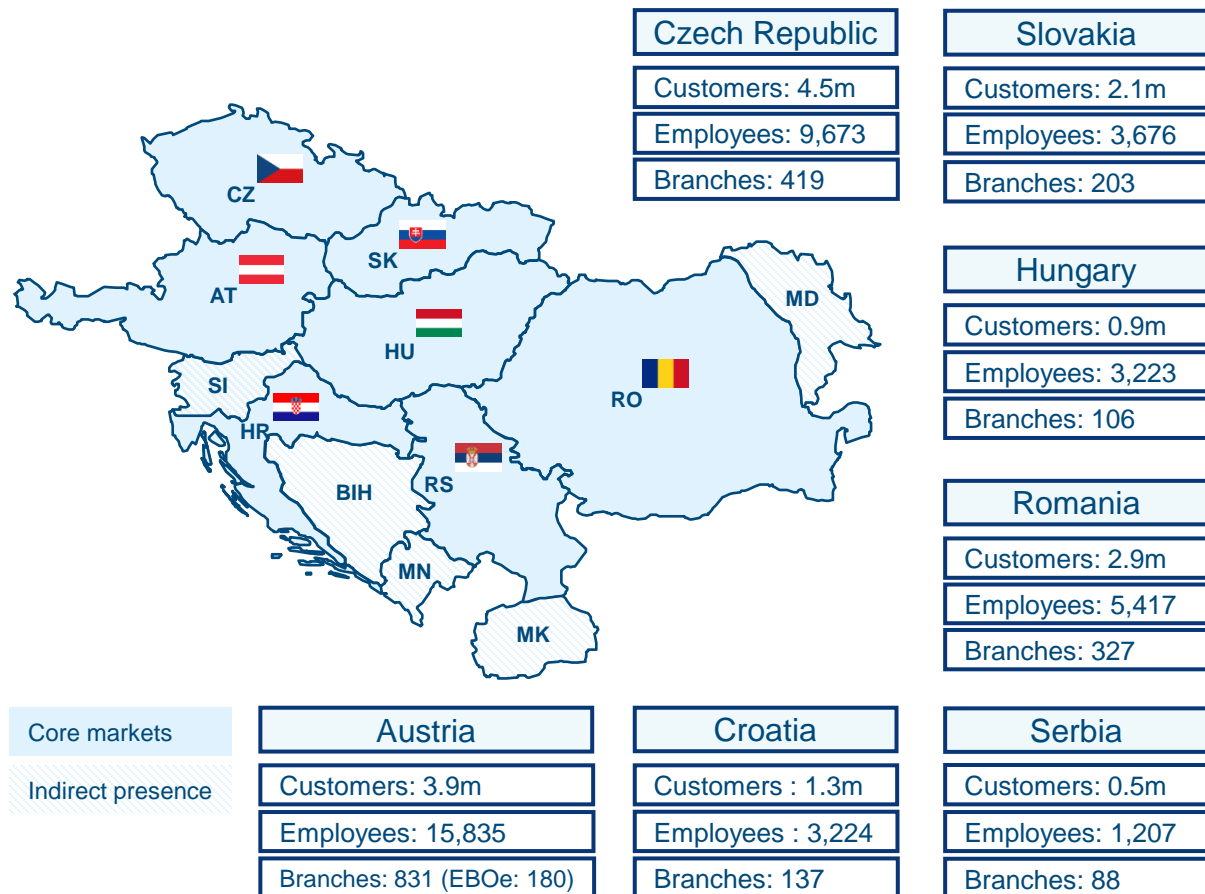
3) As of end of May 2021 Art. 70b (7) ABA applies using the Pillar 2 Requirement (P2R) according to the capital stack which results in the following application: 56.25% for CET1 capital and 75% for Tier 1 capital. The overall P2R remained at 1.75% for Erste Group. In 2020, the temporary capital relief actions from ECB (published on 12 March 2020) applied.

4) Consolidated capital ratios pursuant to IFRS on phased-in basis. Unconsolidated capital ratios pursuant to Austrian Commercial Code (UGB), on phased-in basis and based on Q2 2021. ADIs pursuant to UGB.

5) Combined buffer requirement: until Q1 2021 higher of OSII and systemic risk buffer; Q3 2021 and YE 2021 OSII and systemic risk buffer are cumulative

Additional information: footprint – Customer banking in Austria and the eastern part of the EU

