
FOCUS
ON THE
MATERIAL

RZB Group
Sustainability Report 2015

RZB Group Sustainability Report 2015

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Foreword

Dear readers,

As a banking group, we have found ourselves in an environment of constantly changing conditions for a number of years now. With this in mind, it is absolutely vital for us to continually and critically examine structures and procedures in order to remain successful. Operating in such a difficult global environment presents us with the big challenge of striking the right balance – including that between “People, Planet and Profit”. In this context, the importance of the topic of sustainability in our business activity is critical and is, among other things, expressed through our membership in the biggest network for corporate responsibility: We have been a member of the United Nations Global Compact since 2010.

In this report, we once again follow the G4 guidelines of the international Global Reporting Initiative (GRI) and focus accordingly on the material aspects for developing the work we do in the area of sustainability. The motto of this report is therefore “Focus on the material”. It was also the topic of this year’s online stakeholder survey.

In 2015, Raiffeisen Zentralbank Österreich AG (RZB AG) continued the process initiated at the end of 2013 of acquiring shares in the specialized subsidiaries. Raiffeisen Bausparkasse Gesellschaft m.b.H., Raiffeisen Kapitalanlage-Gesellschaft m.b.H., Raiffeisen-Leasing GmbH, Raiffeisen Factor Bank AG and Raiffeisen Wohnbaubank AG are now fully owned by RZB AG. RZB AG increased its investment in Valida Holding AG to 57.4 per cent in 2015. The proportional consolidation of the shares of specialized subsidiaries in RZB AG ensures uniform management of the company, an improvement in the financial and earnings situations as well as uniform risk management.

A milestone was reached last year with the occupation of Raiffeisen’s third large office location in Vienna’s 19th district. Since then, a number of divisions of RZB AG and RBI AG as well as all large specialized subsidiaries have shared a common location in the so-called “R19” building. This convergence of locations enables more efficient procedures, enhanced networking and more intensive communication between the companies. The office building, which was constructed in accordance with the highest energy standards, is our way of subscribing clearly to a modern working environment and contemporary infrastructure.

The definitely respectable result of the RZB Group in 2015 is most strongly influenced by the clearly positive result of the RBI Group. What’s more, the specialized subsidiaries and other equity participations, such as UNIQA, also made a material contribution to the positive business result. With a return of more than 26 per cent on the capital invested, the specialized subsidiaries were even the most successful segment of the entire RZB Group in relative terms. Having ended 2014 with a negative Group result for the first time ever due to a number of special effects, the RBI Group generated a positive profit before taxes of € 711 million again in 2015. Profit after taxes amounted to € 435 million, while Group profit was € 379 million.

Following media reports on the topic of offshore transactions, we would like to state that offshore arrangements are neither intrinsically prohibited nor do they automatically trigger a suspicion of money laundering. We hereby declare that the RZB Group has always complied with all statutory obligations to the best of its knowledge and belief and exercises increased caution with regard to the economic owners and their business connections.

The consistent development of products and services will further strengthen the position of the RBI Group. Consequently, internal procedures are being standardized and the risk classification process improved. The serving of institutional customers as well as the Group-wide trading activities are bundled within the area of Markets & Investment Banking. In order to expand the offering for customers, innovative products (e.g. Green Bonds) are being developed, a Group-wide support structure established and the harmonization of IT/trading platforms accelerated.

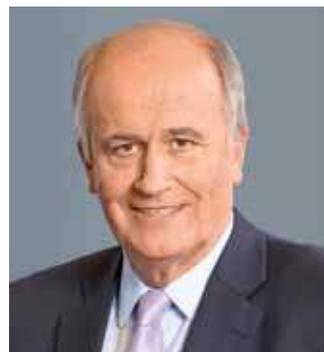
The digitization of all areas of life is proceeding apace and is also having a massive impact on the banking industry. At the beginning of 2016, the Raiffeisen Banking Group launched its program “Digital Regional Bank” under the leadership of RZB AG. The Raiffeisen Banking Group is already the market leader in the Austrian online and mobile banking sector with 1.6 million customers. We want to sharpen this focus by combining our regional and digital presence and more keenly addressing the changed world in which our customers live.

We are proud of the Environmental balance sheet published in 2015, in which the greenhouse gas emissions produced by the RZB Group in Austria for the period 2009 to 2014 and the economic effects caused by green



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investments in 2014 were scientifically analyzed. On the one hand, this innovative analysis transparently presented the environmental footprint of the RZB Group in Austria, while on the other it evaluated a large number of climate-related results. These show that we – in line with our values and our clear commitment to responsible action – make a contribution to a sustainable and livable environment with investments and by providing financing for our customers.



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The renewed inclusion of RBI AG in the VÖNIX sustainability index, the listing in the STOXX® Global ESG Leaders index and the FTSE4Good Index Series as well as our recent recognition by the Carbon Disclosure Project (CDP) all serve to affirm our current commitment. For example, RBI AG (incl. network banks) was recognized for the third time in a row by the CDP for its high level of CO₂ savings and included in the Carbon Disclosure Leadership Index (CDLI) in 2015 for the very first time. With a score of 100 A in the 2015 Climate Change Report, RBI AG also belongs to the “Sector Leader Financials”, the best companies of this industry in the German-speaking region (DACH), and was the Country Leader in Austria. Our sustainability report of last year was also recognized with an award. Thus the RZB Group once again received recognition for one of the best sustainability reports by an Austrian company in 2014 in the “Large Companies” category of the Austrian Sustainability Reporting Awards.

In autumn 2015, RZB AG and RBI AG responded to the current refugee situation in Austria with a comprehensive corporate volunteering program. The “Haus Roshan” project launched with the Caritas of the Archdiocese of Vienna in the area of migration/integration is aimed at supporting unaccompanied refugee minors and will continue to play a big role within the scope of our social commitment. At this point, we would like to thank all employees who lent their support to this project, including in their free time. The main objective of this commitment is to achieve the sustainable integration of refugees into Austrian life.

Diversity management contributes to the success of the RZB Group in many ways because diverse teams create innovative solutions by taking various perspectives into consideration. We are also constantly developing ourselves in this area and currently creating appropriate framework conditions for the empowerment of women in the company. We have set ourselves the goal of increasing the share of women in top management to 35 per cent by 2024 by putting extensive measures in place under the slogan “Diversity 2020”.

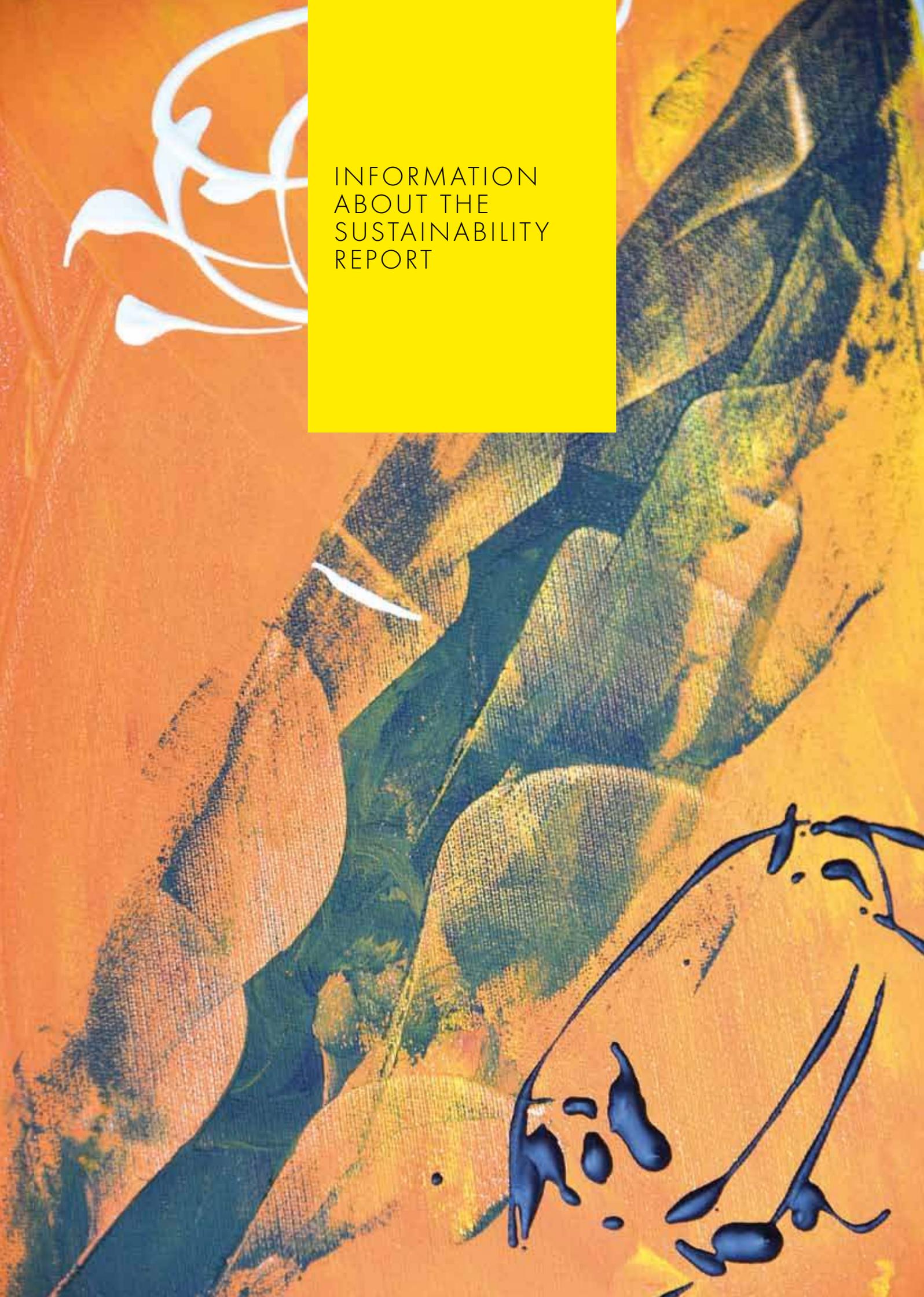
In order to contribute to global development, promote human welfare and protect the environment, the member states of the UN adopted “Agenda 2030” in September 2015. At its core are 17 goals for sustainable development (the so-called SDGs – Sustainable Development Goals) and their 169 sub-goals. We consider SDGs – such as those pertaining to the issues of affordable renewable energy, sustainable economic growth in conjunction with corresponding employment, the question of further industrialization, the acceleration of innovations, sustainable consumption or the issue of climate – as being of particular future relevance from the perspective of the RZB Group.

On May 10, 2016, RZB AG and RBI AG released an ad-hoc statement in which they announced that they will audit a merger of both units within six months. The goal is to simplify the Group’s structure and to adapt the Group to meet increased regulatory requirements. There are currently no resolutions of the Group’s bodies for implementation.

We await the coming changes in connection with the disclosure of non-financial information with anticipation. By December 2016, it should be clear how the EU Directive passed in 2014 will be implemented into national law. In the meantime, we invite you to remain in contact with us and we thank you for the stimulating dialog we have enjoyed to date. We would like to sincerely thank the Sustainability Management team and all employees for their commitment in the area of sustainability.

Dr. Walter Rothensteiner
Chief Executive and Chairman of the Managing Board
Raiffeisen Zentralbank Österreich AG

Dr. Karl Sevelda
Chief Executive Officer
Raiffeisen Bank International AG



INFORMATION
ABOUT THE
SUSTAINABILITY
REPORT

Overview

About the report

In this Sustainability Report, we describe the economic, environmental and social impact of our business activities in 2015 and present our current activities in the area of sustainability. The goal of the report is to provide a comprehensive account of how the RZB Group has met its sustainability objectives during this reporting period and what it plans to implement and improve upon in the future with regards to sustainability. In addition, some portions of the Sustainability Report are now being published only on our website. This applies in particular to detailed tables relating to the chapter "Inhouse ecology" (for the areas of paper, water and waste) as well as "Human Resources". Our sustainability guiding principles are also included in this report only as excerpts. The full version can be found on our website at www.rzb.at/sustainabilitymanagement or www.rbinternational.com.

The report lays out the sustainability strategy together with corresponding management approaches and measures and describes specific sustainability activities that have been carried out during the reporting period and before. In addition, we present our sustainability program for the next reporting period. The current reporting period follows on seamlessly from the RZB Group Sustainability Report for 2014, and the report is published annually.

As shown in our stakeholder diagram (see page 30), the Sustainability Report is addressed to all stakeholders of the RZB Group. Many stakeholders were involved in selecting the most important topics for this report. We refer readers in particular to the sections "Materiality analysis and Stakeholder inclusion" starting on page 19 et seq.

The Sustainability Management Department of the RZB Group is your point of contact concerning this report. Comments, ideas and suggestions for improvements can be sent to: sustainabilitymanagement@rzb.at.

GRI G4

This report was produced on the basis of the internationally recognized GRI G4 guidelines on sustainability reporting of the Global Reporting Initiative with the "core" option. In addition, selected indicators relating to the information for the financial services sector are included.

Verification of the report's contents

The contents of this Sustainability Report have been examined (limited assurance) by KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft (KPMG) (see page 171). The examination procedures are planned and implemented for achieving limited assurance that the information and figures contained in the report are depicted appropriately in all major aspects and in agreement with the report criteria.

Materiality and presentation of the information

In the report, we address the subjects and GRI aspects that have been identified within the RZB Group as material, that reflect the expectations of our stakeholders and that represented the focus of our activities in the past year.

This report contains information describing the specific effects of a bank on the economy, society and the environment. The contents of the report were selected using the principle of materiality. The materiality analysis forms the basis for the key topics. The internal and external sustainability requirements and expectations on the RZB Group are analyzed in detail and summarized in a materiality matrix. The materiality analysis is based on an online survey carried out in January and February of 2016. It is intended to ensure that the contents of the report cover all topics and indicators that have the greatest influence on the the business activities, products,

services and relationships inside and outside the organization. In order to assess the materiality of the various topics and determine the contents of the report, the following aspects were considered by the RZB Group:

- Relevance to strategy and management
- The results from stakeholder dialog, focus groups and online surveys, which we have combined in the materiality matrix
- Disclosure requirements set by financial analysts, sustainability rating agencies, institutional investors and the like
- The principles of the UN Global Compact and the Sustainable Development Goals

Report scope and data collection

We have once again expanded the scope of the report compared to the Sustainability Report 2014 update. The report includes Raiffeisen Zentralbank Österreich AG (RZB AG), Raiffeisen Bank International AG (RBI AG) and the 14 network banks in Central and Eastern Europe. Raiffeisen Banka d.d. in Slovenia, which is to be sold in 2016, is no longer included. The key equity participations of RZB AG in Austria are included and referred to as "specialized subsidiaries". These are Raiffeisen Bausparkasse Gesellschaft m.b.H., Raiffeisen Kapitalanlage-Gesellschaft m.b.H. and Raiffeisen-Leasing GmbH as well as for the first time Valida Vorsorge Management (the participation of RZB AG in Valida Holding AG increased in October 2015 to over 50 per cent). These companies are included together with RZB AG (as in the Annual Report of the RZB Group) under the title of "Central institute and specialized subsidiaries". You can find more information on the structure of the entire RZB Group on page 10.

The structuring of the individual chapters and the overview figures correspond in principle to the segments of the annual reports of the RZB Group and the RBI Group. The RBI Group is divided into RBI AG (Austria), Central Europe (CE), Southeastern Europe (SEE) and Eastern Europe (EE). In deviation from the annual report of the RBI Group, Raiffeisen Bank Polska S.A. in Poland is covered within the segment of Central Europe, meaning according to its geographic association (in the RBI Group, a separate segment was established in the 2015 fiscal year with the name "Non-Core" that contains those business areas that are to be abandoned or reduced and which therefore also includes the Polish network bank). The segment of central institute and specialized subsidiaries includes in addition to RZB AG the specialized subsidiaries listed in the previous paragraph. (More details can be found in the Annual Reports of the RZB Group and the RBI Group.)

We also report on selected sustainability initiatives within the core business that are undertaken by other participations of RZB AG which are nominally outside the scope of the report and over which RZB AG has a material and qualified influence, insofar as these are of strategic importance. Furthermore, these companies are members of our most important sustainability platform – the Raiffeisen Climate Protection Initiative.

Due to rounding, the tables may add up to greater or less than 100 per cent and the totals may not always correspond to the individual items.

Economy

The information on economic circumstances contained in this report is primarily based on the information in the 2015 Annual Reports of the RZB Group and the RBI Group. The information and data contained therein, from which parts were taken for this report, have been examined by external auditors. Further information can be found in the relevant Annual Reports.

Ecology

As in the previous year, quantitative data relating to the inhouse ecology has been collected with the software "mona" ("Monitoring Sustainability"). The environmental figures consist exclusively of the head office data of the individual companies. Additional data published in the report was gathered by means of standardized questionnaires and discussions with individuals. For the first time, the areas of paper, water and waste are not covered in detail in this report; these are presented separately on the respective websites instead. The presentation of figures concerning the parcel service and transport of goods is new this year.

Employees

Employee data is gathered group-wide using the Tagetik software. The data is then imported into “mona”. Additional data published in the report was gathered by means of standardized questionnaires and discussions with individuals.

Comparability of the information

The 2015 report is fully comparable with the 2014 report. The tables cover a period of five years for the first time. The Employees and Inhouse ecology chapters now only contain the values for the RZB Group, the RBI Group and the central institute and specialized subsidiaries in table form. The other details contained in the previous reports – such as for RBI AG and RZB AG or the network banks (NWB) – can be found on the respective websites at www.rzb.at/sustainabilitymanagement or www.rbinternational.com. There you will also find details on the areas of paper, water and waste from the Inhouse ecology chapter.

As of the year 2015, Raiffeisen Banka d.d. in Slovenia is no longer included in the current figures because it is to be sold in 2016. For better clarity, the units in Russia, Ukraine and Belarus were grouped in the segment Eastern Europe (EE).

Wording

Where possible, terms are used that are not gender-specific in order to preserve readability and the flow of the text. Where the male form is used (such as “he” or “his”), the female form is included implicitly in the meaning.

Exclusion of liability

We have taken the utmost care in gathering the data contained in this report. Nevertheless, we cannot completely rule out the possibility of errors. Where statements are made concerning future developments, they are based on the information and forecasts available at the time of publication. Although great care is taken in producing these statements, there are many different factors that cannot be foreseen at the time of publication and can cause differences to emerge. The report contents were checked by the staff members who are professionally responsible for the respective contents.

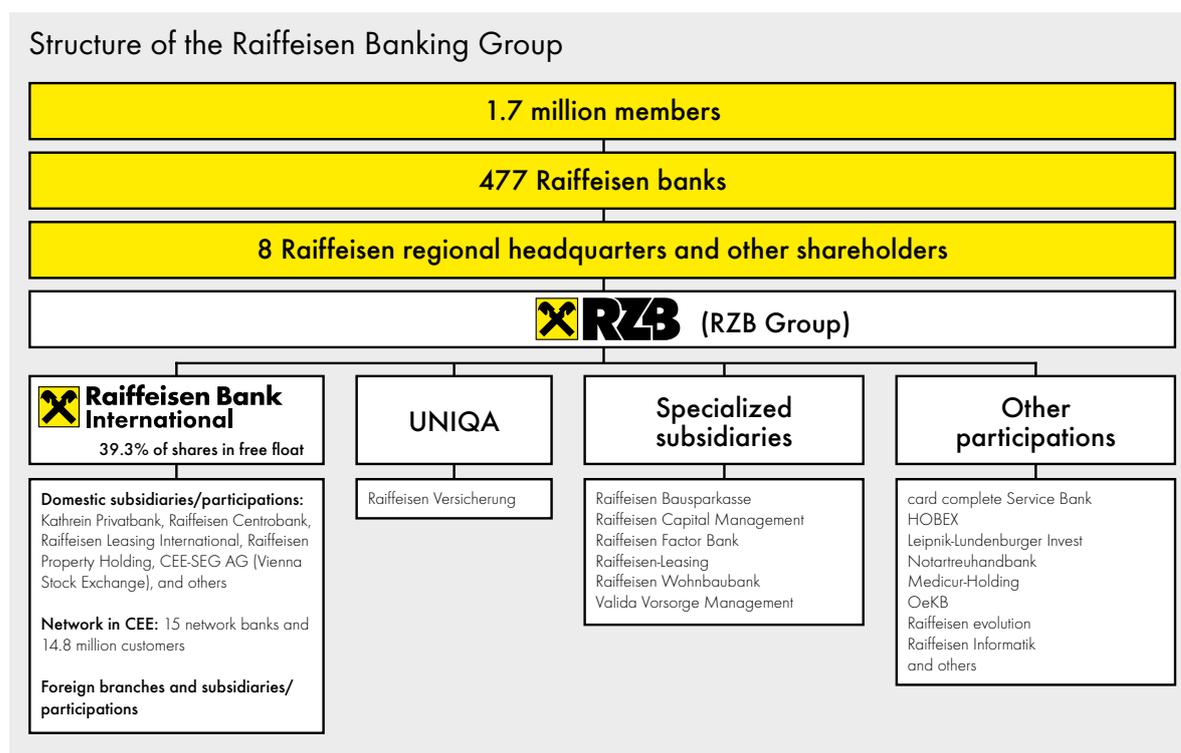
Interesting facts about the RZB Group

Ownership relationships and structure

Raiffeisen Zentralbank Österreich AG (RZB AG) is the central institute of the Raiffeisen Banking Group (RBG). It was founded in 1927 to provide liquidity settlement for the agricultural cooperatives of Austria and was known then as the "Girozentrale der österreichischen Genossenschaften" (Central Clearing Bank of the Austrian Cooperatives).

