

Addiko Bank AG
Vienna, FN 350921 k

**Proposed resolutions of the Management Board and the Supervisory Board
for the Annual General Meeting
26 April 2021**

- 1. Presentation of the annual financial statements including the management report and the consolidated corporate governance report, the consolidated financial statements including the group management report and consolidated non-financial report, the proposal for the appropriation of profits and the report for the 2020 financial year submitted by the Supervisory Board**

Since the presentation of the above-mentioned documents serves only to inform the Annual General Meeting ("AGM"), there will be no resolution on this agenda item.

The financial statements for 2020 have already been approved by the Supervisory Board and are thus adopted.

- 2. Resolution on the appropriation of the net profit**

As adopted in the Annual General Meeting on 27 November 2020, the distribution of the 2019 dividend of EUR 2.05 per share was dependent on two conditions, namely that until 10 March 2021 (which was the anticipated date of publication of the Annual Report 2020) (i) neither a recommendation of the European Central Bank ("ECB") (such as the Recommendation of the European Central Bank of 27 July 2020 on dividend distributions during the COVID-19 pandemic and repealing Recommendation ECB/2020/19 (ECB/2020/35) (2020/C 251/01)) would in the company's view conflict with a distribution of dividends nor a legally mandatory distribution ban is effective or applicable, and (ii) that the Common Equity Tier 1 (CET1) capital ratio of Addiko Bank AG (and Addiko Group) after such distribution would not be lower than 18.6%.

The ECB has on 15 December 2020 published a recommendation that banks exercise extreme prudence on dividends and has, to this end, asked all banks to consider not distributing any cash dividends or to limit such distributions until 30 September 2021 (Recommendation of the European Central Bank of 15 December 2020 on dividend distributions during the COVID-19 pandemic and repealing Recommendation ECB/2020/35 (ECB/2020/62)).

As a consequence of such recommendation, despite a transitional CET1 ratio of 20.3% or 19.3% IFRS 9 fully-loaded as of year-end 2020 with the envisaged dividend amounts already deducted, the existing profit allocation resolution dated 27 November 2020 did not permit a dividend distribution for the financial year 2019. The 2019 balance sheet profit of EUR 40,000,000 was therefore carried forward to the financial year 2020, as resolved by the AGM on 27 November 2020.

Pursuant to Austrian GAAP in connection with the Austrian Banking Act, Addiko Bank AG generated net accumulated profits in the amount of EUR 46,605,000 in the financial year 2020, which includes the communicated 2019 balance sheet profit of EUR 40,000,000 (carried forward to the financial year 2020). Following a constructive dialogue and considering the ECB recommendation on dividend distribution (i.e. below 15% of the cumulated profit for 2019-20 and not higher than 20 basis points of the Common Equity Tier 1 (CET1) ratio, whichever is lower), the Management Board and the Supervisory Board of Addiko Bank AG propose the following:

“The balance sheet profit for the financial year 2020 in the amount of EUR 46,605,000 (i.e. EUR 2.39 per share, including the balance sheet profit for the financial year 2019 in the amount of EUR 40,000,000 which was carried forward to the financial year 2020) shall be distributed in two tranches, one unconditional and one conditional tranche, as follows:

1. *The first, unconditional tranche in the amount of EUR 7,020,000 (EUR 0.36 per share) shall be distributed for each dividend-entitled share on 4 May 2021, and*

2. *the second, conditional tranche (“Second Tranche”) of up to EUR 39,585,000 (up to EUR 2.03 per share) is to be distributed not before 30 September 2021 under the condition precedent that on the twelfth working day of each calendar month after 30 September 2021 until 31 January 2022 neither a recommendation of the ECB would, in the company’s view, conflict with a distribution of dividends nor a legally mandatory distribution restriction is effective or applicable. Should on any such date only a partial amount of the Second Tranche satisfy, in the company’s view, the above condition precedent, then the maximum amount which can be specified to satisfy such condition precedent shall be distributed.*

If and to the extent the condition precedent for dividend payment regarding the Second Tranche is not satisfied until 31 January 2022, no dividend distribution regarding the Second Tranche shall take place. To the extent the balance sheet profit is not distributed in accordance with the above, it shall be carried forward to a new account.

Furthermore, the Management Board and the Supervisory Board propose the payment date for any dividend payment of the Second Tranche to be within 20 working days after the satisfaction of the condition precedent.”

Each of the above dividend payments will be distributed as a share capital repayment according to § 4 sec. 12 Austrian Income Tax Act.

3. Resolution on the discharge of the members of the Management Board for the financial year 2020

“The Management Board and the Supervisory Board propose to discharge the members of the Management Board incumbent in the financial year 2020 for this period.”