Erste Group footprint



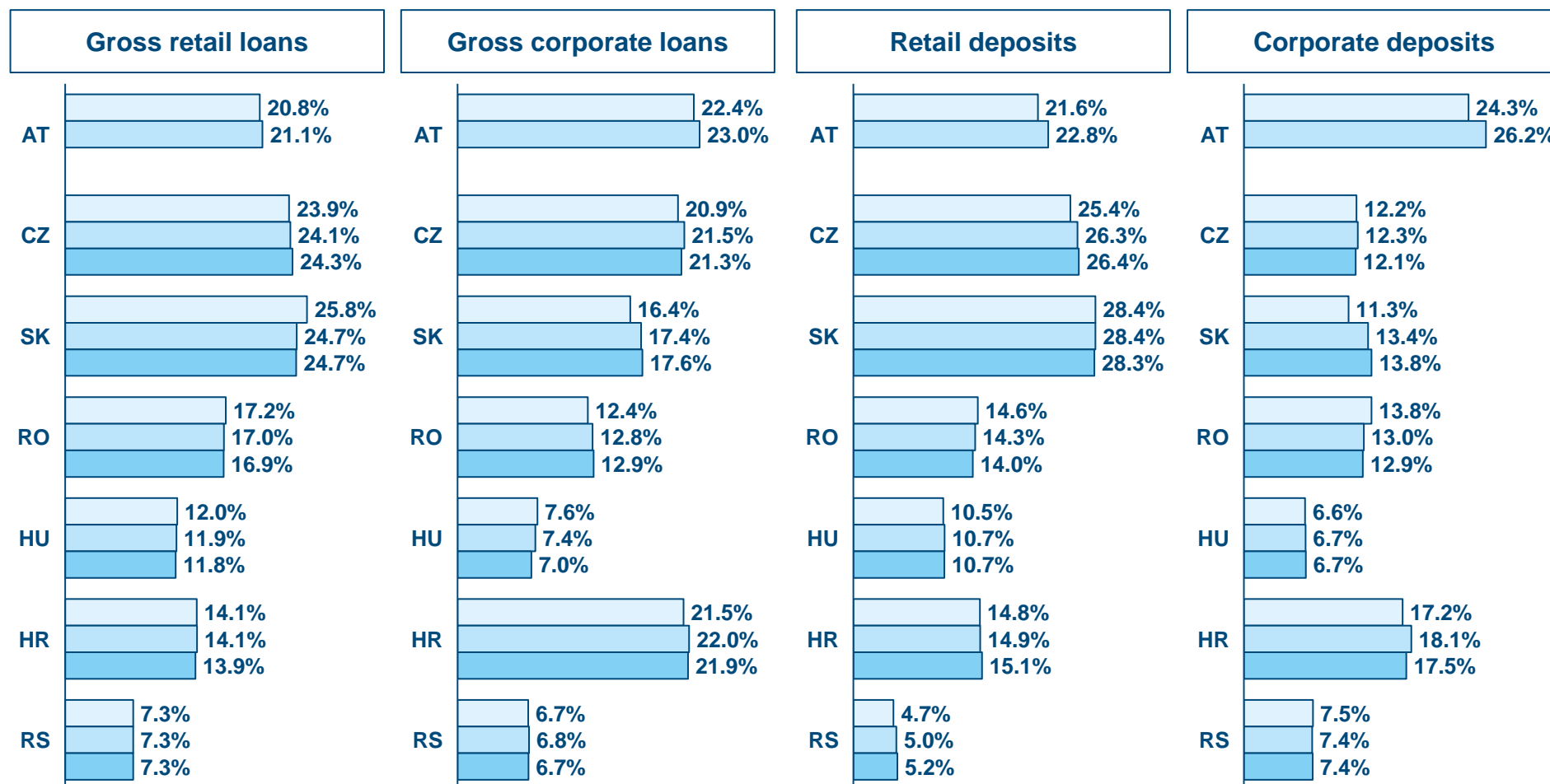
Highlights

- Leading retail and corporate bank in 7 geographically connected countries
- Favourable mix of mature & emerging markets with low penetration rates
- Potential for cross selling and organic growth in CEE
- Number of customers: 16.1 million
- Number of employees: 44,878
- Number of branches: 2,111

Employees: FTEs as of end of reporting period
(The presented FTE data exclude FTEs outside Erste Group's core markets in Austria and CEE as well as FTEs of specific services entities not located in Austria)

Additional information: market shares – Commanding market shares across the CEE region