The organically grown structure of the RBG consists of 477 independent and independently responsible Raiffeisen banks with 1,578 bank branches that form the foundation of the entire Group. These Raiffeisen banks are the owners of the eight Raiffeisen regional headquarters. The regional headquarters are in turn shareholders of RZB AG and control the further development of the RBG.

One key success factor for the good development of the RBG was the creation of various specialized institutes, such as Raiffeisen Bausparkasse Gesellschaft m.b.H., Raiffeisen Kapitalanlage-Gesellschaft m.b.H. and Raiffeisen-Leasing GmbH. With these institutes, local Raiffeisen banks can offer their customers a broad range of financial products and services, even in the more remote regions of the country. The Raiffeisen brand is by far the strongest banking brand in Austria, and the RBG is Austria's largest and strongest banking group.



RZB AG has one of the largest banking networks in Central and Eastern Europe (CEE) through its listed subsidiary RBI AG. RBI AG shares have been listed on the Vienna Stock Exchange since April 25, 2005 (they were listed as shares of Raiffeisen International AG until October 12, 2010). RZB AG holds roughly 60.7 per cent. The remaining 39.3 per cent is in free float. The shares of RBI AG are represented in some of the most important national and international indices, such as the ATX and the EURO STOXX Banks. It is also one of only 20 companies listed on the Vienna Stock Exchange's first sustainability index, the VÖNIX.

About RZB AG

As the central institute of the RBG, RZB AG performs important controlling and service functions to ensure efficient cooperation within a decentralized cooperative banking association.

For example, RZB AG provides fundamental marketing services for the entire RBG and is responsible for strategic management of the "Raiffeisen" brand. Group-wide risk management, as well as internal and group auditing, is also an integral part of the overall bank controlling.

RZB AG coordinates synergies and joint solutions between the RBG and the RBI Group in addition to organizing services, products and processes for the RBG. Central coordination and advisory services are also assigned to RZB AG as part of its cooperative association work for the RBG. This includes, for example, collaborating with the strategy and decision-making committees of the RBG, supporting joint projects and providing advisory services on strategic or sales-related issues for selected sector institutions.

Another of RZB AG's responsibilities is managing the sustainability agendas for the entire RZB Group. Based on the principles and values of the Raiffeisen concept, the RZB Group is committed to sustainable business management and to the social responsibility associated with this. Additional duties include management of the Raiffeisen Climate Protection Initiative with its current total of 24 Raiffeisen member organizations.

About the RBI Group

The RBI Group is one of the leading banking groups in its home markets of Austria and CEE. Having been active in the CEE region for over 25 years, it is considered to have played a pioneering role in the region. Today, the RBI Group has a dense network of subsidiary banks, leasing companies and numerous specialized financial services companies in 15 markets of the CEE region.

As a universal bank, the companies of the RBI Group number among the top five banking institutions in many countries. This role is supported by the Raiffeisen brand, one of the best-known brands in the region. As a fully integrated corporate and retail banking group, the RBI Group is very well positioned in the CEE region.

In Austria, RBI AG is one of the country's leading commercial and investment banks. It serves mainly Austrian customers but also international customers and large multinational companies, particularly those that are active in the CEE region. In total, the RBI Group employed around 51,000 people at the close of 2015. These employees looked after 14.9 million customers in more than 2,700 business outlets, the majority of them in the CEE region.

The fundamental values of the RZB Group

In the 19th century, Friedrich Wilhelm Raiffeisen simplified the idea of a cooperative down to one basic principle: In unity lies strength. RZB AG and its subsidiaries as well as the RBI Group are part of a cooperative organization. This can be seen in the key strategies and decisions. The basic principles of Friedrich Wilhelm Raiffeisen apply to all levels of the Group.

Friedrich Wilhelm Raiffeisen believed in helping others to help themselves and in the principles of charity, community and solidarity. His life was characterized by a sense of responsibility for the community. Now, as before, we build upon a powerful brand that combines and embodies the principles of identity, self-administration, sustainability, subsidiarity and business ethics based on solidarity.

- Helping others to help themselves: Willingness to provide mutual assistance.
- Self-administration: Members make their own decisions about their cooperative within a framework of democratic principles.
- Business ethics based on solidarity: With a common economic goal, based on being there for one another.
- Sustainability of cooperative success: The common goal is lasting economic improvement.
- Subsidiarity: The power of the cooperative is only deployed where the power of the individual is insufficient.

and therefore requires help.

- Principle of identity: Members of the cooperative are simultaneously customers.

RZB Group principles

To emphasize the main features of forward-looking, sustainable development, five principles were defined that form the framework for sustainable business and the responsibility towards the people within the RZB Group:

- A future always needs a past: Sustainability in the spirit of the founder
- We are here to create lasting value
- We share a common goal with our customers: Success
- The best become better with us: The RZB Group as a responsible employer
- A strong cultural mix: We embody diversity and equality of opportunity

You can find more information about our values and principles on our websites at www.rzb.at/sustainabilitymanagement and www.rbinternational.com.

Our values and principles implemented in established rules

The RZB Group is one of the signatory companies of the UN Global Compact (UNGC) and is therefore committed to consistently complying with the ten UNGC principles of responsible business. The UNGC is the world's largest CSR and sustainable development initiative. Its principles include the core areas of human rights, labor standards, environmental protection and combating corruption. The concomitant attitude of global responsibility is expected of all staff and managers as well as of partners and suppliers of the RZB Group. Further information is available at www.unglobalcompact.org.

| The ten principles of the UN Global Compact | |
|---|--|
| Human rights | |
| Principle 1 | The RZB Group supports and respects the protection of international human rights within its sphere of influence. |
| Principle 2 | The RZB Group ensures that it does not become complicit in human rights violations. |
| Labor | |
| Principle 3 | The RZB Group safeguards the right of association and effective recognition of the right to collective bargaining. |
| Principle 4 | The RZB Group supports the elimination of all forms of forced labor. |
| Principle 5 | The RZB Group supports the abolition of child labor. |
| Principle 6 | The RZB Group supports the elimination of discrimination in the hiring and subsequent employment of staff. |
| Environmental protection | |
| Principle 7 | The RZB Group takes a preventive approach to dealing with environmental problems. |
| Principle 8 | The RZB Group carries out initiatives to create a greater sense of responsibility for the environment. |
| Principle 9 | The RZB Group promotes the development and proliferation of environmentally friendly technologies. |
| Combating corruption | |
| Principle 10 | The RZB Group opposes all types of corruption, particularly blackmail and bribery. |

The Code of Conduct (CoC) for dealing with customers, business partners and employees, which is applicable across the Group, is a binding regulatory framework for all employees and, accordingly, is available on the websites of the RZB Group in the respective national language. It is based on the fundamental Raiffeisen values and is oriented towards the specific requirements of everyday business at home and abroad. More information can be found in the "Compliance" chapter, starting on page 48, as well as at www.rzb.at and www.rbinternational.com.

Sustainable commitment, artistically realized



The container housing "Haus Roshan" in Breitenfurt, painted by Hashemi Sayed Ahmad

Since 2012, the RZB Group has continuously sought to express its diverse commitment to societal, social and cultural interests through the graphic design of its sustainability report.

After being impressed by the pictures of the first painting workshop with the unaccompanied refugee minors at "Haus Roshan" (House Roshan) (for more information, see page 144), the idea was formed to visually enhance the Sustainability Report 2015 with the support of these young amateur artists. Their contributions to this publication were therefore expressly created for this report.

The artists

With the opening of "Haus Roshan" in November 2015, the question was which types of activities could be offered to optimally support the unaccompanied young people from crisis regions in their personal development. Seven employees of RZB AG and RBI AG who enjoy painting as a hobby and a way to relax from their daily office work offered their services. These colleagues formed a creative group and have offered painting workshops at "Haus Roshan" since the start of 2016.

The primary hope was to offer these young people opportunities for creative expression in addition to mandatory school attendance. Artistic activity can have many positive effects: Creativity is in demand today in almost all areas of life. Promoting creativity therefore also fosters advantages in later professional life. Painting offers an avenue for dealing with one's own emotions by giving them shape and color. In addition, the creation of art can serve as a form of meditation to help one process recent experiences. Painting also helps one to work out and define personal ideas. Worries about family members who have been left behind can often fall into the background at least for a short time during the act of creation. The group activity also gives rise to communication, a key aspect of forming team spirit and therefore valuable for living together on a daily basis.

While the first painting workshop was met with cautious optimism, the interest on the part of the children, who for the most part have never had opportunities to engage in artistic activities, has been undiminished ever since. After an initial phase of familiarization with the materials of water colors, oil crayons, acrylic paints, brushes and canvas, the joy of experimentation quickly set in. The images used in this Sustainability Report were produced as individual and group works at four workshops. It is consistently fascinating to see the potential that has lain dormant within the children at "Haus Roshan".



Head of the painting workshop and its participants, (c) RBI AG

Acrylic paint was used to produce the pieces, a material with almost unlimited possibilities. The technique is well suited for beginners, and the children received assistance in color theory from workshop leader and RZB department head Hubert Figl.

The images are currently adorning the rooms of "Haus Roshan". They draw the attention of all visitors and are waiting for their chance to be presented to the public in an exhibition.

An abstract painting with a vibrant color palette of orange, blue, and pink. The brushstrokes are thick and expressive, creating a sense of movement and depth. The composition is dense and layered, with various shades of orange dominating the background and foreground, interspersed with bold blue and soft pink strokes. The overall effect is one of dynamic energy and visual complexity.

SUSTAINABILITY
STRATEGY,
MATERIALITY,
STAKEHOLDER
INCLUSION,
COMMUNICATION
AND AWARENESS-
RAISING, AWARDS

Managing sustainability and corporate responsibility

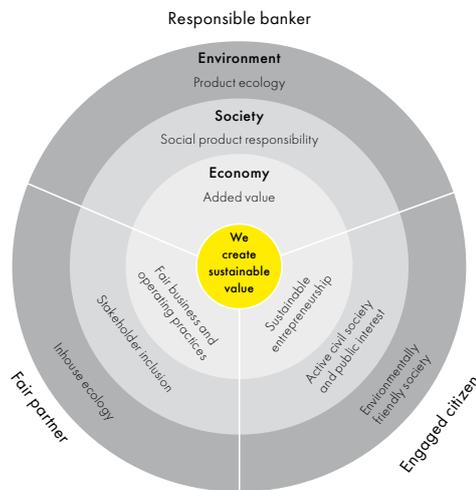
Sustainability concept and strategy

Our understanding of sustainability

Sustainability has always been a fundamental principle for the RZB Group and a measure of corporate success. For 130 years, Raiffeisen has combined financial success with socially responsible action.

- We understand sustainability to mean responsible corporate activities for long-term economic success in consideration of key societal and environmental aspects.
- As the RZB Group, we will continue to combine financial success with social responsibility by anchoring sustainability as a fixed component of our business and by practicing sustainability as an integral leadership and management responsibility in addition to taking key sustainability aspects into consideration in our business activities.
- We therefore commit to aligning our management structures and processes with this attitude. In the three sustainability areas of "Responsible banker", "Fair partner" and "Engaged citizen", which are closely linked to our business activities, we endeavor to optimally apply our values and abilities to fostering sustainable development both in our companies and in society.

In our Sustainability Guiding Principles "We create sustainable value", we have formulated how we pursue sustainability strategically and how we wish to live up to this ambition within our business activities. Our Sustainability Guiding Principles serves as a guide for all transactions, activities and services offered by the RZB Group or on its behalf. Our declared objective is to concentrate on those areas with significant potential for making a difference. This requires us to continuously improve the sustainability impact of our business activities and develop ways to measure and verify this impact. In doing so, we hope to increase the long-term value of our Group while also actively contributing to the sustainable development of our society. (For the Sustainability Guiding Principles, see www.rzb.at/sustainabilitymanagement)



Our approach as designers of a sustainable company and society

Our sustainability strategy

As an internationally active banking group, we are faced with specific challenges in our efforts to realize our sustainability vision. These arise from the economic, social and environmental impacts of our business activities as well as from the external conditions within which we operate. We work within a global environment that is characterized by numerous economic, geopolitical and environmental risks.

The financial services sector itself has been confronted with many challenges and risks, particularly in recent years. In order to remain profitable over the long term, these challenges call for a strong culture of risk management and sustainability. Alongside classic banking risks, the stability of the financial system and reputation risks, topics such as corruption, money-

laundering and high-risk sectors also come into play here. This includes, for example, CO₂-intensive fields such as oil, gas and energy (e.g. shale gas), nuclear energy, the arms industry (e.g. weapons and cluster munitions), agricultural production of raw materials and food (e.g. palm oil, food speculation, monoculture).

Dealing appropriately with risks is part of our business model. As a banking group, we hold ourselves to corresponding standards of sustainability amidst all these circumstances, just as our stakeholders expect of us:

- The RZB Group is committed to legal as well as ethical standards and must ensure that these standards are met.
- As a consequence of the financial crisis that played out several years ago, the financial services industry suffered a loss of trust. Since then, banks have been under closer watch by their stakeholders and find themselves subject to more stringent regulatory requirements. We therefore work to make our business sustainable and wish to create sustainable value for our stakeholders.
- Our operational business activities are connected with environmental impacts that we strive to keep as low as possible by means of systematic environmental management.
- As an employer, we are responsible for ensuring safe and attractive working conditions for our employees.
- As a member of society, we want to contribute to the common good beyond our business activities and take action in line with our capabilities.

In order to live up to these requirements as well as to improve the effectiveness and the scope of our sustainability management across the entire RZB Group, we published the group-wide sustainability strategy "We create sustainable value" in 2013. This strategy consists of nine core action areas within which we focus our group-wide sustainability management. In order to systematically address these core areas, which are also important to our stakeholders, we continuously seek to improve our sustainability strategy.

In identifying the core action areas, we rely not only on the perspective of our Group but also on the perspectives of our stakeholders, who include our employees, customers, shareholders and suppliers as well as non-governmental organizations and a number of other stakeholder groups. We carry out a multi-stage materiality analysis on a regular basis in order to prioritize these fields of activity. For this reason, as well as for the purpose of making any corrections to our sustainability strategy, we place great value on maintaining a dialog with our stakeholders.

| Core areas of our sustainability strategy | | | |
|---|---|--|---|
| Sustainability matrix of the RZB Group | Business | Society | Environment |
| Responsible banker | Added value | Social Product responsibility | Product ecology |
| | Successful business through responsible management and business strategies, sustainable economic responsibility in the real and regional economy and integration of sustainability aspects into the core business | Social responsibility for our products and services by taking consumer concerns into account, consideration of social aspects in providing loans and financial products, protection of customer data and providing correct information | Ecological responsibility for our products and services by guaranteeing national environmental provisions and recognized, international conventions as well as taking into account the environmental impact in project finance plans and financial products |
| Fair partner | Fair business and operating practices | Stakeholder involvement | Inhouse ecology |
| | Fairness and transparency towards employees, customers and shareholders through exemplary behavior in areas of influence; as an attractive employer, through transparent reporting as well as the avoidance of corruption and fraud | Continual inclusion of stakeholders as part of sustainable company development by strengthening cooperation management in order to reduce business risks and make use of business opportunities | Responsible handling of resources and the environment by reducing our environmental impact and through the sustainable use of resources |
| Engaged citizen | Sustainable entrepreneurship | Active civil society | Environmentally friendly society |
| | Commitment to sustainable entrepreneurship and enterprise and the creation of wealth by helping to establish a framework for sustainable finance as well as direct and indirect support for organizations and socially relevant initiatives | Commitment to a sustainable civil society and responsible political cooperation by promoting public interest and knowledge of financial topics and voluntary work | Working for the environment and the climate through climate protection, protection of species diversity and conservation of different ecosystem functions and services |

Sustainable management



The group-wide management of the sustainability agendas and coordination of the operational implementation is assigned to the Sustainability Management Department of the RZB Group. This is supported by representatives from specialized units and business areas as well as the Sustainability Officers at the network banks. The latter act as an interface between the Sustainability Management Department at head office in Vienna and the operational departments at the network banks.

An important committee is the Sustainability Council of the RZB Group, an organizationally embedded element of sustainability controlling. The task of this council is to advise on the development of sustainability agendas and evaluate their performance. It assists in defining key action areas and focal points (materiality approach), identifies targets and measures and makes recommendations on developing and implementing the annual sustainability program.

On December 31, 2015, the following internal and external persons were members of the Sustainability Council of the RZB Group:

- Walter Rothensteiner, Chief Executive and Chairman of the Managing Board of RZB AG
- Rudolf Bretschneider, Consultant at GfK Austria GmbH
- Klaus Buchleitner, Chairman of Raiffeisenlandesbank Niederösterreich-Wien
- Ralf Cymanek, Member of the Managing Board of Raiffeisen Bank Zrt. in Hungary
- Martin Essl, founder of the Essl Foundation
- Franz Fischler, Chairman of the Raiffeisen Climate Protection Initiative and President of the European Forum Alpbach
- Christian Friesl, Divisional Head of Social Policy at the Federation of Austrian Industry
- Sabine Haag, General Director of the Kunsthistorisches Museum Vienna
- Michael Höllner, Chairman of the Managing Board of RZB AG
- Gregor Höppler, Head of the Managing Board Office of RBI AG
- Andreas Pangl, General Secretary of the Austrian Raiffeisen Association
- Ernst Rosi, Senior Adviser to the Managing Board of RZB AG
- Georg Schöppl, Member of the Managing Board of "Österreichische Bundesforste AG" (Austrian Federal Forestry Agency)
- Johannes Schuster, Chairman of the Managing Board of RZB AG
- Karl Sevelda, Chief Executive Officer of RBI AG
- Andrea Sihn-Weber, Head of Sustainability Management of the RZB Group and Managing Director of the Raiffeisen Climate Protection Initiative
- Alfred Strigl, Managing Director of plenum – gesellschaft für ganzheitlich nachhaltige entwicklung gmbh

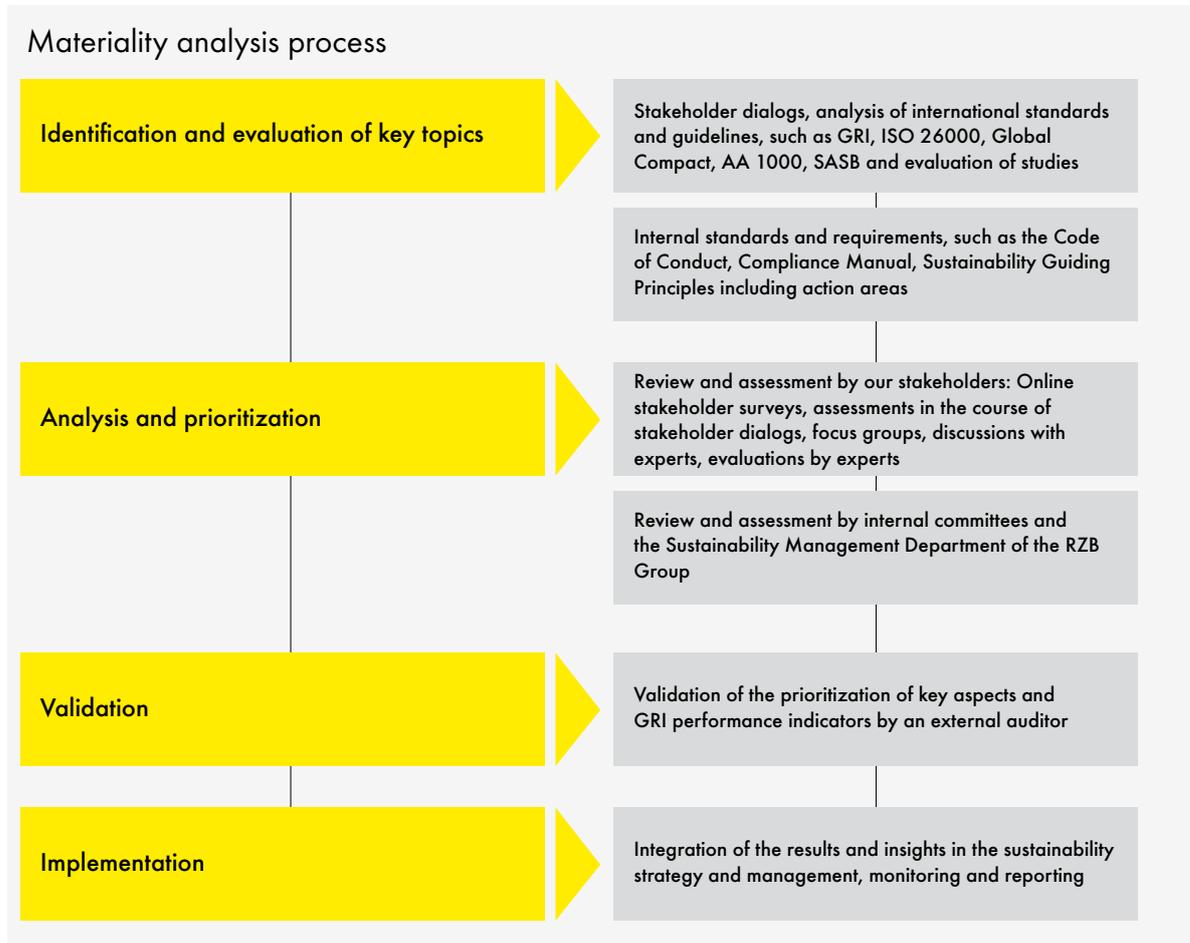
The ten principles of the UN Global Compact, which we joined in 2010, represent fundamental guidelines for our business activities. Our internal rules and regulations, such as our Code of Conduct (CoC), build upon this international reference framework as well as other international principles. Special significance is accorded the CoC and other guidelines for supporting our employees in making the right decisions in their everyday work.

Since 2013, we have used an internal tool as the central instrument for controlling and monitoring our key sustainability efforts. This innovative software, called "mona", is based on the Global Reporting Initiative (GRI) and relies on scientific data as an instrument for sustainability monitoring and reporting within the RZB Group.