4. Resolution on the discharge of the members of the Supervisory Board for the financial year 2020

“The Management Board and the Supervisory Board propose to discharge the members of the Supervisory Board incumbent in the financial year 2020 for this period.”

5. Election of the auditor and group auditor for the financial year 2022

The Supervisory Board proposes that KPMG Austria GmbH - Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, Vienna, be appointed auditor and group auditor for the financial year 2022 in accordance with the recommendation of the Audit Committee.

In accordance with Article 16 (2) of Regulation (EU) No. 537/2014 (EU Auditor Regulation), the Audit Committee of the Supervisory Board has recommended KPMG Austria GmbH - Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, Vienna, and BDO Austria Holding Wirtschaftsprüfung GmbH for the above-mentioned auditing services and notified a justified preference for KPMG Austria GmbH - Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, Vienna. In its recommendation to the Supervisory Board, the Audit Committee stated that the latter is free from undue influence by third parties and that no clause of the kind referred to in Article 16 (6) of the EU Auditing Regulation has been imposed on it.

6. Resolution on the Remuneration Report

The Management Board and the Supervisory Board of a listed company must prepare a clear and understandable remuneration report for the remuneration of the members of the Management Board and the Supervisory Board in accordance with § 78c and § 78c in conjunction with § 98a Stock Corporation Act (“AktG”).

The remuneration report has to offer a comprehensive overview of the remuneration granted or owed to the current and former members of the Management Board and the Supervisory Board in the course of the last financial year within the framework of the remuneration policy (§ 78a and § 78a in conjunction with § 98a AktG), including all benefits in any form.

The remuneration report for the last financial year must be submitted to the Annual General Meeting for approval. The vote is of recommendatory nature. The resolution cannot be challenged (§ 78d (1) and § 78d (1) in conjunction with § 98a AktG).

The Management Board and the Supervisory Board have to make a proposal for a resolution on the remuneration report in accordance with § 108 (1) AktG.

This resolution proposal by the Management Board and the Supervisory Board for the resolution on the remuneration report and the remuneration report itself must be made available on the website entered in the commercial register from the 21st day before the Annual General Meeting in accordance with § 108 (4) no. 4 AktG.

At the meeting on 30 March 2021, the Management Board and the Supervisory Board of Addiko Bank AG resolved a remuneration report in accordance with § 78c and § 78c in

conjunction with § 98a AktG and made a resolution proposal in accordance with § 108 (1) AktG.

The remuneration report will be made available from 5 April 2021 (the 21st day before the AGM) on the Addiko Bank AG website which is entered in the commercial register at www.addiko.com.

“The Management Board and the Supervisory Board propose that the remuneration report for the financial year 2020, as attached in the Annex hereto, be adopted.”

The remuneration report is attached to this proposed resolution as Annex ./1.

7. Resolution on the amended remuneration policy of the Supervisory Board

The Supervisory Board of a listed company must draw up the principles for the remuneration of the members of the Supervisory Board in accordance with § 78a in conjunction with § 98a AktG (remuneration policy).

The remuneration policy must be submitted to the General Meeting for adoption in the case of any significant change according to § 78b in conjunction with § 98a AktG. The remuneration policy adopted in the General Meeting on 10 July 2020 was amended in 2021.

The vote at the General Meeting on the remuneration policy shall be of recommendatory nature. The resolution cannot be challenged (§ 78b (1) in conjunction with § 98a AktG).

The Supervisory Board must make a proposal for a resolution on the remuneration policy in accordance with § 108 (1) AktG.

Pursuant to § 108 (4) no. 4 AktG, this proposal for a resolution by the Supervisory Board and the amended remuneration policy (concerning the principles for the remuneration of the members of the Supervisory Board) must be made available on the website entered in the commercial register from the 21st day before the Annual General Meeting.

At the meeting on 30 March 2021, the Supervisory Board of Addiko Bank AG has established the amended principles for the remuneration and the Supervisory Board of Addiko Bank AG has adopted the amended remuneration policy of the members of the Supervisory Board of Addiko Bank AG pursuant to § 78a in conjunction with § 98a AktG. The amended remuneration policy on the principles for the remuneration of the members of the Supervisory Board will be made available on the website of Addiko Bank AG, which is entered in the commercial register, no later than 5 April 2021 (the 21st day before the Annual General Meeting).

“The Supervisory Board proposes to adopt the amended remuneration policy on the principles for the remuneration of the members of the Supervisory Board, as attached in the Annex hereto.”