30/09/20
30/06/21
30/09/21



Market shares for Austria are not yet available as of 30/09/2021

Additional information: income statement – Year-to-date and quarterly view

in EUR million	Year-to-date view			Quarterly view				
	I-9 20	I-9 21	YOY-Δ	Q3 20	Q2 21	Q3 21	YOY-Δ	QOQ-Δ
Net interest income	3,589.3	3,669.5	2.2%	1,192.4	1,276.5	1,220.8	2.4%	-4.4%
Interest income	3,882.9	3,708.9	-4.5%	1,237.7	1,226.1	1,274.8	3.0%	4.0%
Other similar income	1,103.9	1,113.8	0.9%	344.6	438.8	336.0	-2.5%	-23.4%
Interest expenses	-501.0	-337.5	-32.6%	-122.1	-109.0	-124.1	1.6%	13.8%
Other similar expenses	-896.6	-815.8	-9.0%	-267.8	-279.3	-265.9	-0.7%	-4.8%
Net fee and commission income	1,448.3	1,690.4	16.7%	491.6	559.0	591.4	20.3%	5.8%
Fee and commission income	1,733.3	1,993.3	15.0%	587.3	655.9	699.1	19.0%	6.6%
Fee and commission expenses	-285.0	-302.9	6.3%	-95.7	-96.9	-107.8	12.6%	11.3%
Dividend income	15.7	28.1	79.6%	0.9	15.6	7.7	>100.0%	-50.8%
Net trading result	9.0	67.5	>100.0%	28.2	33.6	24.3	-13.6%	-27.7%
Gains/losses from financial instruments measured at fair value through profit or loss	81.4	133.5	64.1%	52.9	26.7	49.9	-5.6%	87.2%
Net result from equity method investments	9.9	10.0	0.3%	4.0	4.7	3.8	-6.5%	-19.4%
Rental income from investment properties & other operating leases	132.3	136.1	2.9%	44.0	45.9	46.5	5.5%	1.2%
Personnel expenses	-1,902.2	-1,881.3	-1.1%	-636.7	-626.5	-632.4	-0.7%	0.9%
Other administrative expenses	-819.0	-846.6	3.4%	-235.6	-235.5	-265.3	12.6%	12.6%
Depreciation and amortisation	-402.0	-413.2	2.8%	-136.1	-137.8	-140.3	3.1%	1.9%
Gains/losses from derecognition of financial assets measured at amortised cost	0.2	1.8	>100.0%	-0.1	0.8	-1.4	>100.0%	n/a
Other gains/losses from derecognition of financial instruments not measured at fair value through profit or loss	-0.7	-18.8	>100.0%	1.4	-0.3	-18.2	n/a	>100.0%
Impairment result from financial instruments	-870.1	-51.6	-94.1%	-194.7	-47.2	31.3	n/a	n/a
Other operating result	-213.6	-243.3	13.9%	-43.8	-45.6	-70.9	62.1%	55.5%
Levies on banking activities	-100.3	-71.6	-28.6%	-17.3	-19.0	-19.4	12.0%	2.4%
Pre-tax result from continuing operations	1,078.4	2,282.1	>100.0%	568.3	870.1	847.0	49.0%	-2.7%
Taxes on income	-264.2	-433.6	64.1%	-123.9	-163.0	-146.3	18.0%	-10.3%
Net result for the period	814.2	1,848.5	>100.0%	444.4	707.0	700.7	57.7%	-0.9%
Net result attributable to non-controlling interests	177.1	397.2	>100.0%	101.0	144.2	167.3	65.6%	16.1%
Net result attributable to owners of the parent	637.1	1,451.4	>100.0%	343.3	562.9	533.4	55.4%	-5.2%
Operating income	5,285.8	5,735.0	8.5%	1,814.0	1,962.1	1,944.3	7.2%	-0.9%
Operating expenses	-3,123.2	-3,141.0	0.6%	-1,008.5	-999.7	-1,038.0	2.9%	3.8%
Operating result	2,162.7	2,594.0	19.9%	805.5	962.4	906.3	12.5%	-5.8%

Additional information: group balance sheet – Assets

in EUR million	Quarterly data					Change		
	Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	YOY-Δ	YTD-Δ	QOQ-Δ
Cash and cash balances	27,848	35,839	53,954	48,421	47,125	69.2%	31.5%	-2.7%
Financial assets held for trading	6,764	6,356	6,464	6,088	6,244	-7.7%	-1.8%	2.6%
Derivatives	3,369	2,954	2,551	2,146	2,269	-32.6%	-23.2%	5.8%
Other financial assets held for trading	3,394	3,402	3,912	3,942	3,975	17.1%	16.8%	0.8%
Non-trading financial assets at fair value through profit and loss	3,157	3,083	3,096	3,154	3,105	-1.6%	0.7%	-1.6%
Equity instruments	395	347	325	309	316	-19.9%	-9.0%	2.3%
Debt securities	2,124	2,048	2,036	1,999	1,953	-8.0%	-4.7%	-2.3%
Loans and advances to banks	0	0	0	19	21	n/a	n/a	10.5%
Loans and advances to customers	638	687	735	827	815	27.8%	18.7%	-1.5%
Financial assets at fair value through other comprehensive income	8,578	8,519	8,547	9,181	9,074	5.8%	6.5%	-1.2%
Equity instruments	136	130	127	109	114	-16.2%	-12.1%	4.3%
Debt securities	8,442	8,389	8,420	9,072	8,960	6.1%	6.8%	-1.2%
Financial assets at amortised cost	212,824	210,940	219,901	223,072	230,488	8.3%	9.3%	3.3%
Debt securities	28,649	29,579	31,009	33,272	33,651	17.5%	13.8%	1.1%
Loans and advances to banks	25,672	21,466	27,477	24,522	27,728	8.0%	29.2%	13.1%
Loans and advances to customers	158,502	159,895	161,414	165,279	169,109	6.7%	5.8%	2.3%
Finance lease receivables	4,118	4,127	4,094	4,167	4,208	2.2%	2.0%	1.0%
Hedge accounting derivatives	254	205	149	131	94	-63.0%	-54.2%	-28.3%
Fair value changes of hedged items in portfolio hedge of interest rate risk	6	5	1	0	-2	n/a	n/a	>100.0%
Property and equipment	2,496	2,552	2,526	2,545	2,539	1.7%	-0.5%	-0.2%
Investment properties	1,245	1,280	1,312	1,370	1,367	9.9%	6.8%	-0.2%
Intangible assets	1,331	1,359	1,332	1,342	1,326	-0.4%	-2.4%	-1.2%
Investments in associates and joint ventures	170	190	192	195	196	15.0%	3.1%	0.3%
Current tax assets	151	175	183	171	147	-2.4%	-15.8%	-14.0%
Deferred tax assets	454	460	446	427	439	-3.2%	-4.6%	2.9%
Assets held for sale	209	212	165	141	129	-38.0%	-38.9%	-8.5%
Trade and other receivables	1,256	1,341	1,596	1,841	1,797	43.1%	34.0%	-2.4%
Other assets	1,123	751	1,010	1,188	962	-14.3%	28.2%	-19.0%
Total assets	271,983	277,394	304,969	303,435	309,240	13.7%	11.5%	1.9%