Materiality analysis

We pursue two approaches in the further development of our sustainability strategy and the definition of reporting content and focal points: On the one hand, we want to know what standards we must meet in order to enjoy long-term success. On the other, it is important to us as an internationally active banking group to know what our stakeholders expect of us. Accordingly, we make use of a multi-stage materiality analysis that includes our stakeholders in order to identify the areas of activity and key sustainability aspects.

Since the publication of the fourth generation of the Global Reporting Initiative (GRI G4), upon which this report is based, the principle of materiality has been placed at the center of the reporting. In this way, the GRI emphasizes even more strongly than before that sustainability reports should be focused on the key aspects of sustainability. The process of identifying and prioritizing the relevant topics and aspects must also be systematic and well documented.



Identification of relevant topics

The key topics are selected with the assistance of internationally established lists of criteria and sustainability standards, such as the GRI, the United Nations Global Compact, SASB Sustainability Accounting Standards Boards and ISO 26000. In addition, we consider feedback on the sustainability reports and evaluate dialogs with individual stakeholders, such as within the framework of the annual Stakeholder Council of the RZB Group and other communication forums, such as focus groups.

Direct feedback in the form of surveys and workshops as well as evaluations of discussions held with individual stakeholder groups, including customers, employees, rating agencies, non-governmental organizations and sustainability experts, as well as the defined focal points of the company strategy served the RZB Group and its sustainability officers as important sources for the identification of key topics.

The process for identifying topics is based on the question of whether the given topics influence company activities now or in the future and whether the RZB Group is in a position to influence them directly or indirectly.

2. The eight most important topics areas were identified from the topic map. These formed the basis for the online stakeholder materiality survey conducted in January/February 2016:
 - Work environment
 - Inhouse ecology
 - Commitment to society and the environment
 - Sustainable products and services
 - Economic added value
 - Organizational management
 - Regulations and controlling
 - Transparency and disclosure
3. The current materiality matrix (see page 24) was created on the basis of the results of the online stakeholder materiality survey.
4. In the table “Key topics”, we then present how the topics we identified as material are related to the associated key GRI aspects. The completeness of all key GRI aspects was checked in detail in 2014 when converting to GRI G4. The table was adapted to the new structure of the materiality matrix.
5. The demarcation of the key GRI aspects in terms of their impact inside and outside the organization took place as part of the conversion to GRI G4 in 2015 for the 2014 Sustainability Report. It was developed in a workshop of employees of the Sustainability Management Department together with an external sustainability expert. The results were incorporated into the current structure of the materiality matrix and are shown in the table “Key topics”.
6. The key aspects with regard to GRI conformity were validated by an external expert who has international experience as an auditor of sustainability reports by providers of financial services. This expert inspected the identified prioritization of aspects and performance indicators.

Approach to stakeholder inclusion

Around 3,000 stakeholders were invited in January and February 2016 to take part in our online survey “Materiality in Focus”. The stakeholders were asked to assess the topics we derived from the topic map in terms of their materiality.

For the first time, the survey addressed not only stakeholders from Austria but also stakeholders from 13 countries of our network banks (Slovakia, Czech Republic, Hungary, Albania, Bosnia-Herzegovina, Bulgaria, Kosovo, Croatia, Romania, Serbia, Belarus, Ukraine, Russia). Poland and Slovenia did not participate in the survey. A total of 2,915 internal and external stakeholders were invited to take the survey, of which 1,423 were from Austria and 1,492 from our network banks.

The international stakeholders encompassed representative persons from our stakeholder groups. These were subdivided into the following groups in accordance with our stakeholder universe (see page 30):

Internal stakeholders:

- Stakeholder group 1: Owners, employees of the network banks and specialized subsidiaries, employees of head office

External stakeholders:

- Stakeholder group 2: Business partners, customers, rating agencies, RBI investors, supranational organization, civil society
- Stakeholder group 3: Interest groups, capital market, competitors, NGOs and NPOs

- Stakeholder group 4: Education and research, media, public policy and administration The weighted results were evaluated by stakeholder groups and their respective relevance for the RZB Group.

The stakeholders were asked to evaluate the eight most important topics identified on the basis of the topic map (see “Topic map” on page 21) by assigning a total of five points to them in any weighting they chose. Next, the focus on the following prioritized topics was sharpened by evaluating sub-topics using the same system:

- Work environment
- Inhouse ecology
- Commitment to society and the environment
- Sustainable products and services
- Organizational management

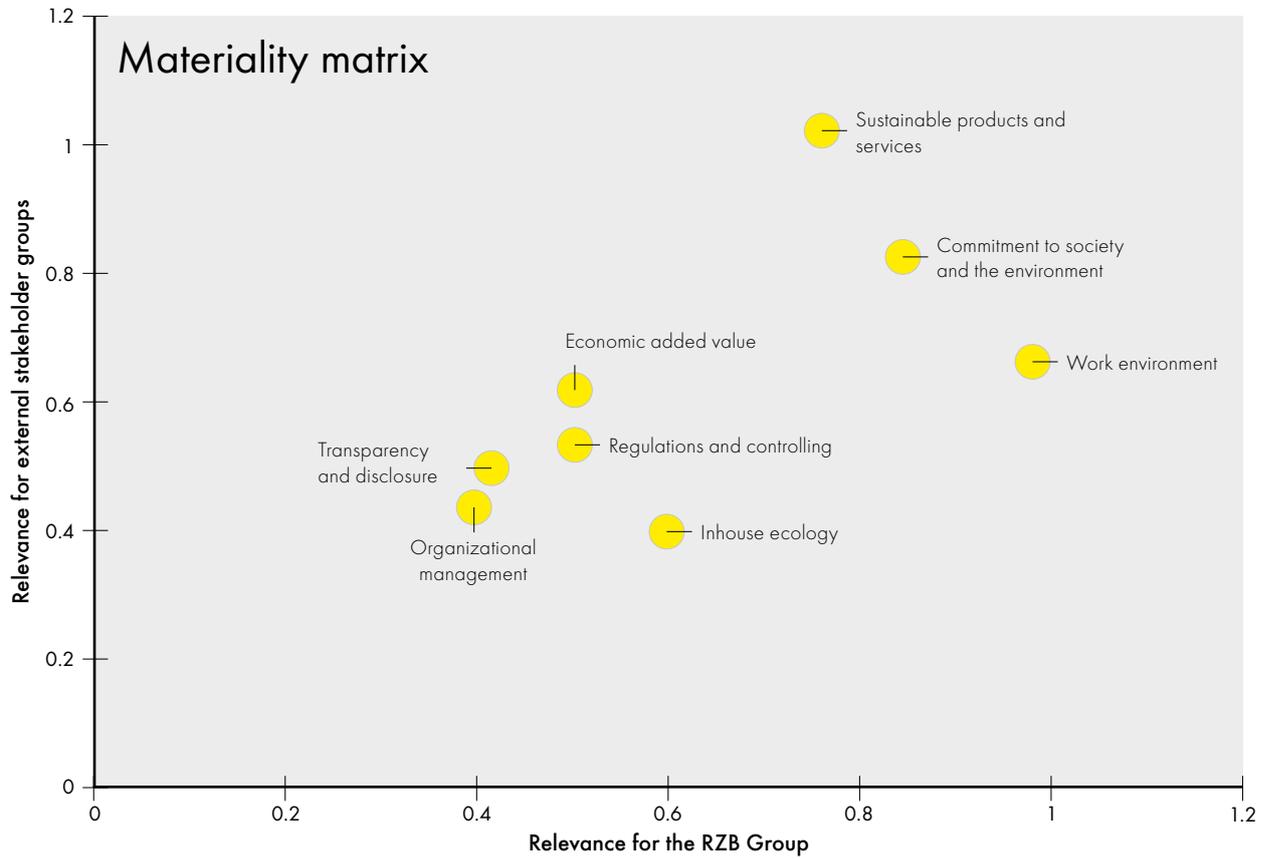
We interpret the fact that the stakeholders did not mention any further aspects either for the main or the sub-topics as meaning that no key topics were missing. On the other hand, the fact that each topic and sub-topic was prioritized by the stakeholders with points shows that the topics mentioned are seen as material.

Results of the online survey

A total of 736 stakeholders took part in the online survey “Materiality in Focus” conducted at the beginning of 2016, of which 366 were from Austria and 370 from the countries of the network banks in CEE. This corresponds to a return rate of 25 per cent and shows how keenly interested our stakeholders are in our topics. We can therefore consider the survey as representative for the evaluation and assessment of materiality and for the derivation of future measures.

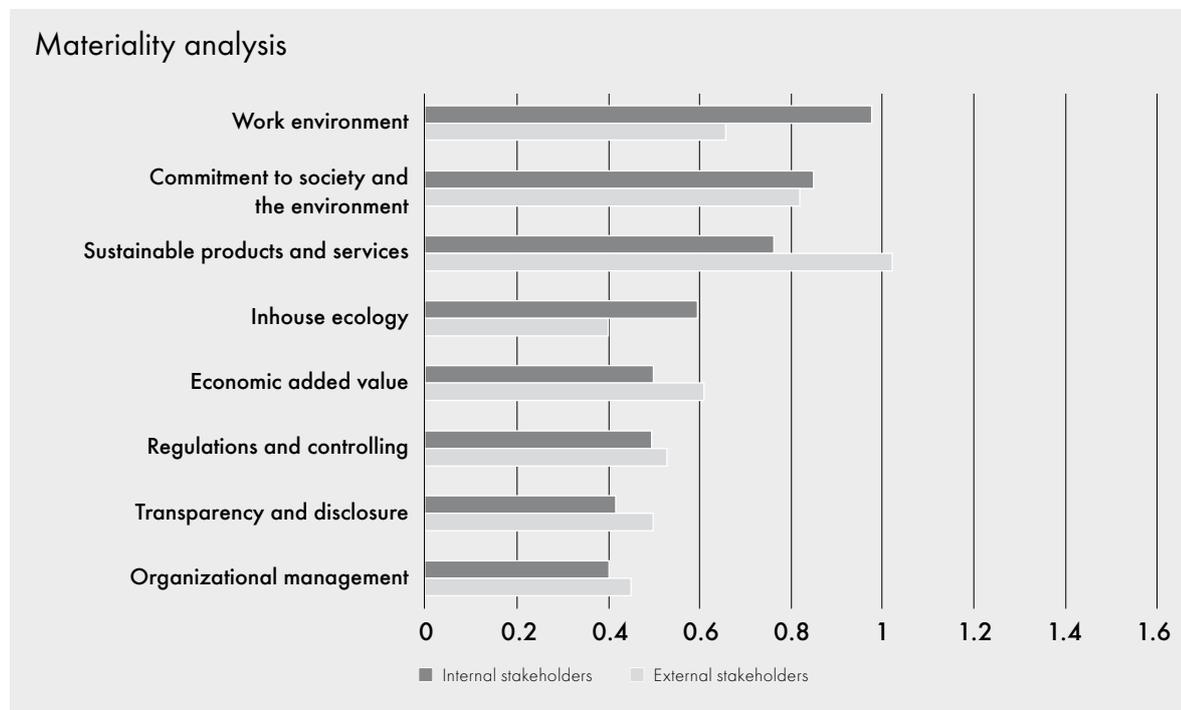
Materiality matrix of the RZB Group

The materiality matrix provides the following picture of the topics perceived as most relevant by our internal and external stakeholders:



When interpreting the matrix, it should be noted that only topics already identified as material were asked about when it came to awarding points. On the basis of the evaluation method, whereby the total of five points could be given to the eight topics in any weighting, it must be remembered when interpreting the matrix that this was not a "material/non-material" survey. The evaluation shows how the topics are assessed compared to each other, although in principle all of them are important.

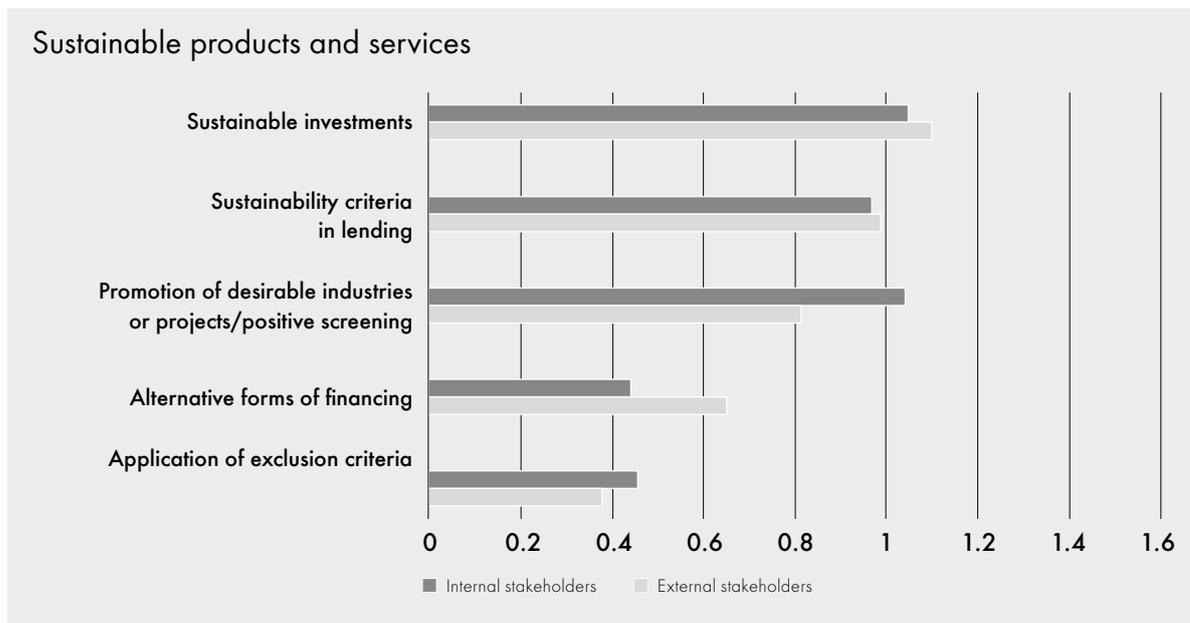
Overall materiality analysis of the RZB Group (ranked by priority of the internal stakeholders)



The bar charts in the following graphics on the materiality analysis show the evaluation of the sub-topics for the top three main topics of the online survey (Sustainable products, Work environment, Commitment to society and the environment). It must be remembered that the sub-topics are presented for the various stakeholder groups (internal vs. external stakeholders; internal vs. external Austrian stakeholders and stakeholders of the network banks; or Austrian stakeholders vs. those of the network banks). The reason for this is that the most informative presentation of the corresponding results was chosen in each case.

Materiality analysis of Sustainable products and services (ranked by priority of the internal stakeholders)

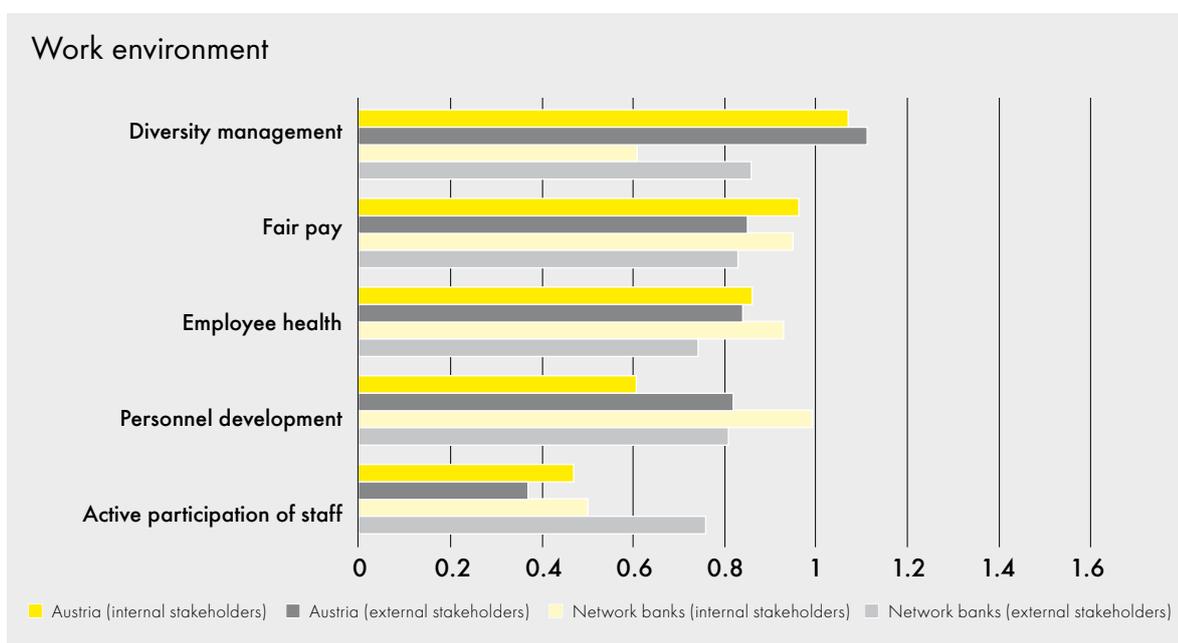
Sustainable products and services, i.e. the classic topic area of “CSR 2.0” (Sustainability in the core business), is considered by stakeholders to be a very important topic. The materiality analysis for the sub-topic of Sustainable products and services shows the results for the internal and external stakeholders, each ranked by the priority of the internal stakeholders. The external stakeholders see it as being the most important topic, while the internal stakeholders rank it in third place.



The highest priority for the RZB Group is seen in the sub-topic of Sustainable investments. This is followed by the topic areas of Sustainability criteria in lending and Promotion of desirable industries or projects. You can find details on our measures and projects in this area in chapter “Responsible banker” (page 47 onwards).

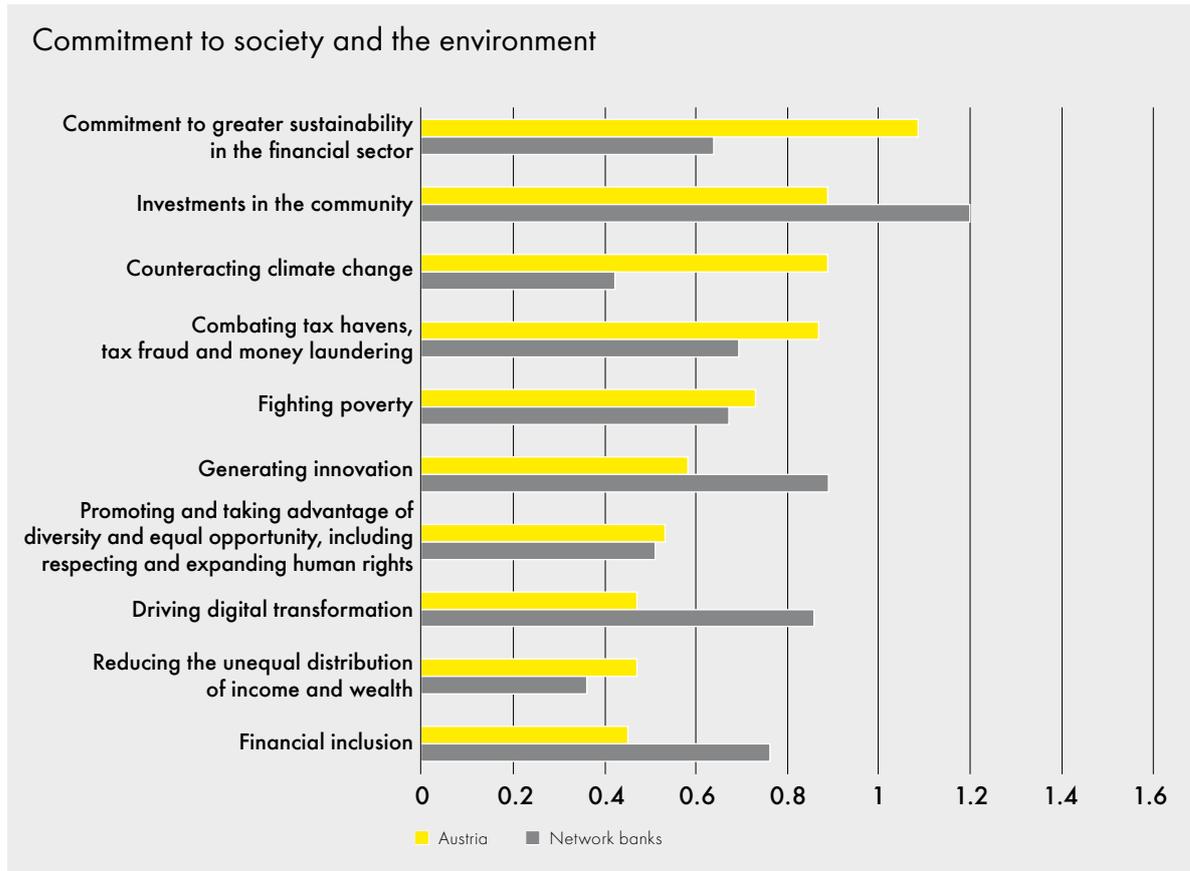
Materiality analysis of Work environment (ranked by priority of the internal stakeholders)

Overall, the internal stakeholders see the topic of Work environment as being the most important. The stakeholders of the network banks rank it the highest. The sub-topic Work environment shows in detail how the internal and external stakeholders from Austria and the network banks gave their evaluations (ranked by the priority of the Austrian stakeholders). The evaluation of the sub-topics of Work environment shows that Diversity management is seen as most important amongst the Austrian stakeholders, while the external stakeholders consider it to be even more important than the internal stakeholders. On the topic of Women in management, we already have a very good position at the network banks (see graphics on page 96 and 97). You can read more on our planned initiatives for increasing the proportion of women in top management in the chapter “Human Resources” (starting on page 85). Overall, the stakeholders also see the topic of Fair pay as being very important. We deal with our regulations and measures in this regard starting on page 86, 87 and 93 of this report.