The amended remuneration policy on the principles for the remuneration of the members of the Supervisory Board is attached to this resolution proposal as Annex ./2.

8. a) Resolution on the amended remuneration policy of the Management Board

The Supervisory Board of a listed company must draw up the principles for the remuneration of the members of the Management Board in accordance with § 78a “AktG” (remuneration policy).

The remuneration policy must be submitted to the General Meeting for adoption in the case of any significant change in accordance with § 78b AktG. The remuneration policy adopted in the General Meeting on 27 November 2020 was changed in 2021.

The vote at the General Meeting on the remuneration policy shall be of recommendatory nature. The resolution cannot be challenged (§ 78b (1) AktG).

The Supervisory Board must make a proposal for a resolution on the remuneration policy in accordance with § 108 (1) AktG.

Pursuant to § 108 (4) no. 4 AktG, this proposal for a resolution by the Supervisory Board and the amended remuneration policy (concerning the principles for the remuneration of the members of the Management Board) must be made available on the website entered in the commercial register from the 21st day before the Annual General Meeting.

The Supervisory Board of Addiko Bank AG in its meeting on 30 March 2021 has established the amended principles for the remuneration of the members of the Management Board pursuant to § 78a AktG and the Supervisory Board of Addiko Bank AG has adopted the amended remuneration policy. The amended remuneration policy on the principles for the remuneration of the members of the Management Board will be made available on the website of Addiko Bank AG, which is entered in the commercial register, no later than 5 April 2021 (the 21st day before the Annual General Meeting).

“The Supervisory Board proposes to adopt the amended remuneration policy on the principles for the remuneration of the members of the Management Board, as attached in the Annex hereto.”

The amended remuneration policy on the principles for the remuneration of the members of the Management is attached to this resolution proposal as Annex . /3.

b) Resolution on the variable remuneration components within the meaning of section 8b of the Annex to section 39b Austrian Banking Act

Pursuant to Section 78 AktG, the supervisory board must ensure that the total remuneration of the members of the management board (salaries, profit sharing, expense allowances, insurance fees, commissions, incentive-based remuneration commitments and fringe benefits of all kinds) is in an appropriate relationship to the tasks and performance of the individual management board member regarding the situation of the company and the usual remuneration and set long-term behavioral incentives for sustainable corporate development.

Pursuant to Section 39b Austrian Banking Act („BWG“), when determining and applying the remuneration policy and practices, including management salaries, credit institutions must apply the principles set out in the Annex to Section 39b BWG in the manner and to the extent that their size, their internal organization, the nature, scope and complexity of their business, the categories of employees, the type and amount of their remuneration and the impact of their work on the risk profile is appropriate.

If the variable remuneration component is to be increased to up to 200% of the fixed remuneration component a prior approval by the shareholders of the credit institution needs to be obtained in accordance with section 8 of the Annex to § 39b BWG. The credit institution has to render an extensive recommendation which contains the reasons for an increased variable remuneration component its volume, including the numbers of eligible employees, their function and the expected impact regarding the capital requirements of the credit institution.

Such an increase in the variable remuneration component must be

- Subject to clear risk-benefit considerations that support a positive medium and long-term development of the bank
- Fulfilling aspects of sustainability
- Contain (partial) payments in shares with a fixed holding period
- May depend on the share price development if there are specific risk components.

The Nomination and Remuneration Committee of the Supervisory Board and the Supervisory Board of Addiko Bank AG resolved to increase the variable remuneration component for the future Chairman of the Management Board of Addiko Bank AG who shall be appointed as of 1 May 2021 to up to 162% of the fixed remuneration on March 30, 2021 subject to i) all necessary internal approvals, ii) if required necessary regulatory approvals and /or non-prohibitions and iii) quantitative and qualitative assessments of individual targets in line with EBA Guidelines on sound remuneration policies and FMA circular on principles of remuneration policies and practices.

Addiko Bank AG would like to agree a Long Term Incentive Program („LTI“) with the future Chairman of the Board of Management, whereby his variable compensation component can exceed the fixed compensation component and reach up to 162% of his fixed compensation

component. The LTI is designed in the same way as the Performance Acceleration Framework Program („PAIF“), but relates to the contract period of three years and the variable compensation component can only exceed the fixed compensation component if all targets are met in all three years.

The LTI is intended to reward the successful transformation and implementation of the Addiko Group's current strategy, which is inter alia to be reflected in the share price, capital requirements, budget attainment.