Additional information: group balance sheet – Liabilities and equity

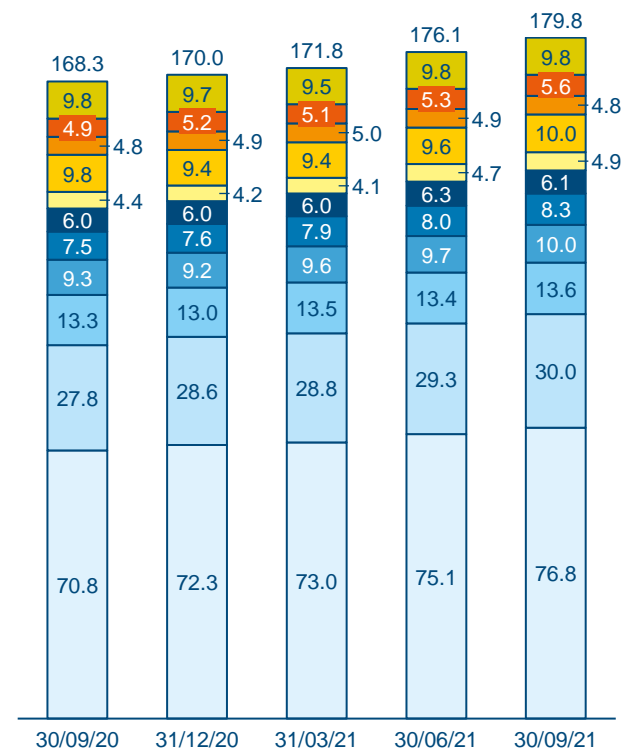
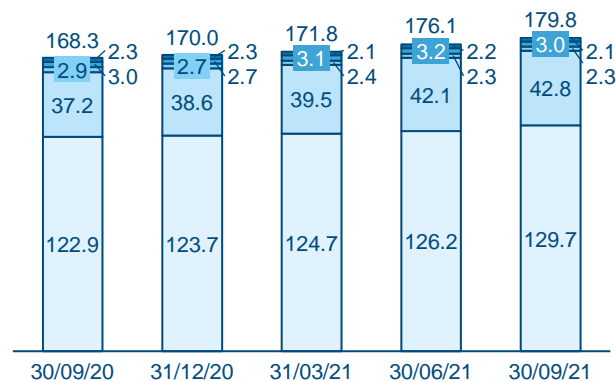
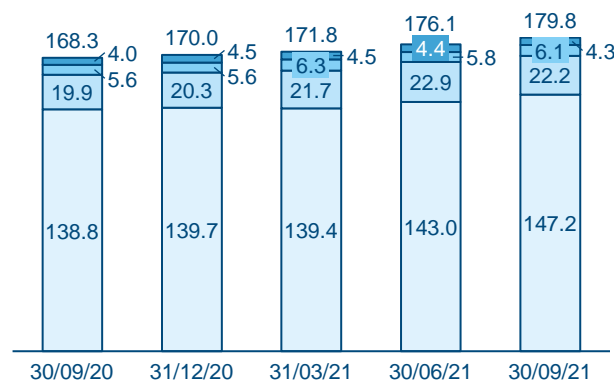
in EUR million	Quarterly data					Change		
	Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	YOY-Δ	YTD-Δ	QOQ-Δ
Financial liabilities held for trading	2,845	2,625	2,192	2,412	2,193	-22.9%	-16.5%	-9.1%
Derivatives	2,253	2,037	1,631	1,392	1,364	-39.5%	-33.1%	-2.0%
Other financial liabilities held for trading	592	588	561	1,021	829	39.9%	41.1%	-18.8%
Financial liabilities at fair value through profit or loss	12,334	12,091	11,383	10,448	10,281	-16.6%	-15.0%	-1.6%
Deposits from customers	279	254	230	136	130	-53.2%	-48.7%	-4.0%
Debt securities issued	11,878	11,657	10,982	10,136	9,971	-16.1%	-14.5%	-1.6%
Other financial liabilities	178	180	172	176	180	0.9%	-0.4%	1.8%
Financial liabilities at amortised cost	229,525	235,125	262,669	261,691	267,069	16.4%	13.6%	2.1%
Deposits from banks	26,433	24,771	35,288	34,643	35,387	33.9%	42.9%	2.1%
Deposits from customers	184,551	190,816	205,144	206,120	207,376	12.4%	8.7%	0.6%
Debt securities issued	17,797	19,020	21,535	20,107	23,534	32.2%	23.7%	17.0%
Other financial liabilities	743	518	702	820	772	3.9%	49.1%	-5.9%
Lease liabilities	516	560	557	594	582	12.8%	4.1%	-1.9%
Hedge accounting derivatives	209	189	191	170	230	9.8%	21.9%	35.3%
Fair value changes of hedged items in portfolio hedge of interest rate risk	0	0	0	0	0	-92.0%	-89.9%	-75.5%
Provisions	2,008	2,082	2,196	2,055	2,053	2.2%	-1.4%	-0.1%
Current tax liabilities	67	58	68	65	87	30.0%	49.3%	35.1%
Deferred tax liabilities	31	20	25	28	26	-17.2%	28.6%	-6.4%
Liabilities associated with assets held for sale	3	1	1	1	1	-64.0%	-35.8%	13.9%
Other liabilities	3,006	2,232	2,914	2,602	2,765	-8.0%	23.9%	6.3%
Total equity	21,438	22,410	22,771	23,371	23,954	11.7%	6.9%	2.5%
Equity attributable to non-controlling interests	5,024	5,073	5,163	5,282	5,453	8.5%	7.5%	3.2%
Additional equity instruments	1,987	2,733	2,733	2,733	2,732	37.5%	0.0%	0.0%
Equity attributable to owners of the parent	14,427	14,604	14,876	15,355	15,769	9.3%	8.0%	2.7%
Subscribed capital	860	860	860	860	860	0.0%	0.0%	0.0%
Additional paid-in capital	1,478	1,478	1,478	1,478	1,478	0.0%	0.0%	0.0%
Retained earnings and other reserves	12,090	12,267	12,538	13,018	13,432	11.1%	9.5%	3.2%
Total liabilities and equity	271,983	277,394	304,969	303,435	309,240	13.7%	11.5%	1.9%