Materiality analysis of Commitment to society and the environment (ranked by priority of the stakeholders from Austria)

Commitment to society and the environment is seen as the topic with the third-highest relevance. By this we understand commitment with respect to current developments of social and environmental relevance, active cooperation in this regard on solutions as well as the corresponding alignment of the company in the core business as a “Engaged citizen”.



When looking at the evaluation of the sub-topics, commitment to greater sustainability in the financial sector and investments in the community (e.g. through donating and corporate volunteering) are seen as the most important topics for the RZB Group. Stakeholders of the network banks see Investments in the community as the most important topic. You can find details on the initiatives of the RZB Group in this area in the chapter “Engaged citizen” (starting on page 131). For the Austrian stakeholders, the topic of commitment to greater sustainability in the financial sector is most important, although the external stakeholders considered it to be more important than the internal stakeholders. The topic of combating climate change is ranked third in Austria, while the topic of fighting poverty is felt to be more important at the network banks. From this it can be read that interested stakeholders in better developed economies already place more importance on combating climate change.

The results of the materiality analysis show what our Sustainability Management Department must focus on in the future. This could not be fully taken into account for reasons of time when creating our current sustainability program, as it is disclosed in this report.

Of course, our key topics were coordinated with the GRI aspects in a comprehensive process. The overview below lists the key topics determined by us together with all aspects of the Global Reporting Initiative G4 (GRI G4) that were classified as material and that are covered in this report.

| Key topics | | | |
|-------------------------|---|--|--|
| Areas of responsibility | Key topics | GRI G4 key aspect | Scope of the aspects |
| Responsible banker | Commitment to society and the environment | Local communities | Customers |
| | Organizational management | Active ownership Labeling of products and services Products and services | Customers |
| | Economic added value | Economic performance Indirect economic impacts Product portfolio | Owners, employees, network banks, employees, customers, business partners, RBI investors |
| | Other sustainable products and services | Product portfolio | Customers |
| | Regulations and controlling | Audit Compliance - Society Compliance - Product responsibility Fighting corruption Protection of customer data Labeling of products and services Marketing Anti-competitive behavior | Owners, employees, customers, RBI investors, supervisory authorities |
| | Transparency and disclosure | Public policy | Employees, rating agencies, RBI investors |
| Fair partner | Work environment | Occupational health and safety Training and development Employment Non-discrimination Equal remuneration for women and men Freedom of association and right to collective agreement negotiations Diversity and equal opportunity | Employees |
| | Inhouse ecology | Waste water and waste Emissions Energy Materials Transport Water | Civil society, NGOs and NPOs |
| | Organizational management | Product portfolio | All stakeholder groups |
| Engaged citizen | Commitment to society and the environment | Labeling of products and services Product portfolio Economic performance | Civil society, NGOs and NPOs, education and research |

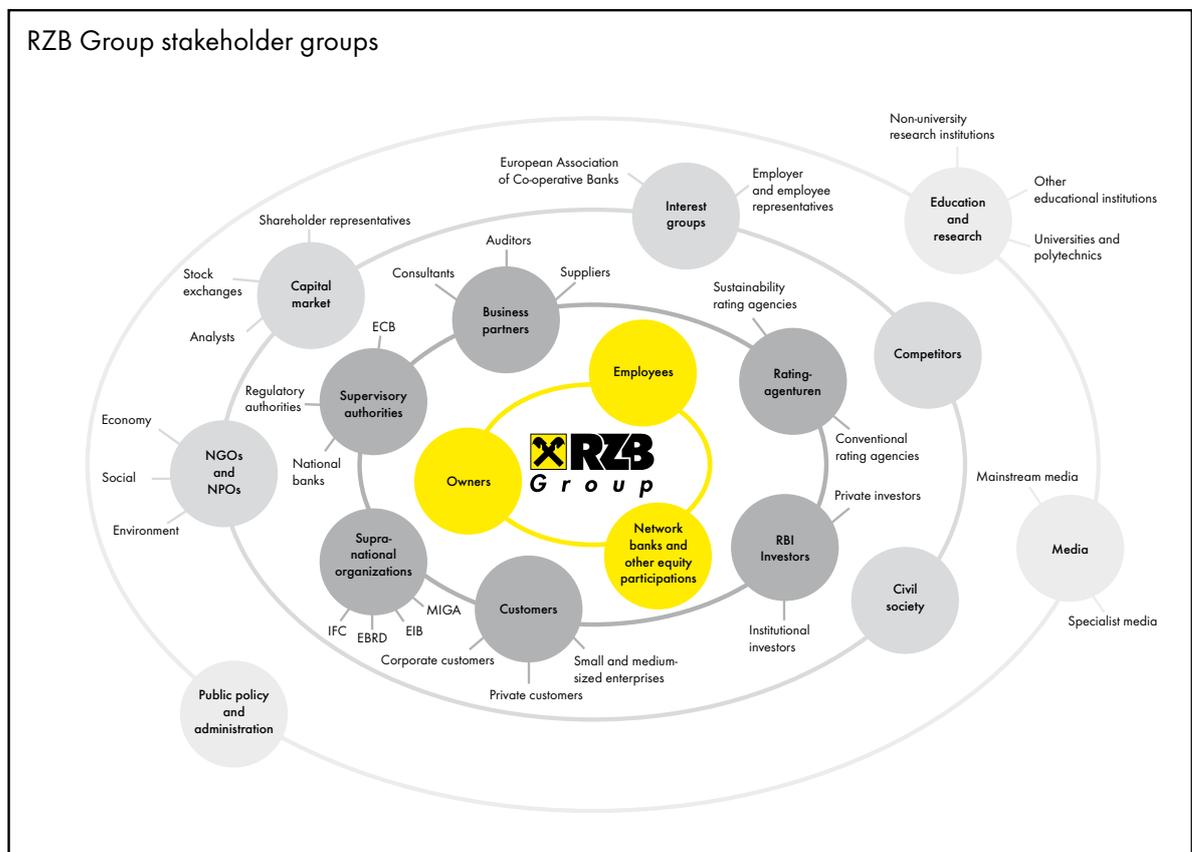
Stakeholder inclusion

Our business activities touch on the interests of many different groups and individuals in various countries. We also recognize that we are only able to run our company sustainably if we engage in frank and constructive dialog with our stakeholder groups and seek and find common solutions to controversial topics. Involving our stakeholders is therefore one of the core action areas of the sustainability strategy and a central element of our sustainability management.

We identify and assess relevant and sensitive issues through regular and effective dialog with the stakeholders. In various forms of communication with our stakeholder groups, we evaluate the relevance of sustainability topics. We process the results and controversial topics from the stakeholder dialogs in our sustainability committees and derive corresponding concrete objectives and measures for further development of our sustainability management.

Our stakeholders

The RZB Group defines its stakeholders as those people or groups of people that have a justified interest in the company through their direct or indirect business activities. Stakeholders are therefore primarily employees, customers, owners, subsidiaries and equity participations as well as business partners of the RZB Group. There are also several other stakeholder groups with which regular mutual relations exist.



Dialog and information

For the inclusion of our stakeholders, we engage in many forms of dialog including the internet, intranet, blogs, workshops and interactive events, surveys, conversations with experts, training courses and participation in local, national and international discussions on sustainability and sustainability initiatives.

In order to reach as many stakeholder groups as possible, we regularly carry out a comprehensive stakeholder survey. The last stakeholder survey was conducted in January and February 2016. Over 700 stakeholders took the opportunity of working with us to identify the key topics for the RZB Group (see page 22). The results of our stakeholder surveys are reflected in our materiality analysis and are integrated into our sustainability management alongside the results from focus groups, discussions with experts and the annual Stakeholder Council.

The materiality analysis is an important tool for our annually held Stakeholder Council. This allows us to more directly select those topics that we will discuss in greater depth with our stakeholders. At the Stakeholder Council and within the context of our reporting, we share information about the progress we have achieved in our sustainability performance. Our objective is to transparently disclose the most important expectations and recommendations of the stakeholders as well as our responses and associated measures. Here as well, we focus primarily on those topics and aspects that have been identified as key by us and the stakeholder groups.

| Selected forms of dialog engaged in by the RZB Group | | | |
|--|--|---|---|
| Forms of inclusion | Information | Dialog and consultation | Participation |
| Goals | Creating transparency, Sharing information | Open exchange and dialog on perspectives, Expectations and possibilities for solutions: listening and learning | Active participation, Cooperation, setting out initiatives, implementing projects |
| | Sustainability report based on GRI guideline (GRI G4) | Stakeholder Council | Active launching of sustainability measures (e.g. about the RKI) |
| | UNGC report "Communication on Progress" | Focus groups | Participation in national initiatives (e.g. respACT) |
| | Participation in the Carbon Disclosure Project | Surveys and opinion polls on sustainability topics (e.g. online surveys) | Participation in international initiatives (e.g. UNEP FI, UNGC, EACB, VfU) |
| | Sustainability information on the company websites | eLearning tool (internal sustainability training) | Support of projects (e.g. cooperation polytechnics and universities, such as student workshops with oikos Vienna) |
| | External and internal communication (e.g. regular articles in the employee magazine INSIDE) as well as public relations work | Social media (Facebook RKI, internal Raiffeisen blog on sustainability and corporate responsibility) | Incorporation of external stakeholder groups in inhouse committees (e.g. on the Sustainability Council) |
| | Participation in sustainability ratings of agencies (e.g. oekom research, Sustainalytics, Vigeo-EIRIS) | Ad hoc dialogs with policymakers and various specialized lectures (e.g. at universities) | Regular meetings (e.g. Group meeting) |
| | Articles in specialized publications | Organization of events (e.g. RKI networking events, ICEP conferences) | |

Stakeholder Council

Our most important communication format is the annual Stakeholder Council, in which various stakeholder groups enter into dialog with representatives of our Managing Board and management. The goals of the event are dialog and knowledge transfer, informing the participants about progress achieved, discussing possible actions and jointly considering and dealing with current sustainability questions.



The sixth Stakeholder Council of the RZB Group was held on November 18, 2015, with the participation of approx. 70 people from various stakeholder groups (customers and business partners, employees and owners, the world of finance and rating agencies, education and research, interest groups, media, public policy and administration, NGOs and NPOs).

The event was held under the title "Fit for the future through sustainability". The guest speaker, Prof. Franz-Josef Radermacher, an internationally renowned expert on sustainability, presented the aspects he associates with these keywords in his thirty-minute keynote address. He got the participants really thinking and talking with quotes such as "The world has enough for everyone's needs, but not for everyone's greed" (M. Ghandi), theses such as "We're driving against the wall at top speed, and we're certified to do so" and statements such as "Fighting poverty is currently possible only at the expense of climate protection".



Welcome by Johannes Schuster, Member of the Managing Board of RZB AG, © wdw4friends



Keynote by Prof. Franz-Josef Radermacher, © wdw4friends

He also expressed plenty of criticism: The climate problem could theoretically be solved, but it probably won't be. Because: "Decades have passed, but we've failed to agree on binding goals that promote innovation, a change of behavior and real costing." Then there's the issue that Sustainable Development Goals (SDGs) are non-binding and have no corresponding financial resources or persons in charge. The sole chance would be a common Global Governance agreement that the economy would only have a future if it were regulated on an environmental and social basis.

The four workshops that followed focused on the topic of "Sustainability in the core business of the banking sector", which was discussed on the basis of the following key questions:

- What challenges society with respect to the sustainability of the banking sector? What are the challenges of NGOs (e.g. Carbon Divestment) and how should the RZB Group deal with them?
- How should the added value process of a bank be positively influenced in terms of sustainability and where should this be tackled in the RZB Group?
- How can globally sustainable development goals be realized specifically in the core business? Which key contributions can the RZB Group make to this?
- Which topics also engage the stakeholders of the RZB Group in terms of the core business?

The question "What challenges society with respect to the sustainability of the banking sector?" raised key terms such as intergenerational justice, contemplation of the original business purpose and financial education/

financial literacy. It was mentioned several times that the topic of sustainability should be understood as a business case. It is expected that the banking sector will continue to develop and become more transparent in this regard. There was consensus that there is no alternative to a fossil fuel phase-out. The course towards this should be set now. The need for regulatory framework conditions was also mentioned, so that the economy can be effectively active. Above all, contact with customers must be intensively sought, so that this trust can develop into a stable financial system.

In order to “influence the added value process” in the direction of sustainability, the discussants were, among other things, of the opinion that while the “transformation of values” should be part of a bank’s purpose, too much responsibility is also being shifted onto banks. Despite numerous conflicting objectives, a start should be made with the introduction of sustainability criteria in the area of lending. A conceivable interim step would be an intensification of sustainable financing. A monetization of the risks induced by a lack of sustainability could also be helpful. In the real estate industry, green buildings are now seen as essential, while in other areas sustainability is seen as a luxury. It was not possible to clearly answer the question of whether the impetus towards more sustainability in the core business should come from the owners or from the management. In any event, sustainability principles should be communicated to the customers. This would also represent an opportunity for the RZB Group.

On the topic of “Globally sustainable development objectives”, particular importance was attached to the following points and possible synergies were mentioned (starting from the SDGs and the RZB topic map): General financial education, financial inclusion and digital transformation will increase in relevance in the future. Diversity, equal opportunity and gender equality can create a benefit for the banking group and are good prerequisites for overcoming social and economic challenges. The generation of innovations is the key to long-term success. In the case of products and services, attention should be paid to disadvantaged groups of customers in the lending process (e.g. start-ups, microloans, social entrepreneurship, generation 70+), young people). Here, too, financial education should play an important role.

In the final open round table, it was discussed, starting from the challenges currently to face the financial market, how the RZB Group should get more involved in national and European questions of (political) governance. Summary: The RZB Group can make a key contribution to ensuring that the topic of sustainability plays a bigger role in the future. The Raiffeisen sector also stands for a close link between the financial and real economy. In terms of transparency, a guiding principle in the area of sustainability, there is a need to catch up. We should also develop alternative concepts and strategies for how a sustainable financial market and a future-oriented monetary system could look. Concerns were also raised, because “too big too fail” should not be an incontrovertible law. Finally, everyone was urged to consider issues ranging from the formation of alliances through to civil society.

Communication and awards

Communication and awareness-raising

Online training for sustainability



Sustainability and corporate responsibility have traditionally played an important role in the RZB Group. We strive to include new employees in our activities from the outset and to convey our strategy to them. In 2014, we started to create an online training course on sustainability topics in the RZB Group together with Human Resources. The training has been offered to employees of RZB AG and RBI AG since the summer of 2015. It also contains an obligatory knowledge quiz. All new employees are actively invited to complete the online training. All other employees can do this on a voluntary basis.

The training will provide general information on the topic of sustainability (such as the new EU directive 2013/34/EU on the sharing of non-financial and diversity-related information by certain large companies and groups) as well as the “triple bottom line”. The sustainability strategy of the RZB Group will also be described in detail, including the presentation of our most important projects and initiatives. The training will allow participants to acquire basic knowledge of the subject and to understand what sustainability means for the RZB Group.

Sustainability ratings, indices and awards

Sustainability ratings and sustainability indices

Alongside key financial figures, sustainability criteria are being increasingly factored into the decisions taken by investors. Analyses and ratings by agencies and index providers specializing in sustainability offer guidance and orientation.

oekom research rating

oekom research evaluates a company’s social and ecological performance in the context of the corporate rating by applying over 100 sector-specific social and environmental criteria. oekom research ensures that the ratings are kept up to date through regular update cycles. In order to make the evaluations transparent, oekom research publishes not only criteria and processes but also important rating results. The sustainability rating of the RZB Group and of the RBI Group was once again confirmed as “C-” in autumn 2015.



VÖNIX

RBI AG has been listed in the sustainability index of the Vienna Stock Exchange – the VBV-Österreichischer Nachhaltigkeitsindex (VÖNIX Index) – for ten consecutive years. It includes those domestic companies listed on the Vienna Stock Exchange that are leading in terms of their environmental and social activities and services. The VÖNIX index, which was launched in June 2015, is one of the first national sustainability indices and demonstrates

the long-term benefit of sustainable business and investment. The VÖNIX index is based on the measurement of entrepreneurial activity. This requires a complex model with extensive environmental and social exclusion criteria and positive criteria.



Presentation of the "ALL-TIME-INDEX-MEMBER" certificate to Martin Grill, Member of the Managing Board of RBI AG, © VBV Vorsorgekasse AG/APA-Fotoservice/Preiss

As part of an annual sustainability analysis, information on the relevant sustainability criteria is surveyed for all domestic companies whose shares are listed in the upper market segments of the Vienna Stock Exchange. Publicly available company information, individual company sources and other materials such as press releases or databases serve as sources.

The analysis, which is performed once a year, results in sustainability ratings. Those companies that achieve an above-average rating or a good rating in relation to the industry are then added to the VÖNIX index. The VÖNIX index is recompiled each year in mid-June and is subsequently valid for a period of one year. The number of index members is not fixed, but in the past has usually ranged between 20 and 25.



FTSE4Good

RBI AG was included in the FTSE4-Good Index Series of the London FTSE Group for the first time in 2015. The FTSE4Good is a family of indices that contains companies which undertake to comply with globally recognized standards of corporate responsibility in the areas of the environment, society and governance and are particularly committed. This is measured on the basis of transparent criteria.



STOXX ESG Leaders

RBI AG is a member of STOXX® Global ESG Leaders. This family of indices contains a group of sustainability indices which are determined by means of a transparent and structured procedure.

Awards

ASRA – Austrian Sustainability Reporting Award



Presentation of the ASRA award to the RZB Group, © ASRA

The Sustainability Report of the RZB Group for 2014 was awarded at the Austrian Sustainability Reporting Awards in October 2015. In the category “Large Corporations”, the RZB Group again received an award for one of the best sustainability reports produced by an Austrian corporation. The award is presented annually by the Chamber of Public Accountants together with the Institute of Austrian Certified Public Accountants and other co-operation partners. The RZB Group impressed the jury with its well-conceived sustainability strategy. At the award-giving in the House of Industry, the exemplary presentation of the added value analysis in the report was also highly praised.

Valida Vorsorge Management – an affiliated company of the RZB Group – was also presented with the Austrian Sustainability Reporting Award for its 2014 sustainability report.

It took third place in the category “Small and Medium-Sized Enterprises” and is thus the industry winner in the area of “Corporate pension insurance funds”. The jury was above all impressed by the transparent presentation of the sustainability objectives and the goals achieved in the previous year.



Presentation of the ASRA award to Valida, © ASRA

Carbon Disclosure Project (CDP)



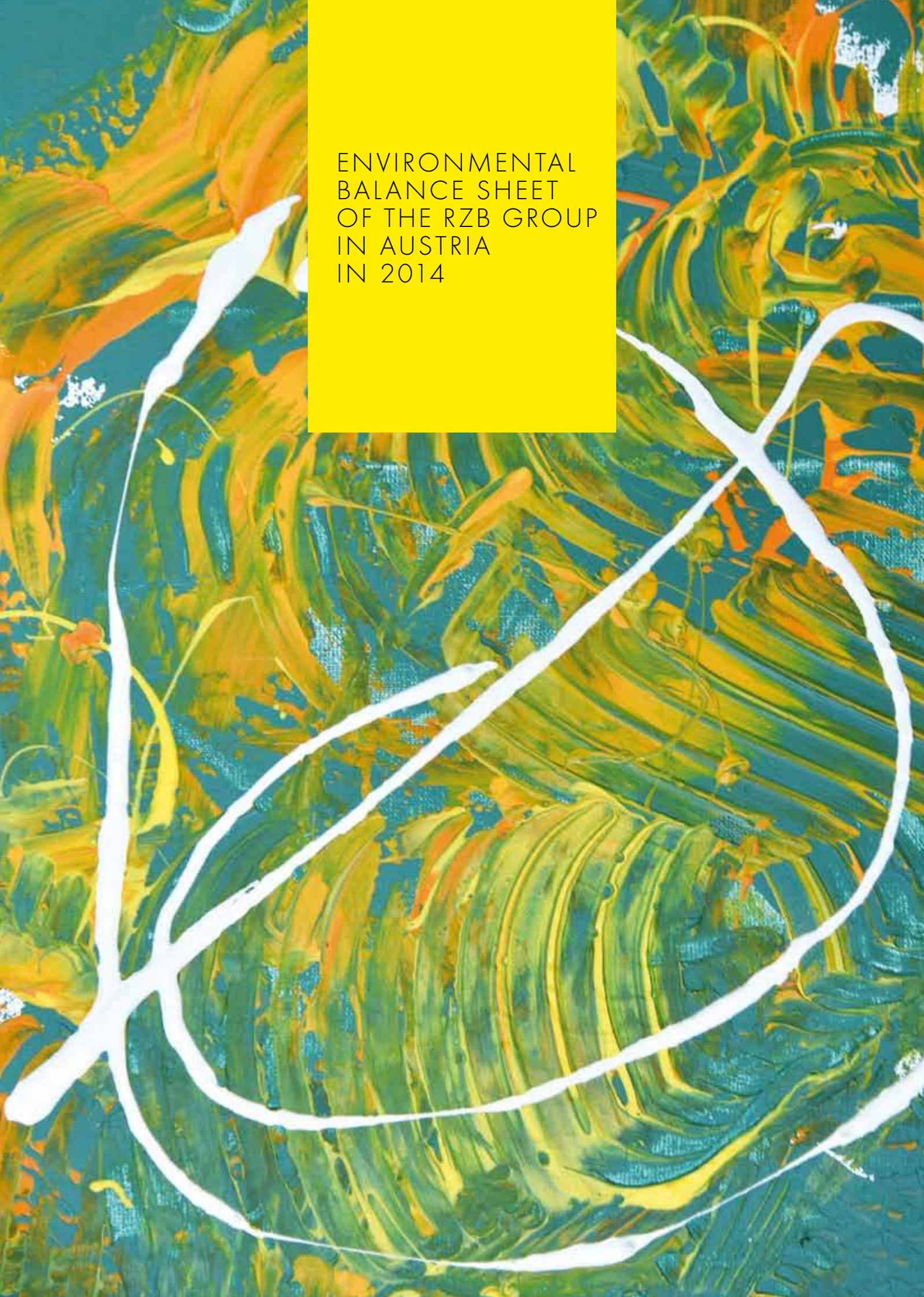
Receipt of the CDP award in Munich, © CDP, Francesco Camilla Bruno

Of 350 companies from the region covering “Germany, Austria and Switzerland (DACH)”, RBI AG (incl. the network banks) is – with 100 A points – one of 13 companies to be included again in the Carbon Performance Leadership Index (CPLI). This index gives an overview of the detailed nature of the reporting and covers the best-performing companies. The CDP uses the reported data to prepare the Carbon Disclosure Leadership Index (CDLI) for individual regions (incl. DACH), which analyzes the quality of the information. RBI AG was included in the CDLI for the first time 2015 and awarded for the third time in

a row by the CDP for its high level of CO₂ savings. The fact that the cooperation of all network banks in Central and Eastern Europe also enabled their emissions data to be reported for the first time had a particularly positive impact. Various measures within the scope of comprehensive environmental controlling, such as the relation to energy-efficient office buildings, have also contributed to a sharp improvement in our emissions figures.

