

# Key Information Document

## Purpose

This document provides you with key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

## Product

Product name: ERSTE Memory Express Anleihe auf Andritz AG 20-25		
ISIN: AT0000A2CN20	Issuer: Erste Group Bank AG	www.erstegroup.com/en/imprint
Call +43 (0)5 0100 – 10100 for more information	Regulator: Finanzmarktaufsicht (FMA)	Created: 1/22/2020

**You are about to purchase a product that is not simple and may be difficult to understand.**

## What is this product?

### Type

You invest into a debt obligation of the category Investment Product (Express Note).

### Objectives

The aim is to receive a fixed return. The product has a fixed maturity, unless an early redemption occurs. The interest payments as well as the date and amount of redemption will depend on the performance of the underlying. There is no entitlement to other regular income (e.g. dividends of the underlying).

If the closing price of the underlying is equal to or exceeds the coupon barrier on a valuation date (five business days before the respective early redemption date), interest will be paid. Otherwise no interest will be paid. However, unpaid interest is paid subsequently if the closing price of the underlying is equal to or exceeds the coupon barrier on a later valuation date.

If the closing price of the underlying is equal to or exceeds the relevant redemption barrier on any valuation date, the product will be redeemed prior to maturity at 100% of the principal amount including the interest payments due until that time. If no early redemption occurs, redemption at maturity will depend on the performance of the underlying. If the closing price of the underlying is equal to or exceeds the final redemption barrier on the last valuation date, the product will be redeemed at 100% of the principal amount including all interest payments due. Otherwise the product will be redeemed by delivering shares of the underlying. The number of delivered shares is equal to the result of dividing the principal amount by the strike price. Fractions of shares will not be delivered; a cash settlement amount will be paid instead. The value of the delivered shares will be generally lower than the principal amount.

This product has a latest due date on 2/28/2025, provided that no early redemption has occurred. Early redemptions are possible on a yearly basis, beginning 2/28/2021.

Underlying:	ANDRITZ AG (AT0000730007)
Start of Subscription Period:	2/5/2020
Issue Date:	2/28/2020
Maturity Date:	2/28/2025
Principal Amount:	1,000.00 EUR
Initial Issue Price:	100.00%
Memory Rate:	6.50%
Early Redemption Date:	yearly, starting on 2/28/2021
Valuation Dates:	2/22/2021 (1); 2/21/2022 (2); 2/21/2023 (3); 2/21/2024 (4); 2/21/2025 (5)
Strike Price:	100.00% of the closing price on 2/27/2020
Early Redemption Barrier:	100.00% of the strike price
Final Redemption Barrier:	65.00% of the strike price
Coupon Barrier:	65.00% of the strike price

If the listed valuation day is not an exchange business day, the next exchange business day is the valuation date.

The issuer is entitled to terminate the product with immediate effect, if an extraordinary event occurs. Examples of extraordinary events include the delisting or loss of the underlying, changes in legislation, tax events and the discontinuation of the issuer's ability to carry out the necessary hedging transactions. In this case, the redemption amount may possibly be significantly below the purchase price. You also bear the risk that the product will be called in at a time unfavourable to you, and you may only be able to reinvest the redemption amount on less favourable terms.

### Intended retail investor

This product is aimed at retail investors who can bear losses up to the total loss of the invested capital and prefer a medium-term investment horizon. The retail investor has sufficient knowledge and / or experience with financial products. The retail investor has no clear (or significant) preference regarding capital growth and/or regular payments.

## What are the risks and what could I get in return?

### Risk Indicator



The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you.

We have classified this product as 5 out of 7, which is a medium-high risk class.

This rates the potential losses from future performance at a medium-high level, and poor market conditions are very unlikely to impact our capacity to pay you.

This product does not include any protection from future market performance so you could lose some or all of your investment.

If we are not able to pay you what is owed, you could lose your entire investment.