Additional information: gross customer loans – By risk category, by currency, by industry

Gross cust. loans by risk category (EUR bn)

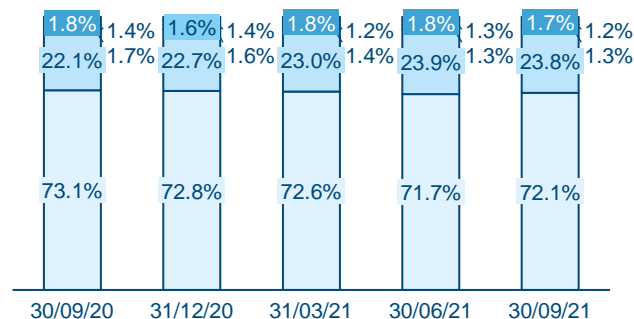
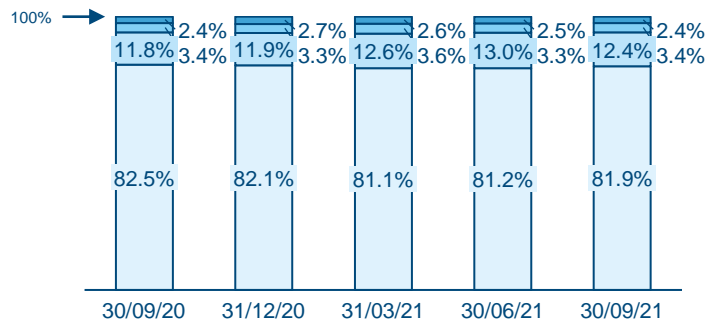
Gross customer loans by currency (EUR bn)

Gross customer loans by industry (EUR bn)



Gross customer loans by risk category (in %)

Gross customer loans by currency (in %)