The maximum award in this ranking, however, is the CDP Climate Score 100 A, which reflects the degree of transparency in conjunction with the actually rendered climate protection services of the reported data. It is an expression of credibility through the verification of data (RBI AG has had audits performed in accordance with ISO 14064-3 since 2013) and above all the effectiveness of the measures initiated by the companies in respect of adjusting to and combating climate change. Only 113 out of more than 2,000 listed companies around the world secured a place in the CDP Climate A List.

With a score of 100 A points in the 2015 Climate Change Report, RBI AG belonged to the “Sector Leader Financials”, the best companies of this industry in the DACH region, and was also the Country Leader in Austria.



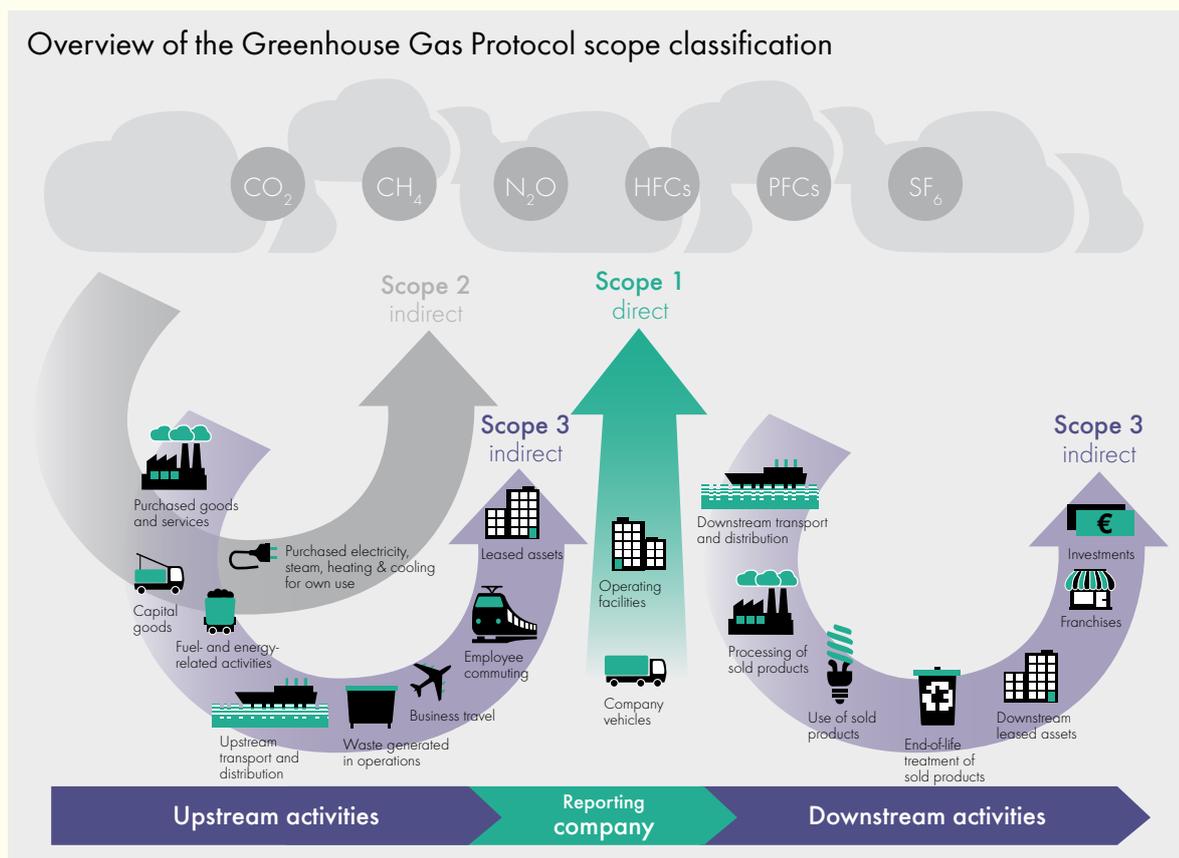
ENVIRONMENTAL
BALANCE SHEET
OF THE RZB GROUP
IN AUSTRIA
IN 2014

Environmental balance sheet of the RZB Group in Austria in 2014

Anthropogenic climate change is one of the great global challenges of the future. The Fifth Assessment Report of the Intergovernmental Panel on Climate Change as well as the first Austrian assessment report on climate change were published in 2014. Both reports confirm in material respects the familiar insights of climate research in recent years: Climate change caused by humanity is real. Myriad impacts on the environment and on humans can already be shown to exist today. Further increases in greenhouse gas emissions will result in climate impacts with corresponding social and economic consequences for many countries and regions. In consideration of this situation, the Sustainable Development Goals (SDGs) passed by the UN General Assembly in September 2015 and the Agenda 2030 derived from them are important measures. These marked an important milestone in the preparation for the UN Climate Change Conference in Paris from November 30 to December 11, 2015.

In continuation of the economic added value analysis for the year 2013, the Raiffeisen Banking Group (RBG) created an environmental balance sheet for the 2014 financial year in cooperation with the "Umweltbundesamt" (Environment Agency Austria). An excerpt from the results of the RZB Group in Austria is presented below. For more information, you can find the entire added value report of RBG at www.rzb.at/sustainabilitymanagement.

The systematic tracking of greenhouse gas emissions caused directly and indirectly by the company's activities is referred to as the greenhouse gas balance sheet (GHG balance sheet). This provides information about the climate-relevant environmental performance of a company by reporting the emissions of the area under consideration in CO₂ equivalents (CO₂e). The emissions arising directly at the location of energy conversion (e.g. from boilers or from the combustion engine of an automobile) are referred to as direct emissions. Additional emissions are produced during the production of the fuels (e.g. from the extraction of petroleum and its processing into diesel). These are referred to as indirect (or upstream) emissions. In addition to the classification as direct and indirect GHG emissions, a classification by scope is also possible according to the Greenhouse Gas Protocol (GHG Protocol).



The data for the environmental balance sheet was collected on the basis of a standardized questionnaire. For the RZB Group in Austria, this was filled out by Raiffeisen Zentralbank Österreich AG, Raiffeisen Bank International AG, Raiffeisen Kapitalanlage-Gesellschaft m.b.H. and Raiffeisen Bausparkasse Gesellschaft m.b.H., and the employee-based assessments covered 2,608 employees.

The identified greenhouse gas emissions for the period of 2009-2014 encompassed the following areas:

- Electricity consumption: Breakdown into average Austrian electricity and electricity certified with the ecolabel UZ 46. This green electricity consists of 100 per cent renewable energy carriers. It may only be offered by green energy suppliers and must consist of 79 per cent hydropower as well as biomass, geothermal energy, solar energy, wind power and at least one per cent from photovoltaic systems.
- Heating requirements: Broken down by the energy carriers of fuel oil, natural gas, district heat, biomass and other heating systems (heat pumps, electric heaters, etc.)
- Business travel: Selection of air, rail, diesel car, gasoline car, mixed diesel/gasoline car and alternative car (e.g. natural gas or electric vehicle)
- Office materials: Use of paper and printer cartridges
- Cooling: Use of refrigerants for indoor air-conditioning

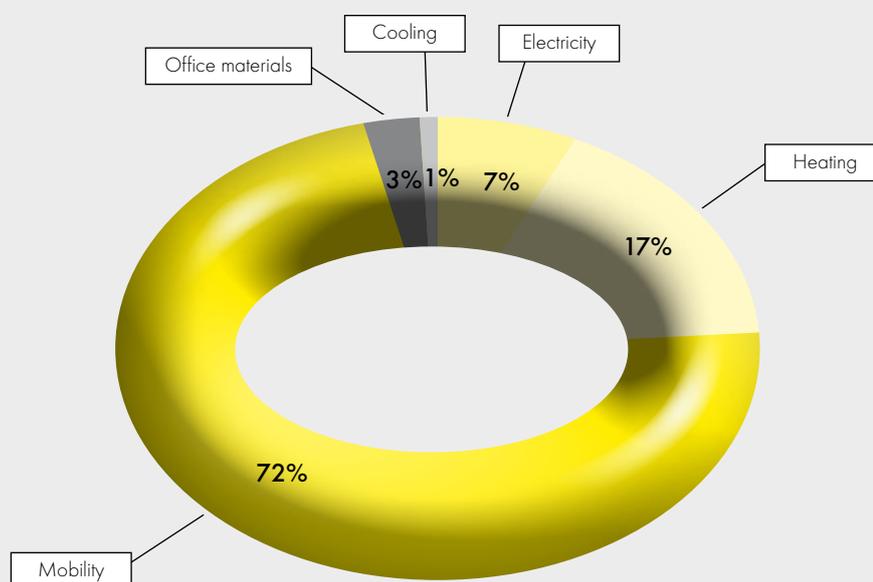
Both internal investments (e.g. building renovation measures or investments in electric mobility for business travel) as well as externally provided financing (e.g. loans to promote the use of renewable energy or alternative mobility) were surveyed in order to depict the climate-relevant and economic effects of green investments.

It should be noted here that the reference years for collection of the effect data differ depending on the type of investment. Internal investments refer to the time period from 2009 to 2014 because larger investments – such as thermal renovation – are only performed rarely, meaning that data from individual years can naturally be subject to high statistical variation. The effects for the internal investments were converted to a single year for better comparability. In the case of the external financing, the data refers to the year 2014.

Results of the greenhouse gas balance sheet

Roughly 8,600 tons of CO₂e emissions were produced due to the business activities of the RZB Group in Austria. The largest share at roughly 72 per cent of the emissions (about 6,200 tons CO₂e) resulted from the extensive air travel in the area of mobility. The provision of space heating (roughly 1,450 tons or 17 per cent) and the electricity requirements (roughly 600 tons or seven per cent) were also responsible for significant quantities of emissions. Office materials at three per cent and cooling at one per cent play a lesser role and were therefore not subjected to further special analysis.

Distribution of GHG emissions within the RZB Group in Austria for the year 2014 in per cent



Source: RZB Group, "Umweltbundesamt" (Environment Agency Austria)

The greenhouse gas emissions per employee amounted to 3,309 kg CO₂e; this value is higher than the mona¹ data because the "Umweltbundesamt" (Environment Agency Austria) utilized the "radiative forcing index"² for the evaluation of air travel.

Scope classification of emissions

The scope emissions total 48,081 tons of CO₂e. The largest share of the emissions is held by Scope 3 (primarily resulting from air travel), followed by 2 (primarily resulting from heating).

| GHG emissions in tons CO ₂ e | Scope 1 | Scope 2 | Scope 3 | Total |
|---|---------|---------|---------|--------|
| RZB Group in Austria | 73 | 1,301 | 7,256 | 8,630 |
| RBG | 9,830 | 17,585 | 20,667 | 48,081 |

Source: RZB Group, Umweltbundesamt

The areas of electricity, space heating and mobility are described in more detail below.

¹ Since 2013, we have used an internal tool as the central instrument for controlling and monitoring our main sustainability efforts. This innovative software, called "mona", is based on the Global Reporting Initiative (GRI) and relies on scientific data as an instrument for sustainability monitoring and reporting within the RZB Group.

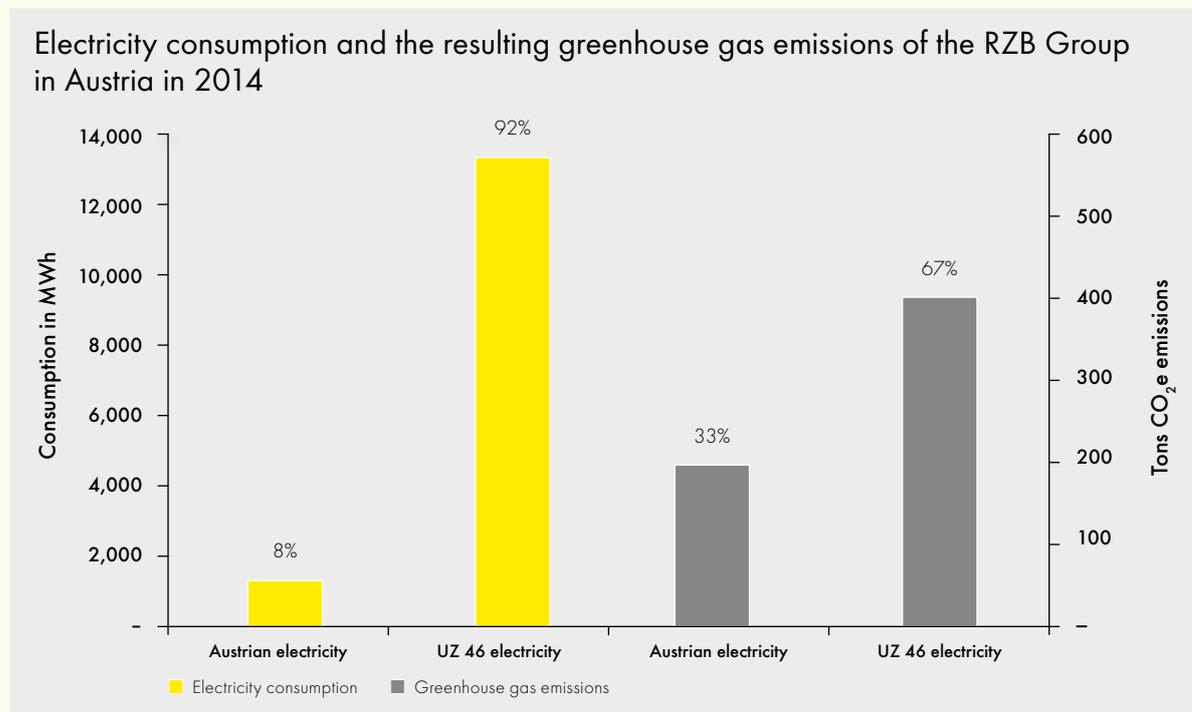
² Radiative forcing index (RFI factor in flight emissions): The calculation of climate impacts by air travel is currently not subject to any uniform standardization. It has been scientifically shown that air travel emissions can have climate-relevant impacts depending on the external conditions at high altitudes due to physical and chemical interactions with the atmosphere. Negative effects of air travel emissions are therefore much more extensive for long haul flights than for flights at lower altitudes. Umweltbundesamt GmbH (Environment Agency Austria) has decided to use the average value of 2.7 proposed by the IPCC (1999, 2006) as the factor for determining air travel emissions.

Electricity

In the buildings of the RZB Group in Austria, over 90 per cent of the procured electricity bears the ecolabel UZ 46 for electricity³. Only a small portion of the procured electricity has no certification. The following table clearly shows the advantages of UZ 46-certified electricity for the climate. Although this covers over 90 per cent of the electricity consumption, the emissions from this electricity consumption make up only 67 per cent of the total emissions in the area of electricity. On the other hand, the low amount of electricity without certification (eight per cent) is responsible for one-third of the total emissions. This demonstrates the low greenhouse gas emissions of green electricity compared with other energy carriers.

| Electricity consumption of the RZB Group in Austria | MWh | Tons CO ₂ e |
|---|--------|------------------------|
| Average Austrian electricity | 1,230 | 199 |
| UZ 46 electricity ³ | 13,287 | 402 |

Source: RZB Group, Umweltbundesamt



Source: RZB Group, Umweltbundesamt

Heating

Exclusively district heating is used to cover the need for heating; district cooling is additionally used to some extent for air-conditioning. The latter is reported under "Other heating systems". According to the following table, almost 92 per cent of the emissions are attributable to district heating, which also corresponds to the share of consumption.

| Heating consumption of the RZB Group in Austria | MWh | Tons CO ₂ e emissions |
|---|-------|----------------------------------|
| District heating | 7,158 | 1,343 |
| Other heating systems | 642 | 126 |

Source: RZB Group, Umweltbundesamt

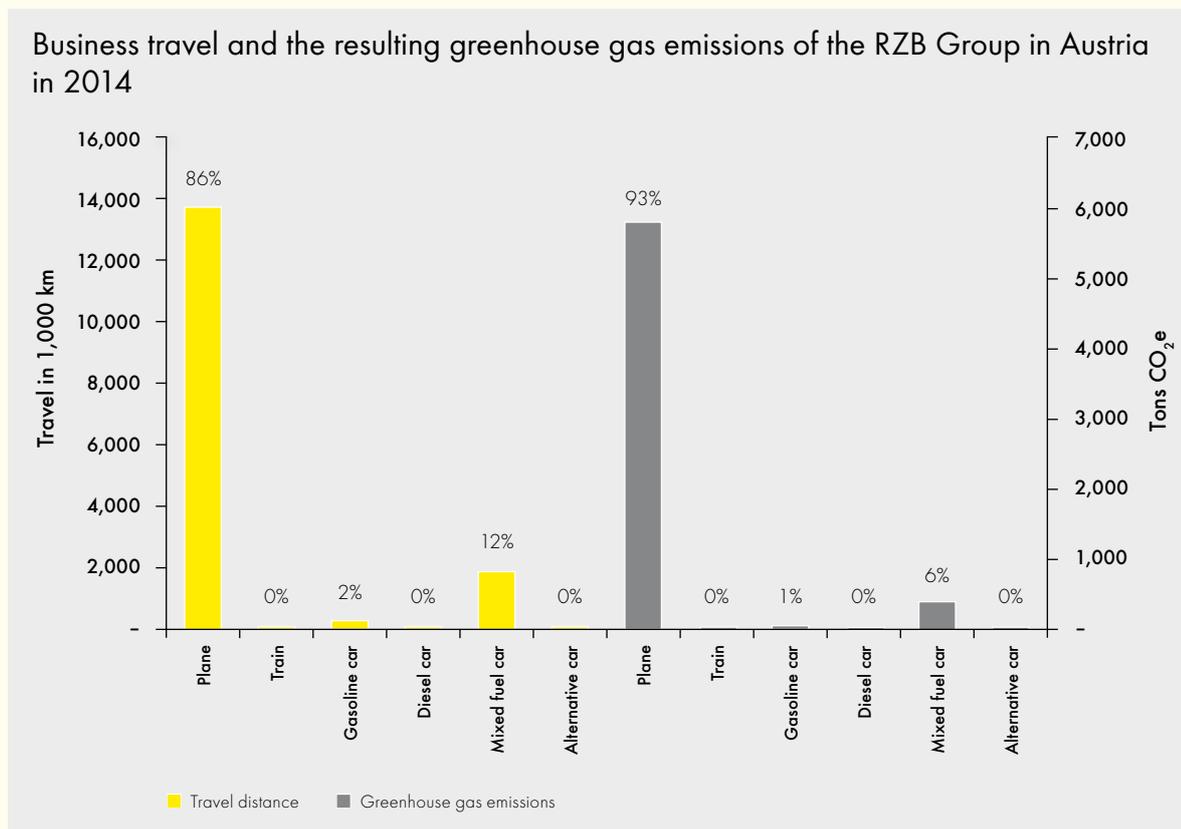
³ This "green electricity" consists of 100 per cent renewable energy carriers. It may only be offered by green energy dealers and must consist of 79 per cent hydropower as well as biomass, geothermal energy, solar energy, wind power and at least one per cent from photovoltaic systems.

Mobility

Air travel accounts for 86 per cent of all business travel. Other business travel largely consists of mixed fuel cars (60 per cent diesel, 40 per cent gasoline). The following table shows the GHG emissions of the various transportation types. The emissions from air travel are notable as they account for roughly 94 per cent of the GHG emissions. This is amplified in particular by the RFI factor⁴. The next most relevant source of GHG emissions is transportation by car.

| Mobility of the RZB Group in Austria | 1,000 km of travel | Tons CO ₂ e emissions |
|--------------------------------------|--------------------|----------------------------------|
| Alternative car | 5 | 0 |
| Mixed fuel car | 1,995 | 362 |
| Gasoline car | 15 | 3 |
| Diesel car | 265 | 46 |
| Train | 52 | 1 |
| Plane | 13,969 | 5,827 |

Source: RZB Group, Umweltbundesamt



Source: RZB Group, Umweltbundesamt

⁴ Radiative forcing index (RFI factor in flight emissions): The calculation of climate impacts by air travel is currently not subject to any uniform standardization. It has been scientifically shown that air travel emissions can have climate-relevant impacts depending on the external conditions at high altitudes due to physical and chemical interactions with the atmosphere. Negative effects of air travel emissions are therefore much more extensive for long haul flights than for flights at lower altitudes. Umweltbundesamt GmbH has decided to use the average value of 2.7 proposed by the IPCC (1999, 2006) as the factor for determining aircraft emissions.