The goals are designed in the same way as the PAIF, with a link to budget attainment, capital requirements, share price, risk-based KPIs (quantitative goals) and the successful implementation or adaptation of the strategy (qualitative goals) which will be evaluated by the Supervisory Board of Addiko Bank AG. The payment is deferred in accordance with the BWG rules and the remuneration policy of the Management Board and is therefore - similar to the PAIF - 50% in shares. The ex-ante and ex-post risk adjustments in accordance with the BWG and the remuneration policy of the Management Board of Addiko Bank AG are to be applied. The future Chairman of the Management Board will not participate in the regular PAIF because of the LTI. The Supervisory Board of Addiko Bank AG request shareholders to authorize the excess for the following reasons:

- Addiko Bank AG wants to accelerate the transformation and needs the appropriate know-how and thus appropriate incentives through an increased variable remuneration component.
- The LTI is a market-based remuneration for this major task and the long-term, multi-year goals ensure that the interests of Bank Addiko Bank AG and the shareholders are also safeguarded.
- The remuneration exceeding 100% would only be paid out if all the very ambitious quantitative and qualitative targets in the three years term are achieved.
- The variable component of the LTI does not jeopardizes the very good capital resources of Addiko Bank AG, because it can only be paid out with exceptional performance and compliance with all the capital requirements.
- Addiko Bank AG wants to utilize the opportunity to react to new and special challenges with flexible variable remuneration components.
- The variable amount of the remuneration is closely linked with the results of Addiko Bank AG and takes into account the Addiko Bank AG's strategy, objectives, market share, acceptable level of risk, all relevant financial and business indicators, and long-term interests.

Effects on maintaining a solid equity base:

The LTI does not jeopardize the equity base, because the LTI can only be paid out if the LTI's inherent goal of complying with all equity requirements is met. So there is an inherent security system. In addition, from a quantitative point of view, the amounts that may be disbursed are not in a position to jeopardize the solid equity base of the bank. In any case, pay-out of the variable remuneration will be preceded, and dependent upon, the

confirmation of sufficient capital availability, i.e. fulfillment of legal and regulatory requirements regarding capital ratio.

Against this background, the Supervisory Board of Addiko Bank AG proposes that the following resolution be adopted:

„The variable remuneration component of the remuneration of the future Chairman of the Management Board of Addiko Bank AG to be appointed as of 1 May 2021 shall be increased to up to 162% of the fixed remuneration component.“

9. Resolution on the remuneration of the Supervisory Board

In recent years, the depth of qualifications, necessary involvement and responsibility of Supervisory Board members have increased significantly, together with regulatory requirements. In contrast to other market participants in a steady state environment, Addiko's ongoing transformation requires more active involvement and contribution by the Supervisory Board. This is evidenced by an elevated number of Supervisory Board meetings during 2020 (i.e. 19 meetings and 17 circular decisions). As a result, a more frequent and detailed challenging of the management's strategy execution by the Supervisory Board remains an important success factor.

The newly proposed Supervisory Board remuneration, including the introduction of additional components, addressed the above-mentioned circumstances and shall incentivise an active Supervisory Board contribution.

Against this background, the Management Board and the Supervisory Board of Addiko Bank AG propose the following resolution:

"The elected members of the Supervisory Board (Kapitalvertreter) shall be entitled to the following remuneration for the financial year 2020 and the following years (unless resolved otherwise by the General Assembly of Addiko Bank AG):

1. Fixed remuneration of the Supervisory Board

<i>Chairperson</i>	<i>EUR 115,000</i>
<i>Deputy Chair</i>	<i>EUR 95,000</i>
<i>Member</i>	<i>EUR 75,000</i>

2. 2. Remuneration for Committees

<i>Chairperson</i>	<i>EUR 20,000 (per committee)</i>
<i>Deputy Chair</i>	<i>EUR 10,000 (per committee)</i>
<i>Member</i>	<i>none</i>

3. Attendance Fee for Working Group sessions

<i>Member</i>	<i>EUR 1,000 per attended meeting of a Working Group of the Supervisory Board as convened by the Chairman of the Supervisory Board</i>
---------------	--

The fixed remuneration shall be allocated pro rata temporis in case of changes within the Supervisory Board or its committees during a financial year.”

* * *

Annex ./1: Remuneration Report

Annex ./2: Amended Remuneration policy on the principles for the remuneration of the Members of the Supervisory Board

Annex ./3: Amended Remuneration policy on the principles for the remuneration of the Members of the Management Board

Vienna, on 30 March 2021

The Management Board

Csongor Bulcsu Németh m.p.
Chairman

Markus Krause m.p.

Ganesh Krishnamoorthi m.p.

The Chairman of the Supervisory Board

Dr. Kurt Pribil m.p.

This document is a translation of the German original version. In case of any doubt the German original version prevails.