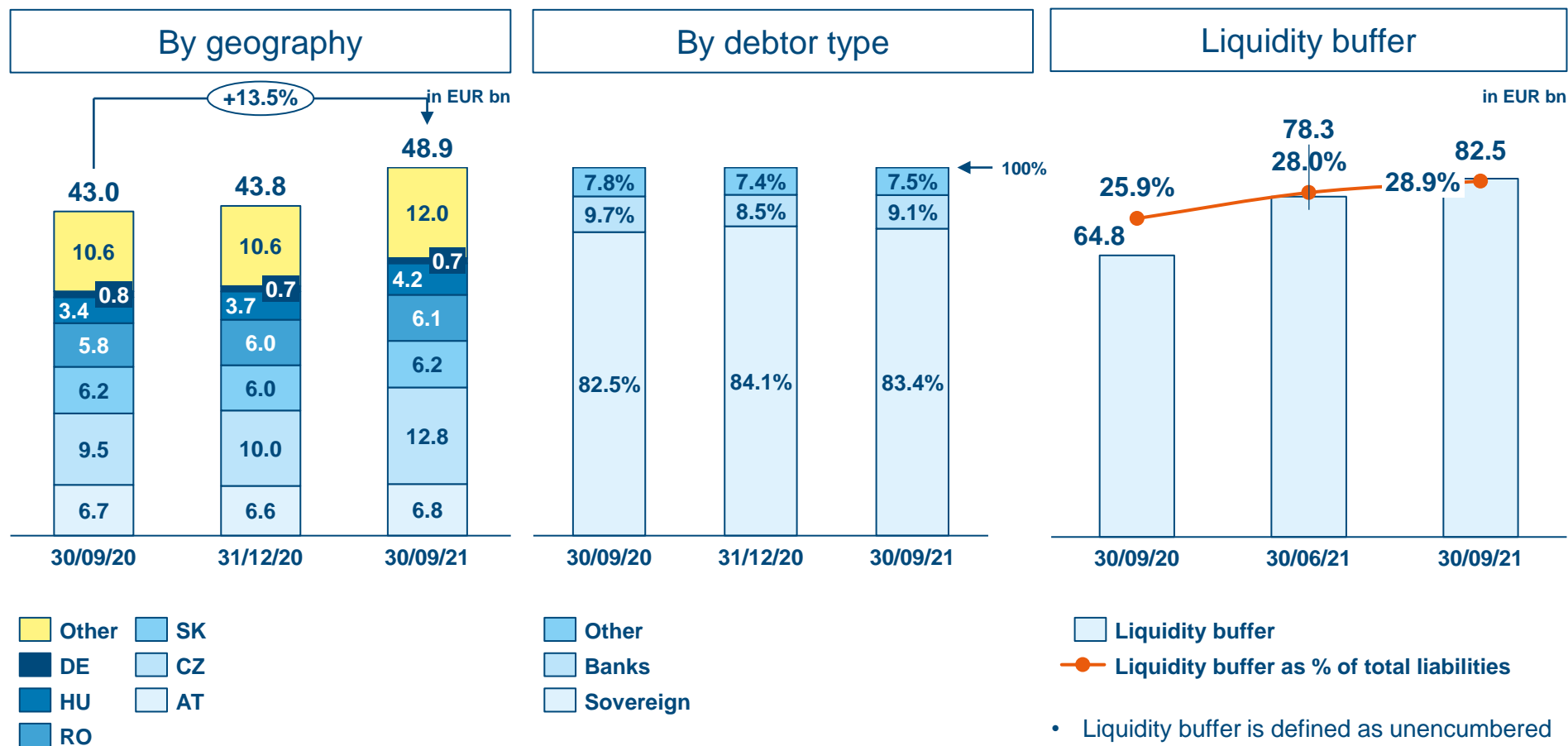


■ Non-performing ■ Management attention
■ Substandard ■ Low risk

■ Other ■ USD ■ CHF ■ CEE-LCY ■ EUR

■ Other ■ Financial inst. ■ Manufacturing
■ Transport & comms ■ Public admin ■ Real estate
■ Tourism ■ Construction ■ Households
■ Services ■ Trade