Savings potential

Some examples for potential greenhouse gas savings should illustrate the impact of possible future measures, with the savings potential in the mobility area significantly exceeding the other examples listed.

- Coverage of the entire electricity demand with ecolabel UZ 46: In this area, the theoretical savings run to roughly 160 tons of CO₂e emissions. This conversion could lower the emissions by two per cent to roughly 8,450 tons.
- Replacement of ten percent of air travel with video conferences: This measure could theoretically save roughly 600 tons CO₂e. This would reduce the total emissions of the companies of the RZB Group by seven per cent.
- Shifting of ten percent of the business travel by fossil-fuel-driven automobiles to electric vehicles: The theoretical savings amount to roughly 30 tons CO₂e. This would reduce the total emissions of the companies of the RZB Group by less than one per cent.

Climate-relevant effects of sustainable financing and investments

Many sustainable financing projects and investments of the RZB Group in Austria make important contributions to the environment. The potential for greenhouse gas reductions within our own sphere of influence (building-related measures) as well as through loans issued to customers for renewable energy and energy efficiency was evaluated. The emission factors are based on calculations by the "Umweltbundesamt" (Environment Agency Austria), which are used for depicting the annual national greenhouse gas inventory, as well as data reported to the EU Commission every two years as part of the EU monitoring mechanism or collected within the framework of the evaluation of subsidies by the climate and energy fund (KLIEN)^{5,6}.

The following activities were taken into account in the analysis:

- Energy efficiency/thermal renovation: For quantification of the effects, it was assumed that the measures involved primarily thermal renovations. The emission factors correspond to the calculation according to the EU monitoring mechanism.
- Alternative mobility: It was assumed here that electric mobility measures in particular but also measures for promoting the use of bicycles, etc. have been implemented. The emission factors were determined according to the KLIEN assessment methodology.
- Promoting renewable energy: The evaluation of the effects was based here on the replacement of heating systems as well as the installation of photovoltaic systems. The emission factors were determined according to the KLIEN assessment methodology.
- Other measures for resource conservation or emission reduction as well as energy efficiency measures: This refers, for example, to measures for paper reduction, trainings to improve awareness on the part of employees (with regard to saving electricity and fuel), conversion of lighting systems, etc. The emission factors correspond to the calculation according to the EU monitoring mechanism.

The listed effects are relative effects that indicate how much higher the greenhouse gas emissions would have been if the measures had not been implemented.

⁵ Umweltbundesamt (Environment Agency Austria, 2015): GHG Projections and Assessment of Policies and Measures in Austria. ISBN: 978-3-99004-338-7

⁶ Umweltbundesamt (Environment Agency Austria, 2014): Evaluation of the 2011 annual program of the climate and energy funds

Environmentally friendly investments of the RZB Group within its own sphere of influence

Most of the companies of the RZB Group invested in thermal renovations and alternative mobility. For example, two companies reported that they renovated chillers (including heat exchangers); another reported sealing windows and installing outdoor roller shutters. Two companies invested in alternative mobility by constructing an area for stowing bicycles as well as procuring an electric car. The switch to a more environmentally friendly electricity provider was also reported by one company and counted among investments in renewable energies.

| Measures | Total volume in euros per year | Induced emissions reduction in tons CO ₂ e per year |
|--------------------------------------|-----------------------------------|---|
| Energy efficiency/thermal renovation | 57,750 | 24 |
| Alternative mobility | 8,333 | 2 |
| Promotion of renewable energy | 5,000 | 11 |
| Total | 71,083 | 37 |

Source: RZB Group, Umweltbundesamt

Through the measures within our own sphere of influence, a total of roughly 37 tons per year of greenhouse gas emissions have been saved. It is important to note here that many of the measures exert these effects not only in a single year but over the course of a number of years (with effect size tending to decline over time), depending on the type of the measure. Roughly 37 tons of GHG emissions are produced by the burning of about 12,000 liters of fuel oil.

Loans issued by the RZB Group in the environmental area

Many sustainable financing projects of the RZB Group in Austria make important contributions to the environment. The greenhouse gas (GHG) reduction potential from the loans issued to customers by the RZB Group in the areas of energy efficiency/thermal renovation, alternative mobility and renewable energy are quantified below. The emission factors are based on calculations by Umweltbundesamt GmbH.

| Measures | Total volume in euros per year | Induced emissions reduction in tons CO ₂ e per year |
|--------------------------------------|-----------------------------------|---|
| Energy efficiency/thermal renovation | 106,117,000 | 44,569 |
| Alternative mobility | 25,700,000 | 7,613 |
| Promotion of renewable energy | 89,900,000 | 194,184 |
| Total | 221,717,000 | 246,366 |

Source: RZB Group, Umweltbundesamt



The assumptions concerning the calculations of the sustainable financing projects of the RZB Group in Austria indicate emissions savings amounting to roughly 250,000 tons of CO₂ equivalents. Measured in terms of the average greenhouse gas emissions per resident in Austria (roughly 9.3 tons per year), this quantity of emissions corresponds to the population of the city of Leoben (roughly 26,000 residents), car travel of 1.7 billion kilometers or the average annual electricity consumption of 334,800 households.

The background is a complex, abstract pattern of overlapping shapes and colors. It features large, irregular patches of bright yellow, deep red, and dark blue, interspersed with white, thin, curved lines that resemble stylized leaves or branches. The overall effect is a dense, textured composition. A solid yellow rectangular box is positioned in the upper center, containing the text.

FIELD OF ACTION
RESPONSIBLE
BANKER: FOR
SUSTAINABILITY
IN THE CORE
BUSINESS

Responsible banker

At our core we are a responsible banker, which is reflected in our products, services and processes. We see our responsibility as following the three pillars of sustainability in the economic sphere, in society and in the environment as well. The most effective lever for sustainable development is the core business. This is why the RZB Group views the granting of loans and investment of funds as its central responsibility and the most important fields of action for creating sustainable success. In all areas of business and products, the Banking Group strives to build long-term profitable business relationships while avoiding social and environmental risks and embracing opportunities to improve environmental protection and social standards. Furthermore, our goal is to make the sustainability effect in our core business clearly traceable and measurable.

Business strategy

The business strategy of the RZB Group is oriented around sustainability and a long-term perspective. Against a background of changing conditions, however, this strategy requires constant critical scrutiny and verification to ensure its validity.

The challenges in the business environment (in particular more stringent regulatory requirements, bank-specific taxes, etc.) require constant adjustments to our business model. Therefore, RBI AG adopted a transformation program in February 2015 with the aim of strengthening the capital base as well as reducing risk in order to create capacity for growth in the most promising markets. Some of the measures were already successfully implemented by the end of the financial year 2015 while the remaining measures are scheduled to be finished by the end of 2017 (for more details, see the RBI Annual Report page 13).

The RZB AG operates primarily as the central institution of the Raiffeisen Banking Group and holding company. The RBI AG views itself as an international commercial bank, a leading provider of financial services for private customers and a business partner for selected institutional clients. It positions itself as a diversified universal banking group with strong central control elements. Furthermore, it maintains and develops a strong and trustworthy brand, which forms the basis of its business model. It provides its customers with comprehensive and high-quality financial services, and is characterized by strong local ties and its customer proximity.

The RBI group aims for long-term customer partnerships with business customers that have a connection to Central and Eastern Europe (CEE), including Austria. It sees itself as a financial adviser for currently around 89,000 corporate customers – medium-sized enterprises, local large businesses and international corporations – and supports them with cross-border financial services. The needs of our customers are our focus. Our claim is to serve customers with high quality products and services. Furthermore, the RBI Group currently supports more than 14 million retail customers through its approximately 2,700 branches located in Central and Eastern Europe. Our business model focuses on long-term relationships with private customers, private banking customers and small enterprises with up to six million euros in sales. Our broad range of products, high-quality consulting services as well as innovative banking solutions are important building blocks for the high level of satisfaction and loyalty among our customers. The consistent development of our range of products and services (with a special focus on understandable and customer-friendly solutions as well as short channels to information and decisions) will continue to strengthen the RBI Group position. As part of this, internal procedures will be standardized and the risk classification process will be improved. The serving of institutional customers as well as the Group-wide trading activities are bundled within the area of markets and investment banking. The core areas include the strategic hedging of currency, interest rates and credit risks, the mediation between investors and local investment opportunities as well as assisting companies during initial public offerings and acquisitions. A particular focus is placed on capital markets and investment banking products. In order to expand our customer offering, innovative products (such as Green Bonds) are being developed, a corporate-wide support structure is being established and we are accelerating the harmonization of our IT platforms /trading venues (see also the RBI Annual Report page 14).

At RZB AG, the group structure of Austrian companies has been under extensive optimization within the framework of the "ZukunftPLUS" program since the end of 2014. Consolidation among the specialized subsidiaries in the RZB Group now ensures uniform management of the company, an improvement in the financial and earnings situations as well as uniform risk management. This creates more efficient procedures, enhances networking and allows more intensive communication between RZB AG and its specialized subsidiaries.

Governance und compliance

The RZB Group places great value on responsible and transparent corporate management for the purpose of deepening and cultivating the understanding and trust of its stakeholders. This is a basic prerequisite for the performance of our Banking Group. The traditional Raiffeisen values are the foundation for this (see page 11 et seq.) as is the Group-wide Code of Conduct (CoC, see below). Long term value creation is our primary strategic objective.

Corporate governance

Corporate governance refers to the framework of rules and practices for managing and monitoring a company which is determined by legislators and owners – in short, the principles of leading a company. The specific structure is the responsibility of the Management Board and the Supervisory Board. Management and control that is aware of responsibility, qualified, transparent and oriented to a long-term increase in value are the goals of good corporate governance (CG). Trust-based, efficient cooperation between the various company bodies, protection of shareholder interests as well as open and transparent communication are central guidelines for us in the implementation of modern corporate governance. As a publicly listed company, RBI AG is committed to the principles of good and responsible company management as laid out in the Austrian Corporate Governance Codex (in the version from January 2015) and has pledged to comply with these principles. The compliance evaluation of the Corporate Governance Report according to § 243b of the Austrian Commercial Code (UGB) was carried out by KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft for RBI AG. In their conclusive report, they noted no cause for objections. (The report is available to the public at www.rbinternational.com under Investor Relations / Corporate Governance / External Evaluation of the CG-Code.) With regard to the composition of the Managing Board and the Supervisory Board, including committees, please refer to the annual reports of the RBI Group and the RZB Group.

Openness and transparency in communication with shareholders and interested members of the public is of great importance to the RZB AG. Extensive information is available on the internet and is regularly updated: Annual reports and interim reports, company presentations, telephone conferences via webcasts, ad-hoc communications, press releases, investor relations releases, course information and data on shares, information for foreign investors, financial calendar with a large time lead for important dates, information on securities transactions by the Management Board and the Supervisory Board (Directors' Dealings), the statutes of the RBI AG, the Corporate Governance Report, estimates of analysts, ordering service for written information as well as a login option for the automatic forwarding of the "Investor Relations News" per email.

Code of Conduct

Our Code of Conduct (CoC) forms the basis for our practice, enshrining, among other points, the avoidance of fraud, corruption, bribery, market abuses, markets and money laundering and financing terrorism as well as the avoidance of any conflicts of interest, upholding financial sanctions and securities regulations as well as compliance with data protection standards, and other sensitive issues. As a main component of our corporate responsibility, it consciously goes beyond formal and legally ordained conduct and describes how we deal with customers, business partners and employees. It ensures compliance with the highest possible standards, which are based on moral concepts, customer focus, professionalism, quality, mutual respect, initiative, teamwork and integrity. Each of our business partners is also required to honor the CoC within the framework of their bilateral business relationship with us.

The business model of the RZB Group places people at its core. The Code of Conduct is a binding regulatory framework for all employees and can be found in the respective national language on all of the websites of the RZB Group. It is based on the fundamental Raiffeisen values and is orientated towards the specific requirements of everyday business at home and abroad. This includes observance of laws such as supporting the fight against money laundering and terrorism, implementing financial sanctions, prohibiting fraud, corruption and bribery, as well as respect for the fundamental rights of employees and environmental legislation.

Ultimate responsibility for the CoC lies with the Managing Board of RZB AG, whose chairperson is also the highest authority on issues of sustainability. Operational responsibility for implementation of the CoC in all global units of the Group lies with the respectively competent management bodies. The division head of RZB AG responsible for compliance is tasked with coordinating the activities in connection with the CoC. This person is also responsible for all issues relating to compliance with selected legal requirements. In addition, all members of management are responsible for ensuring compliance with the CoC in their own areas of responsibility. Third parties, as well, who are commissioned to work on behalf of or in the name of the RZB Group are also obliged to comply with the CoC. This also includes all suppliers as well.

The RZB Group also does not finance directly nor indirectly businesses, projects or parties in which human rights may be violated. Our employees have been instructed to take information on forced or child labor into account and, in case of doubt, to involve Compliance.

The CoC undergoes regular critical examination and is revised and adapted to improved standards as required. A new version is currently in preparation which has the aim of increasing awareness within the RZB Group by means of a clearer representation and through a broad consultation with the various stakeholders.

Furthermore, the RZB Group is one of the signatory companies of the UN Global Compact (UNGC) and is therefore committed to consistently complying with the ten UNGC principles of responsible business. These principles include the core areas of human rights, labor standards, environmental protection and combating corruption. The concomitant attitude of global responsibility is expected of all staff and managers, as well as of partners and suppliers (see although page 12).

Compliance

The RZB Group attaches great value on compliance with relevant regulations. We do not tolerate, in any form, corruption, money laundering, financing of terrorism, fraud or market abuse and work actively against it. A pre-requisite in our business and operational practices is the fair, ethical and legally compliant behavior of all members of our staff. Mechanisms for complying with laws as well as internal or external codes of conduct are established in all countries in which the RZB Group operates through our CoC and clear, detailed regulations contained in the Compliance Manual. The compliance area has an important managing and controlling function in our company, particularly in the context of the development of group standards and their implementation. In total, five network banks have been fined in the context of non-compliance with laws and regulations. One case is currently under appeal. For confidentiality reasons, the monetary value is not mentioned.

Each new employee of the RZB Group must attend trainings dealing with the topic of compliance. These cover, in particular, aspects of corruption prevention, market abuse, conflict of interests as well as adequate measures and rules concerning internal obligations to report. Defined groups of employees must also attend refresher courses on a regular basis. In addition, there are numerous special training classes for management staff and those sectors where there are particular aspects of compliance involved. The terms of the CoC apply worldwide, for all employees. In 2015, 36 per cent of the Board and 40 per cent of the B-1 managers as well as 40 per cent of the B-2 managers, 53 per cent of other management staff and 49 per cent of employees without a management function were trained on the issue of preventing corruption across the Group.

Measures and activities to prevent corruption are guided by the principles of the Austrian Criminal code as well as the UK Bribery Act 2010. These include the obligation on the part of the managers of all units in the RZB Group to model a corporate culture in which any form of economic crime is unacceptable. Assessment and evaluation of the risk of fraud takes place periodically and is documented accordingly. Persons who provide services for us are subject to due diligence. The relevant procedures for avoidance of fraud are communicated clearly and put into practice effectively. Monitoring and review of these procedures takes place on a regular basis. The Group's internal Anti-Corruption and Bribery ("ABC") framework was revised in 2015 and is now even more strongly based on risk and prevention.

Each member of staff is obliged to report serious violations of the CoC – such as market abuse, fraud, theft, embezzlement, bribery or corruption. This can be done in the form of an email to Compliance, a telephone

conversation with a Compliance employee, in writing, or via an external telephone hotline run by a service provider in the United Kingdom (Group Whistle Blowing Hotline). All allegations are investigated. The Group reacted immediately to previously reported occurrences of corruption, taking appropriate disciplinary action in accordance with Group regulations, up to and including dismissal. We analyze our rules on a regular basis in order to minimize the risks for the future as much as possible.

Discussions on the topic of better identification of all sectors exposed to economic crime are usually carried out at Board level, or with the second level of management, and ensure appropriate awareness. The necessary measures and on-going efforts to provide in-depth training are being implemented with the support of local compliance departments or the financial crime management departments. These also play a key role in avoiding corruption and anti-corruption controls, as well as in business activities in sensitive areas.

Financial donations or donations of objects to political parties, politicians or related institutions are only given according to strict rules and with the approval of the RZB AG Managing Board. Clear regulations in this regard are enshrined in the Code of Conduct, and are monitored by Compliance.

The RZB Group has maintained an internal controlling system for years. The reporting procedures in the form of directives and instructions for strategically important topics is a central element and the basis for an effective internal control system. These directives and instructions constitute our "company law". They encompass the assignment of approval authority for Group and company directives as well as department- and division-specific instructions, process descriptions for the creation, quality inspection, approval, publication, implementation and monitoring of directives and instructions as well as regulations for their revision and repeal.

The management of the respective Group units is responsible for implementation of the Group procedures. For confirmation of compliance, a process – the "Confirmation of Compliance" – is initiated each year. Within this, 58 group units must confirm that they have followed the relevant guidelines. If this cannot be entirely confirmed for individual units, these units must create a roadmap of how the gaps will be closed. Monitoring compliance with these Group regulations takes place within the framework of audits by the Group and local auditing departments.

Lobbying

Lobbying is defined as the deployment of suitable people within the company or independent companies to influence public decision-making processes for the purpose of safeguarding or enforcing specific interests in respect of the public sector. We basically consider this to be advisable and legitimate in the process of democratic decision-making and in matters of the execution of state regulations. This activity is subject to high standards of transparency, both for specialized lobbying companies and for companies that use their own employees – known as corporate lobbyists – for lobbying activities. All members of the RZB Group are required to register lobbyists who are active for them in the national lobbying register. In the RZB Group, lobbying work is carried out via RZB AG as well as the "Fachverband der Raiffeisenbanken" (Association of Raiffeisen banks, part of the Austrian Chamber of Commerce). Accordingly, RZB AG is registered in the Austrian lobbying register.

At the EU level, RZB AG is registered in the transparency register of the European Commission and the European Parliament. This involves observation of activities by EU institutions with regard to possible impacts on the Raiffeisen Banking Group (RBG), creation of networks and shared interest coalitions and specific research and preparation of information on EU initiatives and measures in the area of financial services that are of relevance to us (e.g. Basel III, deposit guarantees, corporate governance). With inclusion in the register, RZB AG is bound to comply with the code of conduct of the institutions (European Commission / European Parliament). Our position statements concerning consultations of the European Commission can be found on the website of the Commission. At the national level, our position enters into joint position statements by the Austrian Chamber of Commerce (WKO), banking and insurance section. (Membership in the Austrian Chamber of Commerce is mandatory.)

Corporate lobbyists of the RZB Group also undertake to observe the following points in their contact with officials. They are committed to the truth, and any information that they provide must be – to the best of their knowledge – undistorted, complete, up to date and not misleading. They ensure that officials know who they actually are, that they work for the RZB Group, and they explain that they are entered in the lobbying register.

All lobbyists who work for the RZB Group obtain information exclusively by fair means and make decisions in a fair way. They inform themselves about the restrictions on activities and rules on incompatibility that apply to office holders and comply with these restrictions and rules. They do not tempt office holders to infringe the applicable rules and standards of behavior and never exert unfair or inappropriate pressure on office holders. Clear rules are defined in our Compliance Manual as well as the "Code of Conduct according to Article 7 of the Lobbying Act". More information can be found on the RBI AG website at [www.rbinternational.com/Investor Relations/Corporate Governance/Code of Conduct pursuant to Art. 7 Austrian LobbyG](http://www.rbinternational.com/Investor-Relations/Corporate-Governance/Code-of-Conduct-pursuant-to-Art.-7-Austrian-LobbyG).

The Managing Board of RZB AG is solely authorized to approve contributions to political parties, election committees, party-affiliated organizations and political figures (politicians, candidates), which are permitted only if the following conditions are fulfilled:

- The contribution does not violate any statutory regulations.
- The contribution is within the customary extent of the respective country.
- The contribution is not apt to have any improper impact.

Such payments must be handled transparently, involving RBI Group Compliance. The transparency provisions regarding party financing and lobbying in place since January 1, 2013, must be complied with and are implemented in the General Secretariat of RZB AG. Once again in 2015, the RZB Group did not make any financial donations or donations in kind to any politicians, parties or affiliated institutions.

Economic sustainability

In order for a corporate group to survive over the long term, it must be capable of doing business successfully as well as ensuring appropriate capital resources. The concept of corporate risk controlling comprises a sustainability perspective that should ensure that the company has a sufficiently high core capital ratio at the end of a planning period even if there is an unanticipated worsening of the macroeconomic environment (details on this can be found in the RBI Annual Report on page 146 et seq.).

The following tables provide an overview of the direct contribution of the RZB Group to the economy.

| RZB Group operating result (in million €) | | |
|---|---------------|---------------|
| | 2015 | 2014 |
| Net interest income | 3,623 | 4,024 |
| Net fee & commission income | 1,594 | 1,647 |
| Net trading income | 16 | -21 |
| Other net operating income | 100 | 82 |
| Operating income | 5,333 | 5,732 |
| Staff expenses | -1,515 | -1,579 |
| Other administrative expenses | -1,277 | -1,286 |
| Depreciation | -378 | -430 |
| General administrative expenses | -3,170 | -3,294 |
| Operating result | 2,163 | 2,439 |

The prior year figures have been adjusted in accordance with IAS 8.41. This affected the net provisioning for impairment losses as well as the other net operating income reduced by the resulting tax revenue. Details of this can be found in the RZB Group Annual Report in the section "Principles underlying the preparation of financial statements".