### Performance scenarios

*Market developments in the future cannot be accurately predicted. The scenarios shown are only an indication of some of the possible outcomes based on recent returns. Actual returns could be lower.*

Investment of 10,000 EUR		Holding period 1 year	Holding period 3 years	2/28/2025 (recommended holding period)
Stress scenario	What you might get back after cost	3,536.02 EUR	4,107.29 EUR	3,000.32 EUR
	Average return each year	-64.64%	-25.67%	-21.39%
Unfavorable scenario	What you might get back after cost	8,474.34 EUR	5,826.32 EUR	4,288.21 EUR
	Average return each year	-15.26%	-16.48%	-15.57%
Moderate scenario	What you might get back after cost	10,320.10 EUR	10,650.00 EUR	10,650.00 EUR
	Average return each year	3.20%	2.12%	1.27%
Favorable scenario	What you might get back after cost	10,650.00 EUR	11,300.00 EUR	13,250.00 EUR
	Average return each year	6.50%	4.16%	5.79%

This table shows the money you could get back until maturity, under different scenarios, assuming that you invest 10,000 EUR.

The scenarios shown illustrate how your investment could perform. You can compare them with the scenarios of other products.

The scenarios presented are an estimate of future performance based on evidence from the past on how the value of this investment varies, and are not an exact indicator. What you get will vary depending on how the market performs and how long you keep the product.

The stress scenario shows what you might get back in extreme market circumstances, and it does not take into account the situation where we are not able to pay you.

The figures shown include all the costs of the product itself, but may not include all the costs that you pay to your advisor or distributor. The figures do not take into account your personal tax situation, which may also affect how much you get back.

## What happens if Erste Group Bank AG is unable to pay out?

This product is not covered by any deposit guarantee scheme. You are exposed to the risk that Erste Group Bank AG may not be able to fulfil its obligations arising from this product in the event of an insolvency (inability to pay, over-indebtedness) or from an official order ("bail-in regime"). A total loss of your invested capital is possible.

## What are the costs?

The Reduction in Yield (RIY) shows what impact the total costs you pay will have on the investment return you might get. The total costs take into account one-off, ongoing and incidental costs.

The amounts shown here are the cumulative costs of the product itself, for three different holding periods. They include potential early exit penalties. The figures assume you invest 10,000 EUR. The figures are estimates and may change in the future.

## Costs over time

Investment of 10,000 EUR Scenarios	Holding period 1 year	Holding period 3 years	2/28/2025 (recommended holding period)
Total costs	150.00 EUR	75.00 EUR	75.00 EUR
Impact on return (RIY) per year	1.53%	0.80%	0.80%

The person selling you or advising you about this product may charge you other costs. If so, this person will provide you with information about these costs, and show you the impact that all costs will have on your investment over time.

## Composition of costs

The table below shows:

- the impact per year of the different types of costs on the investment return you might get at the end of the recommended holding period;
- the meaning of the different cost categories.

This table shows the impact on return per year			
One-off costs	Entry costs	0.8024%	The impact of the costs already included in the price.
	Exit costs	0.00%	The impact of the costs of exiting your investment when it matures.
Ongoing costs	Other ongoing costs	0.00%	The impact of the costs that we take each year for managing your investments.

## How long should I hold it and can I take money out early?

**Recommended Holding Period: until 2/28/2025**

The actual holding period can be shorter based on the auto-callable structure. The price is subject to fluctuations during the life of the product, which may result in losses. It is possible to sell the product during the respective trading hours at the given stock exchanges where this security is listed.

## How can I complain?

In case of any complaint regarding the person advising on, or selling the product please contact your bank.

Any complaint regarding the product or the content of the document can be submitted to Erste Group Bank AG - Ombudsstelle, Am Belvedere 1, 1100 Wien. You may also send an e-mail to [ombudsstelle@erstegroup.com](mailto:ombudsstelle@erstegroup.com) or contact the following website: [www.erstegroup.com/de/ueber-uns/ombudsmann-beschwerden](http://www.erstegroup.com/de/ueber-uns/ombudsmann-beschwerden).

## Other relevant information

The binding legal basis for this security are only the information presented in the Final Terms and the Base Prospectus including its official supplements, which have been drawn in accordance with § 7 para. 4 of the Austrian Capital Market Act.

The Base Prospectus was published in accordance with the Directive of the European Parliament and of the Council 2003/71/EG, the European Commission Regulation (EC) no. 809/2004 and § 7 para. 4 of the Austrian Capital Market Act and approved by the Austrian Financial Market Authority (FMA).

To obtain full information on this security, in particular about the product characteristics and the risks associated with this investment, the Final Terms and, where appropriate, the base prospectus and its official appendices should be read. All documents can be requested from the Issuer Erste Group Bank AG, Am Belvedere 1, 1100 Wien and are also available on the website [www.erstegroup.com](http://www.erstegroup.com).