Additional information: financial and trading assets* – LCR at excellent 181.0%

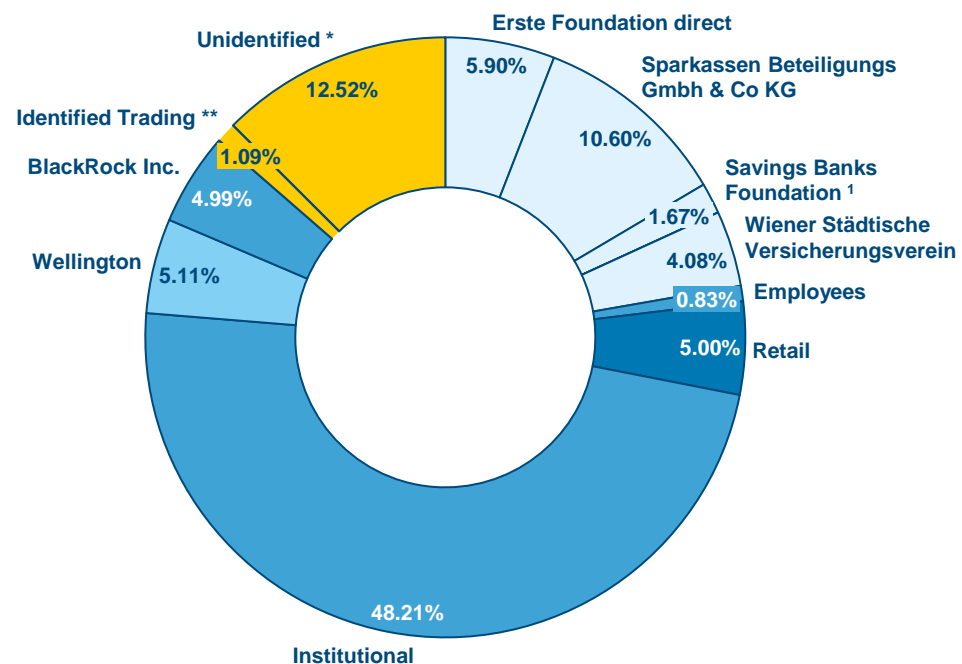


* Excludes derivatives held for trading

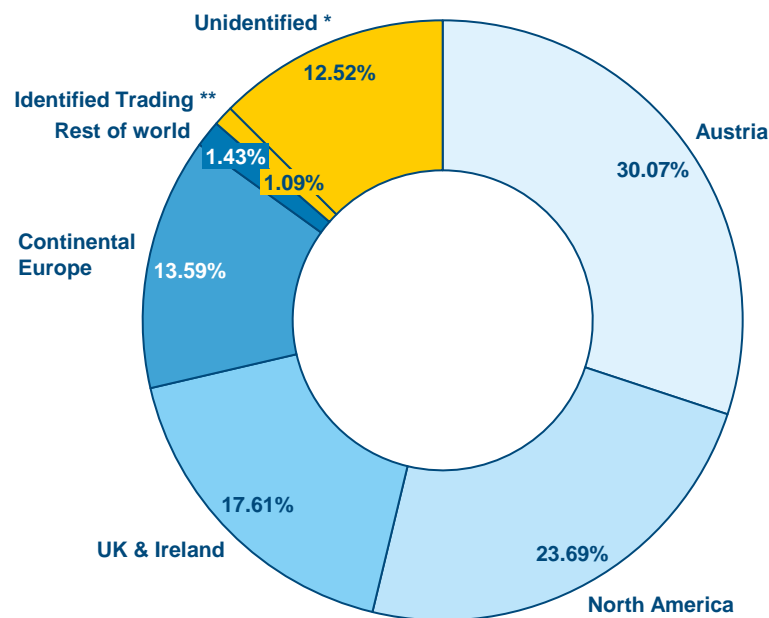
Additional information: shareholder structure –

Total number of shares: 429,800,000

By investor



By region



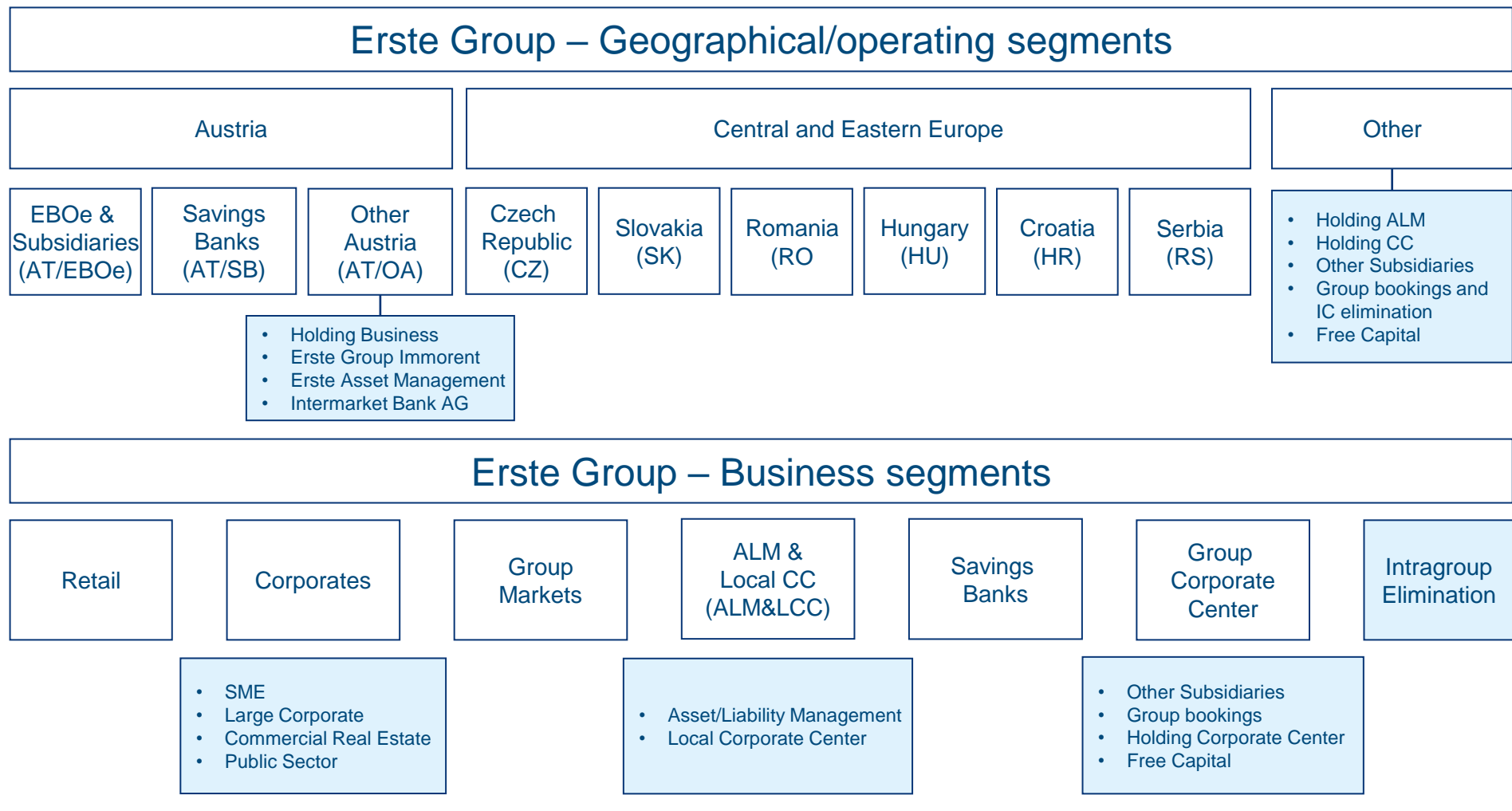
¹ Syndicated Savings Banks Foundations, own holdings of Savings Banks, Erste Employees Private Foundation

* Unidentified institutional and retail investors

** Including Market Makers, Prime Brokerage, Proprietary Trading, Collateral and Stock Lending positions which are visible through custodian banklists
The shareholder structure may contain rounding differences.