The following table shows the value contribution generated or paid by RZB Group for or to its most important stakeholders, the owners, the employees, the economy and public authorities. "Investments in the Community" are reported separately for the first time starting in 2015. For 2014, the corresponding value is shown in the position "Economy – Investments and operating costs".

| Financial flows of the RZB Group to stakeholders (in million €) | | |
|---|--------------|--------------|
| | 2015 | 2014 |
| Owners – Dividends | 0 | 244 |
| Employees – Wages and salaries | 1,152 | 1,191 |
| Economy – Investments und operating costs | 1,274 | 1,286 |
| Investments in the community | 3 | n.a. |
| Public sector | 690 | 796 |
| Income taxes (excluding deferred taxes) | 276 | 307 |
| Banking levies | 140 | 200 |
| Social security costs and staff-related taxes | 275 | 289 |
| Equity status as per December 31 | 9,296 | 9,207 |

| Key figures of the RZB Group, by segment (in million €) | | | | | | | | |
|---|--------------------------|---------------------------|--------------------------|-------------------------|-------------------|------------------|----------------------------|---------------------------|
| | Balance sheet total 2015 | Change from previous year | Balance sheet total 2014 | Profit/loss after taxes | Customers | Business outlets | Employees at reporting day | Amounts owed to customers |
| Slovakia | 11,223 | 13.4% | 9,896 | 124 | 819,336 | 195 | 3,854 | 8,728 |
| Czech Republic | 9,265 | 10.7% | 8,371 | 102 | 408,129 | 128 | 2,753 | 6,807 |
| Hungary | 6,394 | -7.8% | 6,936 | 18 | 533,010 | 72 | 2,016 | 4,233 |
| Reconciliation | -4 | -1 | -48 | 0 | - | - | 0 | 0 |
| Central Europe segment | 26,878 | 6.9% | 25,155 | 244 | 1,760,475 | 395 | 8,623 | 19,768 |
| Albania | 2,120 | 7.3% | 1,976 | 12 | 735,743 | 91 | 1,349 | 1,799 |
| Bosnia and Herzegovina | 1,947 | 0.2% | 1,944 | 32 | 493,192 | 97 | 1,311 | 1,519 |
| Bulgaria | 3,440 | 6.7% | 3,223 | 31 | 775,879 | 149 | 2,546 | 2,444 |
| Kosovo | 848 | 9.0% | 778 | 19 | 283,552 | 52 | 715 | 675 |
| Croatia | 4,616 | -0.7% | 4,647 | -11 | 455,912 | 78 | 2,133 | 3,191 |
| Romania | 7,232 | 4.5% | 6,920 | 100 | 2,130,125 | 512 | 5,437 | 5,238 |
| Serbia | 1,948 | 3.4% | 1,885 | 44 | 665,946 | 85 | 1,550 | 1,455 |
| Überleitung | -31 | 27 | -1 | 0 | - | - | 0 | 0 |
| Southeastern Europe segment | 22,120 | 3.5% | 21,371 | 227 | 5,540,349 | 1,064 | 15,041 | 16,322 |
| Belarus | 1,449 | -5.7% | 1,536 | 119 | 752,363 | 97 | 2,086 | 815 |
| Kazakhstan | 16 | -41.7% | 28 | 1 | 46 | 1 | 9 | 0 |
| Russia | 10,676 | -14.3% | 12,457 | 387 | 3,001,811 | 186 | 7,635 | 7,175 |
| Ukraine | 2,039 | -17.8% | 2,481 | -85 | 2,782,366 | 578 | 9,639 | 1,518 |
| Reconciliation | -1 | -1 | -16 | 0 | - | - | 0 | 0 |
| Eastern Europe segment | 14,179 | -14.0% | 16,486 | 422 | 6,536,586 | 862 | 19,369 | 9,509 |
| Group Corporates segment | 13,873 | -11.2% | 15,615 | 77 | | 1 | | 11,989 |
| Group Markets segment | 13,461 | -19.3% | 16,684 | 72 | 267,470 | 5 | 2,662 | 3,423 |
| Corporate Center segment | 2,287 | -12.0% | 31,002 | 614 | | 0 | | 683 |
| Asia | 2,117 | -56.3% | 4,849 | -276 | 87 | 5 | 197 | 186 |
| Poland | 14,504 | 5.6% | 13,729 | 25 | 733,392 | 357 | 5,128 | 8,888 |
| Slovenia | 788 | -31.2% | 1,146 | -15 | 56,736 | 14 | 218 | 436 |
| USA | 628 | -22.9% | 814 | -4 | 118 | 1 | 56 | 0 |
| Reconciliation | 798 | 7.3% | 744 | -17 | - | 1 | 198 | 0 |
| Non-Core segment | 18,835 | -11.5% | 21,281 | -286 | 790,333 | 378 | 5,797 | 9,510 |
| Reconciliation | -22,207 | 0 | -26,093 | -935 | - | - | - | -2,212 |
| RBI Group total | 114,427 | -5.8% | 121,500 | 435 | 14,895,213 | 2,705 | 51,492 | 68,991 |
| Reconciliation RBI/RZB sub-group | 161 | 53.1% | 105 | -38 | - | - | - | 0 |
| Central institute and specialized subsidiaries | 26,120 | 11.6% | 23,397 | 41 | n.a. | 16 | 1,604 | 9,088 |
| Other participations | 1,801 | -31.4% | 2,625 | 80 | n.a. | 0 | - | - |
| Reconciliation | -4,083 | 44.7% | -2,822 | -53 | - | 1 | - | - |
| RZB Group total | 138,426 | -4.4% | 144,805 | 465 | n.a. | 2,722 | 53,096 | 78,079 |

Responsibility in the core business – Product responsibility

We live in turbulent times in which values such as trust, reliability and responsibility are regaining their proper importance in society and business. The needs of the customers have always coincided with Raiffeisen values. Our corporate philosophy is also reflected in the quality of our products and services.

The RZB Group is committed to an outstanding service culture which regularly seeks to exceed the expectations of customers. As such, we only offer a service or product when we have the necessary license, specialist knowledge and infrastructure. Our aim is always to strive for the best possible results for our customers. We also ensure that when making recommendations, the customer is adequately informed about the risks and that the recommendations are given in an honest and fair manner. No banned or disputed products were offered or sold during the period under review.

By granting financial resources, banks have a significant lever to actively shape sustainable development which is fit for the future. A prerequisite for this is the consideration of environmental and society standards and criteria within the core business of the bank. This means that we strive to offer products which offer a specific use to society, environment and real economy. Conversely, it is necessary to minimize the range of products on offer which present a risk to society or to the environment.

We place a special focus on continuously developing our products. This is ensured through Group-wide product competence centers. Our broad range of products and innovative banking solutions (such as video or telephone consulting services, up-to-date mobile banking options, etc.) are important building blocks for the high level of satisfaction and loyalty among our customers. The consistent development of our range of products and services with a special focus on understandable and customer-friendly solutions as well as short channels to information and decisions will continue to strengthen the RZB Group position. As part of this, internal procedures will be standardized and the risk classification process will be improved. In order to expand the offering for customers, innovative products (e.g. Green Bonds) are being developed, a Group-wide support structure established and the harmonization of IT/trading platforms accelerated. In the process, attention is paid to trends and developments in the market (starting on page 70 see also "Other sustainable products and services").

The RZB Group follows a standardized product introduction process that applies to all new products, product combinations and variations throughout the entire network. This is intended to ensure that every product is offered in an optimal form and all risks associated with a product are known.

Ecological product responsibility

The RZB Group cares about the environment. For this reason, the financing of or participation in transactions or projects which threaten lasting environmental damage does not form part of our business policy. The RZB Group is committed to complying with all applicable environmental regulations in each country with regard to its business operations and service sectors. It acts in an environmentally-conscious manner and continually strives to improve its own environmental balance (see page 116 et seq.), as well as the environmental balance attributable to its product and services portfolio

When making decisions, every employee must consider the potential risks posed by a transaction or project that could lead to negative impacts on the environment. The risks range from endangering the environment to the associated risk for the financing business as well as the resulting reputation damage to the Group. In addition, when auditing financing and projects, we are determined to ensure that the company being financed is using resources in a way that complies with the respective regional and EU environmental legislation, as well as with the international agreements on protecting the environment.

The RZB Group is committed to promoting environmentally-friendly technologies. The declared fight against climate change, based on the climate agreement in Paris at the end of 2015, has given impetus to our ambitions. We see this as a chance for new business fields, such as in the areas of renewable energy, electric mobility, energy efficiency or resource management. The climate agreement could push investments in these areas and provide new impetus for innovation.

Social product responsibility

The observance of human rights is a basic requirement in connection with all of the products and services we offer. In particular, we do not finance transactions that have anything to do with forced or child labor, or are violations of the European Convention on Human Rights, obligations under labor and social law by the respective country, any applicable regulations issued by international organizations including the relevant UN conventions or the rights of the local population or indigenous peoples.

The RZB Group is not involved in business with products which can serve to suppress demonstrations or political unrest, or infringe on human rights in some other way. This is especially true for businesses involved in countries in which political unrest, military conflicts or other violations of human rights are taking place or expected.

Consideration of the needs and concerns of our clients when structuring, selling and using our products and services also plays an important role for our business. In addition to the security of our products, the security of our customers is also a central concern of ours. This includes, in addition to access to relevant information regarding products and services, the verifiability of claims, information about possible risks and rights of products or services, as well as appropriate information on risk reduction. Where possible, we also inform customers about sustainability aspects regarding our products and services. Any complaints which are brought to us are checked carefully and answered as soon as possible. We also strive to provide comprehensively barrier-free access to our financial services for disabled persons.

Protection of customer data

The RZB Group bears a particular responsibility for correct business practices. This means that we sometimes find ourselves in an area of conflict between data protection and transparency. Our customers have the right to comprehensive data protection, confidentiality of customer data and access to secure products just as much as our employees. We handle the receipt, processing and storage of information (financial data, technical data, operating data, customer information, files notes, etc.) with care. We observe the prescribed data security standards and processes to prevent unauthorized parties from viewing, using, modifying or destroying this information. The right to privacy is something that we take very seriously. While no such violations were recorded in the RZB Group in Austria, there were a total of 54 cases of complaints in our network banks with regard to customer data protection (of these, 11 complaints were alleged violations of customer data protection). The total number of incidents is not significant for the data concerning data protection and privacy. Nevertheless, we are always trying to improve the protection of our customer data and our internal processes.

Responsible lending

The RZB Group has committed to responsible lending policies. This means that we seek to lend customers only as much as their financial situation can bear. According to our "Guidelines for avoiding the over-indebtedness of borrowers and for dealing with over-indebted borrowers" (see also "Dealing respectfully with customers with payment difficulties" page 58), our goal is to provide, in advance, the clearest, most comprehensible information possible concerning our loan products and concluding agreements with our customers that contain equally clear lending conditions. This includes an explanation of the entire process, the precise steps involved as well as the responsibilities, risks and primary lending conditions associated with a loan agreement (in particular the costs of the loan, repayment amount, precise deadlines, due dates and number of installments).

We strive to prevent our customers from taking on too much debt by employing, among other measures, modern creditworthiness procedures for the issuing of loans based on clearly defined assessment criteria. The risk of a possible default should be avoided from the outset in order to prevent our customers from suffering financial cuts in their living situation and living standards. Subjective selection factors, such as gender or religion, play no role when deciding whether to issue a loan. Before issuing the loan, the customer's creditworthiness is checked. We strive for the greatest possible level of objectivity in order to reach an unbiased and transparent decision on the loan. This is only possible if the customer provides all the necessary data and information. The RZB Group aims to offer the customer a suitable and tailored offering based on the available information and results of the creditworthiness assessment of the customer.

Lending policy and lending decision policy

Our business model is oriented around the high level strategic goal of creating long-term value. Responsible lending is a significant component of this model. We achieve this with a lending policy that is based on continuity. We remain a fair and reliable lender to businesses with future prospects, even in difficult times. And we hold a clear position regarding the handling of sensitive areas of business.

The Code of Conduct (CoC) is part of our lending policy. All employees involved in lending are accordingly obliged to act responsibly and also to carry out their supervising duties with great care. Likewise, the reputation of our Group must be considered in all activities and decisions. The executives of our company are responsible for compliance with these standards in their respective areas of responsibility. Specifically, we are committed to not finance – directly or indirectly – companies, projects or parties which use forced or child labor, or which contravene the European Human Rights Convention, the legal working and social obligations of their respective countries, the applicable regulations of international organizations and, in particular, the relevant UN conventions and rights of the local population or native peoples.

The financing of, or participation in, transactions or projects which threaten lasting environmental damage (e.g. deforestation of the rain forests or environmental and water pollution) is not in accordance with not in accordance with the RZB Group business policy. Our employees are determined to ensure that when auditing financing and projects, the company being financed is using resources in a way that ensures compliance with the respective regional and EU environmental legislation, as well as with the international agreements on protecting the environment.

Furthermore, the RZB Group does not participate in the building of, or transactions with, nuclear power stations or their operators. Likewise, we are not involved in business transactions with weapons and other military goods, or with materials of repression in countries where there is, or is expected to be, military conflict or political unrest. The RZB Group does not invest in companies that produce military goods or weapons. Financing and other transactions with military companies are strictly restricted. In addition, the RZB Group complies with international standards on financial sanctions and trade restrictions. As previously mentioned, we are also a signatory of the Global Compact of the United Nations.

The credit portfolio of the group is controlled by means of the portfolio strategy. Lending in different countries, sectors or types of products is thus limited which enables the concentration of undesirable risks to be avoided. The risks and potentials of various industries are evaluated in individual countries based on an 'industry heat map' which allows potential environmental risks to be taken into account, among other things. On this basis, lending guidelines and limits for future structuring of the credit portfolio are developed.

Specific lending criteria for individual customer segments and countries are defined by credit committees, which consist of representatives of the front office and back office areas. The composition varies depending on the customer group for corporate customers, financial institutions, the public sector and retail. Within the framework of the lending approval process and the rating- and volume-oriented assignment of responsibility, the credit committees also make all associated lending decisions (Details about the lending approval process and Credit portfolio management can be found in the RBI Annual Report, page 149 onward).

The lending decision process is carried out on a case-by-case basis, following standardized principles and guidelines. As such, there is a clear personnel and functional separation between the business activities and all

risk management activities. In addition to classic hard facts and numerous qualitative criteria, our internal rating model incorporates an assessment of the management that is responsible for adequate handling of environmental and social topics within the company. An evaluation is also performed as to whether an industry is subject to special environmental or social risks, including human rights violations or health risks, and whether a potential borrower follows the existing rules with regard to the environment, human rights and health. The agreed credit terms are also standardly assessed as part of the annual analyses.

The rating model is validated on an annual basis with respect to the existing criteria in order to evaluate whether the existing factors are still sufficiently selective. Depending on the statistical significance, a larger adaptation is carried out every three years, if necessary. The Compliance Office is responsible for all issues concerning compliance with legal requirements.

The described Group-wide standards apply to all Group units but these are also supplemented with local, sometimes more stringent, internal guidelines and policies by many of our network banks. They take into account, to varying extents, the social and environmental risk strategies of the respective bank, define sometimes higher minimum criteria or define the exact procedure for compliance with all of the agreed upon principles.

In particular, the standards of the International Finance Corporation (IFC) and/or the multilateral Investment Guarantee Agency (MIGA) play an important role. These have already been introduced by Raiffeisen Bank Polska S.A., Raiffeisen Bank Sh.a. in Albania, Raiffeisen Bank d.d. Bosna i Hercegovina, Raiffeisen Bank Kosovo J.S.C., Raiffeisen Bank S.A. in Romania, Raiffeisen banka a.d. in Serbia, Priorbank JSC in Belarus and AO Raiffeisenbank in Russia.

These network banks all have an Environmental and Social Management System (ESMS) and a corresponding Environmental and Social Policy (E&S Policy) available. These describe the principles of the ecological and social risk management in the bank, define important roles and responsibilities for managing E&S risks and have key elements of E&S risk management process. One E&S Officer each is nominated by the Managing Board to be responsible for the proper implementation within his or her bank. All of the employees who are involved in the evaluation of E&S risks receive appropriate training.

The credit process is to ensure that all credit applications in the corporate customer area are reviewed in three steps, in addition to the usual credit and risk criteria.

1. Evaluation of whether the company is engaged in activities on the IFC Exclusion List.
2. Categorization of the environmental and social (E&S) risk level depending on the type, location, noticeability and size of the project, as well as the nature and scope of its possible environmental and social impact (low, medium or high).
3. Social and environmental impact assessment (E&S Due Diligence) for all transactions with high and medium risk: Determination of the environmental and social impacts and risks of a project as well as the determination of whether it meets the laws of the respective country and other policies of the World Bank and IFC.

Also included are performance standards regarding work and labor conditions, resource efficiency and the avoidance of environmental pollution, public health and safety, land acquisition and forced relocations, retention of biodiversity and sustainable management of natural resources as well as indigenous peoples and cultural heritage (see the IFC website at www.ifc.org). The IFC and MIGA standards also include extensive reporting and monitoring requirements.

The Raiffeisenbank (Bulgaria) EAD has also introduced social and environmental criteria for the credit assessment and credit applications. Target industries have also been defined for financing. These include health care, agricultural products, food retail trade and human resources and employment.

In April 2015, the Raiffeisen Bank Aval JSC in Ukraine introduced the analysis of social and environmental risks as part of its decision-making package for Corporate Credit Analysis. In the process, the industry environmental risk is classified as high, medium, or low according to its impact and then categorized into one of three segments.

This is done on the basis of historical data (primarily from the news) and the general development in Ukraine. For example, the industry environmental risk in the energy sector is rated as “high” because of insufficient waste treatment plants in most companies. Additional rating criteria are the quality of the management and the quality of its assets.

Dealing respectfully with customers with payment difficulties

Dealing respectfully and sympathetically with customers who are experiencing payment difficulties is a natural part of our banking operations. As soon as the RZB Group notices the first visible signs of payment difficulties, assistance is provided to the customer with information and advice. Furthermore, it tries to find a suitable solution for the situation at hand within the scope of its options and the financial situation of the customer. Our “Guidelines for avoiding the over-indebtedness of borrowers and for dealing with over-indebted borrowers” is part of our group-wide Compliance Manual.

If difficulties arise with servicing loans, the RZB Group looks at each case individually and assesses how the customer can be helped by means of deferments, payment holidays, credit restructuring, etc. within financially justifiable limits. In the event of payment difficulties, the RZB Group endeavors to work with a customer to find a fair solution. Particular consideration is given to changed circumstances of the customer. In the event of a dispute, the RZB Group follows a fair and professional complaint procedure.

Customer satisfaction

The satisfaction of our customers is our top priority. This is therefore regularly measured within the RBI Group, both in the retail and corporate businesses, in order to enable appropriate action when necessary. Within the retail business, customer satisfaction and service quality have been measured in all network banks for several years. The Net Promoter Score (NPS) has been used as the key indicator for satisfaction since 2012.

This is based upon the following question: “How likely is it that you would recommend Raiffeisenbank to a friend or colleague?” The measurement is carried out locally based on a uniform standardized method for the group as a whole. Most of our network banks achieve a performance that exceeds the market average. The positive attitude and professional conduct of the employees is one of the most frequently listed reasons for a willingness to recommend us. The results are used by each network bank individually and form an integral part of the performance management process.

We maintain a thorough picture of the customer experience by continuously collecting and analyzing data from our end customers and employees at all points of sale. This includes quality measurement, complaint analysis, waiting time analysis and mystery shopping as well as brand, transaction and customer relationship surveys. Each of these tools supplies different insights, which are used to continuously improve the quality of our service.

Direct customer feedback is also an important indicator within the corporate business of RBI AG. On behalf of the Raiffeisen Banking Group in Austria, IMAS International conducted a market survey focusing on the corporate customer segment having more than € 50 million in annual turnover in 2016. This corresponds exactly to the commercial customer segment of the RBI AG in Austria. Compared to the last study in 2014, customer satisfaction has risen slightly.

We view complaints by our customers as an opportunity to improve our products and processes, reduce errors and increase the customer benefits of our services. The importance of taking customer complaints seriously is unquestioned throughout the entire Group. The employees at our network banks therefore follow a list of principles, the “Golden Rules”, contained in an open document that is regularly updated on the basis of changing customer expectations. The Customer Experience head and a Managing Board member are responsible for monitoring compliance with these principles on a monthly and quarterly basis within the framework of the quarterly reports.

In 2015, Raiffeisen in Austria was once again the most successful banking group in terms of customer shares, both in the private customer as well as in the corporate customer segment¹. Especially during economically challenging

times, these principles have a special meaning. Security and trust are the most important criteria when choosing a bank. The Raiffeisen brand, according to the Austrian brand value survey in 2015 by the European Brand Institute, ranked fifth among all of the brands with a value of around two billion euros. Raiffeisen is the undisputed number one in the Austrian financial services industry. According to an international consumer study by Readers Digest, Raiffeisen is again the most trusted brand in banking in Austria.



Awards:

Our dedication to customer satisfaction and the expertise of our employees once again earned us a number of accolades in 2015. For example, we mention here awards from four internationally renowned financial journals "EMEA Finance", "Euromoney", "Global Finance" and "The Banker".

Global Finance not only recognized RBI as "Best Bank" (for the eleventh time now) and "Best Bank for Payments and Collections" with region awards for Central and Eastern Europe, but also named it as the best bank in three countries. Awards for "Best Bank" in the respective countries were given in following markets: Albania (EMEA Finance: "Best Foreign Bank"), Bosnia and Herzegovina (Global Finance, The Banker), Kosovo (Global Finance), Austria (EMEA Finance; Euromoney: "Best Investment Bank"), Romania (Euromoney, The Banker; EMEA Finance: "Best Foreign Bank"), Serbia (Euromoney, The Banker), Slovakia (Global Finance), Russia (EMEA Finance: "Best Foreign Bank") and Ukraine (EMEA Finance). EMEA Finance also confirmed RBI as offering the "Best Cash Management Services" in Central and Eastern Europe as well as the "Best Investment Bank in CEE and CIS" and as offering the "Best M&A House in CEE". A number of awards from EMEA Finance for RBI's investment banking services and transactions, among others, complete the picture, including the crowns for "Best Green Bond", "Best Covered Bond", "Best M&A deal in CEE", "Best Corporate Bond in CEE", "Best IPO in CEE", "Best Follow-on Funding in CEE" and "Best Structured Finance Deal in CEE".