Status as of 10 November 2021

Additional information: segment structure – Geographical/operating and business segment view



Additional information: Rationale for sustainable finance framework (SFF) under which green, social and sustainable finance instruments can be issued

Sustainable finance framework is the right choice for Erste Group to ...

Enhance Erste Group's sustainability commitment

- **highlights its social commitment**
- underlines its commitment towards **climate and environmental objectives**
- recognize the **importance of financial institutions** to promote sustainable investments

Strengthen customer awareness and satisfaction

- contributes to **sustainability awareness** of our **customers**
- helps to **increase investor dialogue and engagement on ESG topics**
- contributes to **the credibility of sustainability in the CEE region**

Strengthen Erste Group's financial position

- **Fosters long-term investor relationships**
- enhances our competence in **important future market**
- **diversifies our funding profile** with new instruments

Additional information: Overview of Erste Group's sustainable finance framework

1 Use of proceeds

Eligible Green portfolios include

- Residential buildings
- Commercial buildings
- Renewable energy (wind, solar / PV, small scale hydro, geothermal)

Eligible Social portfolios include

- Subsidized housing program ('gemeinnütziger Wohnbau')
- Affordable housing ('Die Zweite Sparkasse')
- Financial & social inclusion financing
- Financing access to essential services (hospitals, schools)

2 Project evaluation and selection

- A dedicated Sustainable Finance Committee (the 'SFC') manages any future update of the Sustainable Finance Framework
- The loans selection is based on the Eligibility Criteria defined in respective section of Sustainable Finance Framework.
- EG has relied on the support of an external consultant to set up detailed Eligibility Criteria for Green Buildings
- EG refrains from ethically, social and environmentally harmful transactions. Risk perspective and exclusion rules are outlined in the publicly available 'Responsible Finance Policy'



Erste Group's SFF is aligned with:

3 Management of proceeds

- Net Proceeds of the Sustainable Finance Instruments will be allocated based on a portfolio approach.
- EG entities will strive, within 24 months after issuance, to reach full-allocation of the Net Proceeds to the Loan Portfolio
- Additional Green and / or Social Loans will be added to the Loan Portfolio to the extent required


4 Reporting

- EG will issue annual reports on the allocation of the Use of Proceeds and on the environmental and social impacts of the funded projects
- EG will not double count the financing of any Green or Social Loans
- EG intends to obtain verification of the Allocation Report, on a limited assurance basis, by an auditor or any other qualified party



Additional information: Second party opinion

ISS ESG verified sustainable finance framework

Summary of Second Party Opinion			
PRINCIPLES ALIGNMENT	ASSET CATEGORIES	SUSTAINABILITY PERFORMANCE	CONTRIBUTION
POSITIVE	POSITIVE	Status PRIME	
		Decile Rank: 2 (score 14.4)	
TRANSPARENCY LEVEL			
VERY HIGH			

SECOND PARTY OPINION (SPO)

Sustainability Quality of the Issuer and Sustainable Finance Framework

Erste Group
3 May 2021



- The issuer shows a **good sustainability performance** against industry peer group on key ESG issues and **has been rated 'PRIME'**.
- The issuer's **formal concept** of Green, Social and Sustainability Bonds regarding use of proceeds, processes for project evaluation and selection, management of proceeds and reporting **is in line with the ICMA GBPs, SBPs and SBGs** and based on robust selection processes, the green eligible projects are considered to be aligned with the EU Taxonomy.
- For the **social project categories, the overall sustainability quality is good.**

Investor relations details

- **Erste Group Bank AG, Am Belvedere 1, 1100 Vienna**

E-mail: investor.relations@erstegroup.com

Internet: <http://www.erstegroup.com/investorrelations>

<http://twitter.com/ErsteGroupIR> http://www.slideshare.net/Erste_Group

Erste Group IR App for iPad, iPhone and Android http://www.erstegroup.com/de/Investoren/IR_App

Reuters: **ERST.VI** Bloomberg: **EBS AV**

Datastream: **O:ERS** ISIN: **AT0000652011**

- **Contacts**

Thomas Sommerauer

Tel: +43 (0)5 0100 17326

e-mail: thomas.sommerauer@erstegroup.com

Peter Makray

Tel: +43 (0)5 0100 16878

e-mail: peter.makray@erstegroup.com

Simone Pilz

Tel: +43 (0)5 0100 13036

e-mail: simone.pilz@erstegroup.com

Gerald Krames

Tel: +43 (0)5 0100 12751

e-mail: gerald.krames@erstegroup.com