Responsible sales practices and marketing



As surveys consistently show, trust is at the top of the list when it comes to choosing the right bank partner. Since trust is based on honesty, it is important to the RZB Group that their products and services are clearly and transparently communicated for all customers and stakeholders. That is why we align ourselves with strict principles, which are intended to protect customers, when advertising and marketing our products. False or misleading information is taboo. Our goal is to inform our customers as far as possible in an easy-to-understand manner. For recommendations, our

main focus of attention is to be objective and comprehensive. It is essential that the risks associated with our products can be clearly demonstrated and explained to the customer. Two incidents of violations in terms of product information and labelling were determined in one of our network banks and penalties were imposed.

In addition, we carry out promotion in accordance with the ethical and moral principles of the code of ethics of the Austrian advertising industry, and are committed to complying with quality criteria – agreed jointly with the advertising industry – which go beyond the legal terms of reference. For this reason, the Raiffeisen Banking Group (and therefore also RZB AG and RBI AG) have been awarded the Pro-Ethics Seal of the Austrian Advertising Council.

The Pro-Ethics Seal is awarded for a period of two years. Companies are awarded for marketing measures which reflect

- the ethical and moral principles of the code of ethics of the Austrian advertising industry (for ethics in advertising),
- the community social-ethical ideals of the communications industry (for self-regulation)
- and for standing up for freedom of advertising and against advertising bans in this form.

The marketing measures of the RZB Group, including the transnationally and internationally advertising RBI AG as well as the network banks in Central and Eastern Europe, all comply with the International Chamber of Commerce's "Consolidated ICC Code – Advertising and Marketing Communication Practice". This is to ensure a transparent and fair market presence, one that is oriented to internationally recognized guidelines.

In addition to protecting customers, our responsible marketing managers also ensure that only those marketing activities which are in the interests of the company are actually carried out. Bribery and corruption are not to be tolerated to any degree, whereby our strict compliance guidelines help us to achieve this goal.

International advertising and marketing campaigns are exclusively developed and commissioned by the marketing department of the RBI Vienna Head Office. This department also approves all local campaigns by the network banks in Central and Eastern Europe by reviewing TV spots, online advertising, print boards, etc. before they are published and gives its permission.

The RZB Group values a functioning capital market and public confidence as being just as important as its reputation as a professional player on the market. Any action which endangers this principle would have serious consequences for both the RZB Group as well as for the employees involved. The need for integrity also applies in the fight for market share. This includes that no unauthorized agreements should be entered into, and that it is necessary to abide by the rules of fair competition and the standard international rules of market behavior (MiFID). There were no complaints at the Vienna office during the time frame covered by this report. At our network banks, there are currently two ongoing court cases in connection with anti-competitive behavior or monopolistic practices.

Sustainable financing

We describe financing as being “sustainable” when it has long-term positive effects on the real economy, infrastructure and regional development, on society and social affairs, the environment and climate, or on research, education and innovation.

Sustainable financing at the Vienna sites

(By RBI AG, unless otherwise specified)

Positive impacts on the real economy, infrastructure and regional development

- Sustainable entrepreneurship:
It was necessary to reduce the project cycle times by 50 per cent for one company in the steel working industry due to increased competition on the international/domestic market. The RBI AG financed an investment with the aim of improving added value as well as the safeguarding of jobs at the company’s site. Specifically, this included investment in modernizing the production technology, managing peak loads, automation, logistics and quality technology. The investment was partially financed by subventions.
- Infrastructure and regional development:
An investment financing for a Lower Austrian production company is worth mentioning. The purpose was to increase efficiency in producing components for the energy sector (generators and transformers).



Investment project at ASTA Elektrodraht GmbH, a manufacturer of components for the production of energy and power transmission

The object of the project is expansion investments which are funded through subsidized investment financing by a consortium. The investments help increase efficiency considerably and also raise production volume. The focus is in the areas of paint (construction of a new plant) as well as the manufacture of continuously transposed conductors and Roebel bars (acquisition of two production plants). These products are used in the energy sector (generators and transformers). The expansion will safeguard 300 jobs long-term.



© ASTA Elektrodraht GmbH

The new capacities will also support future entry into new customer and product segments. In addition, the company’s high level of innovation will be secured through the creation of additional R&D resources.



Brigitte Jandl, Head of Investment Finance, RBI AG

“As a department that deals with funding advice and financing for investment projects, we have been able to assist our customers with their sustainable projects for a long time. We help businesses optimize their projects by mediating appropriate funding, such as grants and loans, as well as safeguarding them from risks. It’s always joy to see how successful our customers are when they have projects that have a positive impact on the environment and society. For example, by investing in research and development or resource-friendly and energy-efficient production systems and processes. These companies make an important contribution to regional growth and the creation and safeguarding of jobs. We go to the customer’s site already in the planning phase of a project, analyze the funding potential, help them submit their application to national and international funding offices and funding banks in a timely manner, assist them with necessary statements and presentations, and then process the loans even until they are actually paid. Our customers appreciate this comprehensive assistance and view us as sustainable partners in their investment projects.”

QUOTE



- Public sector projects:

In 2015, RBI AG continued to support 178 institutes of the Raiffeisen Banking Group in Austria in financing a total of 152 projects for water supply facilities, waste water systems, schools and kindergartens as well as similar public works projects for a value of € 64 million. Thus we have built up a total volume of new and existing financing of € 948 million in recent years.

Impacts on society and social affairs

- Health and sports:

In 2015, RBI AG, with joint support from the public sector, granted a development aid loan to supply medical equipment to Kenya for improving technical standards. This is possible under certain conditions in countries/ regions which have been classified by the Republic of Austria as worthy of funding. The goal of such 'soft loans' is to contribute to the sustainable development of the recipient country and, at the same time, to promote the Austrian export industry. Strict conditions and accompanying monitoring ensure that the use of them is sustainable. RBI AG also financed one of the largest nursing home portfolios in Germany as part of an international banking consortium. Around 8,800 people are professionally cared for in these nursing homes.

- Property and wealth accumulation among the population:

In recent decades in Austria, domestic building societies have co-funded the construction, purchase or modernization of roughly 1.5 million residential units creating living space for roughly four million people. In this way, building societies have contributed to the broad accumulation of property and wealth as well as individual financial security. A significant portion of this financing was provided by Raiffeisen Bausparkasse Gesellschaft m.b.H., which serves roughly 1.8 million customers. The financing services provided by this company for residential construction produced valuable impulses to the domestic construction industry and economy. The topics of renovation, energy efficiency improvements in existing structures and energy-efficient construction have gained importance here. Raiffeisen Bausparkasse assists its customers in implementing such projects with an extensive range of free information services.

Impacts on the environment and on the climate

- Renewable energy:

In this area, RBI AG 2015 has jointly financed the construction of a 42 MW wind farm in Poland with Raiffeisen Bank Polska S.A. and another partner. The wind farm has been in operation since 2010 and is reporting very good yield values so far. The entire "Renewable Energy" financing portfolio of RBI AG during 2015 encompassed 13 projects with a volume of € 247 million, including eight wind farms, two solar installations, two biomass heating plants and one small hydroelectric power station.



Wind farm Kisielice, © Eolica Kisielice Sp.z.o.o.

- Sustainable real estate financing:

In 2015, the financing of an office and commercial building, completed in 2010, was prolonged as part of a change of ownership. In particular, renewable energy sources, such as solar, geothermal and ground water, were used for the ventilation, air control and energy concept. The project was approved by the U.S. Green Building Council for the criteria of sustainability, water usage, energy and air control, materials and resources and room quality, and was awarded the platinum LEED certificate (Leadership in Energy and Environmental Design).

- Alternative mobility:

In recent years, Raiffeisen Leasing GmbH has been able to accumulate significant expertise in the area of alternative drive technologies. The company is a pioneer and market leader, particularly in the field of electric mobility, and currently holds financing for around € 31.4 million in all-electric vehicles. Beyond that, Raiffeisen Leasing GmbH is represented in all significant model regions (such as the "e-pendler in niederösterreich", "e-mobility on demand", "E-LOG Klagenfurt" or "Großraum Graz") as well as 'lighthouse' projects in electro-mobility across Austria. The goal is to initiate visible projects implementing ambitious approaches and innovative developments to make electromobility more attractive to the masses by promoting and developing the associated infrastructure.

- Emission reduction:

We consider the investment financing of new buses for the regional regular services that are being equipped with particularly clean engines (EURO 6 emissions standard) and special soot particle filters to be very positive. The exhaust gas cleaning is done on the basis of SCR technology, while reducing noise at the same time. In addition, an overall reduction in traffic can be achieved through the use of the buses.

Impacts on research, education and innovation:

- Innovation and sustainable development:

Investment financing in connection with the development of new aerodynamic solutions for wing tips was made possible within the framework of the ERP technology program. As part of this project, new 'winglets' (upwardly curved wing tips) for the aircraft industry were developed and, subsequently, special tools, accessories and test equipment for planned mass production could be purchased and set up. Furthermore, investment financing (incl. FFG guarantee) for the development and introduction of innovative processes for the production of special coatings as anti-corrosion protection was made.

Sustainable financing at the network banks

Central Europe (CE)

Raiffeisen Bank Polska S.A. in Poland offers several programs having the aim of investing in desirable areas. Among other things, an investment program that makes loans with attractive terms available to small and medium-sized enterprises (SMEs) with the help of funds from the Council of Europe Development Bank (CEB). This program is subject to strict environmental criteria and excludes loans to companies whose business activities have adverse effects on the environment or health of humans and/or animals. An agreement with the European Investment Bank (EIB), which makes financing to SMEs available at low cost in order to facilitate growth and innovation is a similar program. This agreement also explicitly excludes activities that have a negative impact on the environment, as well as companies that conduct experiments on live animals or produce weapons and tobacco products.

All investment types by bank customers, including those with EU co-financing, should have a positive influence on the environment, not just be neutral. In terms of financing in the area of renewable energies, a wind farm in northern Poland should be mentioned which was jointly financed by Raiffeisen Bank Polska S.A. and RBI AG. (See also "Sustainable financing at the Vienna sites", page 61).

In Slovakia, Tatra banka a.s. offers business loans from resources of the European Investment Banks (EIB) for improving the energy efficiency of buildings, industrial plants or infrastructure to small business owners, property managers or apartment houses as well as to small cities and municipalities and Energy Service Companies (ESCO). Currently, there are three biomass power plants and two photovoltaic power plants that have been financed in the area of renewable energy. For the housing loans, there are environmental standards that must be met as a prerequisite. For corporate customers, there is a program with the European Investment Bank (EIB) to finance projects that reduce energy consumption.

Raiffeisenbank, a. s. in the Czech Republic has newly refinanced three photovoltaic power plants in the existing project financing portfolio. 'Green Loans' are also offered to SMEs jointly with the European Investment Bank (EIB).

Southeastern Europe (SEE)

At Raiffeisen Bank d.d. Bosna i Hercegovina, SMEs receive funding through the EBRD – Funding Energy Efficiency and Renewable Energy Program in the Western Balkans – for projects in the areas of energy efficiency in buildings or in renewable energy.

Raiffeisenbank (Bulgaria) EAD is currently offering four programs that aim to encourage desirable investment: the "KfW Energy Efficiency Program", the "EIB III Energy Efficiency Program", the "BEERECL – Bulgarian Energy Efficiency and Renewable Energy Credit Line" and the "EBRD BEECIFF Energy Efficiency Program and Green Economy". All programs aim to increase energy efficiency, investment in renewable energy sources including

wind, solar, geothermal and water power and the verifiable reduction of energy consumption and CO₂ emissions. In 2015, the most important sustainable financing concerned replacing old equipment with newer, more energy-efficient machines and agricultural equipment (trucks, pumps, combines).

Raiffeisenbank Kosovo J.S.C. offers so-called "Bio-Loans" intended to finance the purchase of energy efficient products for private customers. The interest rate was one per cent below standard rates.

Raiffeisenbank Austria d.d. in Croatia offers several programs for financing social and/or ecologically desirable investments. There is a low interest rate loan by EIB for SMEs, since these are viewed as the engines of the domestic economy. In addition, there are two credit lines available in cooperation with the EBRD (European Bank for Reconstruction and Development): the "EBRD WiB Line" (Women in Business Line) for the promotion of entrepreneurship among women and the "EBRD Credit Line MSMEs" with the aim of supporting micro, small and medium-sized enterprises in their banking activities. Cooperation also continues with HBOR (Croatian Bank for Reconstruction and Development), in which preferential financing arrangements are offered for projects aimed at protecting the environment and increasing energy efficiency. The "EIF First Loss Portfolio Guarantee" program from the EIF (European Investment Fund) to boost lending to SMEs is also worth mentioning. Raiffeisen Factoring d.o.o., the factoring subsidiary of Raiffeisenbank Austria d.d., as well as Raiffeisen Leasing in Croatia also offer EBRD credit lines to small and medium enterprises. The prerequisite is compliance with the EBRD environmental and social standards, the exclusion list as well as an annual environmental and social report.

In Romania, Raiffeisen Bank S.A offers special financing structures for investment in environmentally friendly projects. Co-financing for high efficiency motors within the framework of a partnership program with "Innovation Norway" was realized under the "Green Industry Innovation Program Romania". The objective here is the support of environmentally friendly technologies. By developing environmentally friendly production process and improving quality at the same time, the production efficiency for cast aluminum alloys for electric motors was increased. The focus was on energy efficiency and consumption of raw material through reducing scrap, among other things. Furthermore, joint financing of an innovative and efficient production system at an electronics company was achieved with the European Regional Development Fund. To improve the energy efficiency of a tile producer, a replacement investment was made for an outdated forklift in partnership with the European Energy Efficiency Fund (EEEF). This led to a drop in the specific energy consumption of 47 per cent.

Eastern Europe (EE)

AO Raiffeisenbank in Russia financed a number of projects which have had positive effects on health, such as the provision of complex medical services for the population. There was also a project for water supply and waste water treatment in several Russian cities



Daniela Tsoneva, Head of Funding Management, RBI AG

"In our daily work we often see how important sustainable projects are for all of us – particularly in banking – and, on the other hand, do not make money available for projects which put the environment or the well-being of people at risk. It is not just about feeling good and having a clear conscience. It is about risk, reliability and (long term) performance. Various studies show that companies and projects which take ecological and social factors into account in the long run show a better performance and have less risk of default. Of course, it is also a question of reputation. General awareness of sustainability has increased. Not only in the public, but also among our customers. This is true for Austria as well as for a growing number of people in CEE who make their thoughts about the topic. In our cooperation with supranational institutions we see that the focus is put on the environmental and social component. Together with institutions such as the IFC and MIGA, we perform regular training for our subsidiaries in CEE and monitor their performance. As the social component and the development of the young people is important to us, we also work in programs with such organisations which promote young people and support innovative projects."

QUOTE



which was undertaken. Within the framework of a sustainable real estate financing project, development of built-over territories as well as resettlement of people living in dilapidated housing and construction of affordable housing was undertaken.

Raiffeisen Bank Aval JSC has been a partner of joint programs with international financial institutions, such as the EBRD and the IFC, in Ukraine for seven years. With their implicit support of development, they are seen as desirable because they contribute to the prosperity of the population by improving or expanding access to new technologies, know-how and financial resources of the international financial institutions. The sharing of experience is also an important factor.

As in the past years, Raiffeisen Bank Aval JSC again participated in an investment financing facility of the EBRD called "UKEEP" (Ukrainian Environmental Efficiency Program) in 2015. UKEEP is a joint financing facility which was developed by the EBRD. The focus is on private Ukrainian companies in all sectors which invest in energy efficiency and renewable energy projects as well as solutions that reduce power consumption, increase energy production or make energy use more efficient. UKEEP offers free technical support from international energy efficiency experts for companies with suitable project ideas. The declared goals of the facility are to foster greater energy efficiency in the Ukrainian economy, improve supply and waste management, even in regions with poor infrastructure, optimize the internal processes of the borrowers, increase the knowledge of new technologies and energy audits, support social aspects, improve fair competition and protect the natural environs through the reduction of waste and emissions. Another financing program which is also supported by the EBRD helps small and medium-sized agricultural producers finance energy-efficient agricultural machines.

Sustainable investment products

Raiffeisen Bausparen (building society savings)

Building society savings has a long tradition in Austria as an investment model. The basic idea is to promote the financing of living space. The savings deposits of Raiffeisen Bausparkasse Gesellschaft m.b.H. serve primarily for the refinancing of loans for living space financing, such as the construction of a single-family home, purchase of a condominium, payment of a cooperative share or home renovation. In this way, building societies have contributed to the broad accumulation of property and wealth as well as individual financial security. However, the funds can also be used to pay education or care expenses. Savers (with mature contracts) also have the right to a home loan.

Raiffeisen Kapitalanlage-Gesellschaft m.b.H. (Raiffeisen KAG)

The sustainable handling of customer deposits at RBI AG remains unchanged and is mainly effected by Raiffeisen KAG, which offers securities and real estate investment funds as well as investment management products to institutional and private customers both in Austria and abroad. The focus is in Austria as well as, increasingly, in Italy and Germany or – even if at a low level – at the network of banks in Central and Eastern Europe.

In 2002, Raiffeisen KAG issued the first investment funds with ethical/sustainable criteria (“Raiffeisen-Ethik-Aktien”, today the “Nachhaltigkeitsfonds-Aktien”). Subsequently, the offer of such funds was progressively expanded, to some extent also through mandates or, in other words, special funds. Furthermore, Raiffeisen KAG has been an active member in the Sustainable Investment Forum, the professional association for sustainable investment in Germany, Austria, Liechtenstein and Switzerland since 2009 and, since 2007, a member of the Raiffeisen Climate Protection Initiative. This was the beginning of a growing involvement with an overall integration of sustainability into the asset management business. The UN PRI (United Nations-supported Principles for Responsible Investment) was signed in 2013, while, at the same time, the management competence and capacity was expanded as a significant step towards the integration of sustainability elements into the total investment, initially done in the form of KAG open-end mutual funds. To increase the integration of ESG research (ESG stands for “Environmental, Social, and Corporate Governance”), additional information systems were acquired and integrated.

Strict exclusion criteria are defined in the dedicated sustainability funds (public and special funds), such as the violation of human rights and labor rights, atomic energy, weapons, green genetic engineering, violations of the Global Compact and other ethical principles (including gambling, alcohol and the use of human embryos in research). Based on this, a high degree of responsibility and future viability was spotlighted in the investments (own and foreign capital from enterprises or analog states) by specific ESG research.

To ensure compliance with the sustainability criteria and the sustainability process, both the criteria framework (extra-financial exclusion criteria, data from a sustainability research agency) as well as the sustainable quality (combination of data from two sustainability research agencies and our own data) are updated on a monthly basis. The sustainability universe that results in this way can also be modified in between the cyclical updates based ad hoc events. The data for the sustainability universe are transmitted to the limit testing and fed into the asset management system. With this, any attempt to invest in a non-viable fund from a sustainability perspective automatically triggers a limit violation and can therefore not be made. The auditors responsible for the fund also look for potential violations ex-post using the criteria framework.

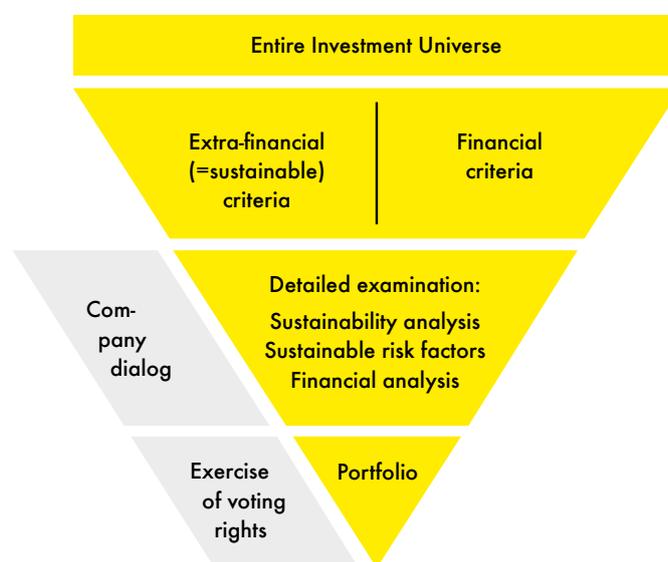
Yet, the activities of ESG also go beyond the product line of sustainability funds. For all mutual funds, for example, a commitment has been voluntarily made to exclude investments in agricultural commodities and controversial weapons, and compliance with this is reviewed regularly. This equally applies to the funds being managed by the partner Investec Asset Management, London (management of global equity funds). Investec is also a signatory to the UN PRI and other initiatives relevant to ESG. Of all the assets under management by Raiffeisen KAG, around 39 per cent are audited for these sustainability aspects. As its most recent step in this direction, Raiffeisen KAG joined the “Montreal Carbon Pledge” last year, an initiative of the UN PRI, dedicated to disclosing the CO₂ footprint of investment funds. Other memberships include the “CDP” or “CDP Water” (Carbon Disclosure Project, a non-profit organization with initiatives in the area of climate-damaging greenhouse gas emissions and water consumption) and in the Green bond-related initiatives “Investor statement re: Green Bonds & Climate Bonds” as well as “Green Infrastructure Investment Coalition”. Membership in these initiatives is a very active one.

Raiffeisen KAG regularly takes the impulses and information it receives there on board, while, at the same time, it shares its own experiences in the day-to-day sustainability investment business. These initiatives also usually include the (further) development of standards which improves the comparability and the impact of sustainable investing.

The goal of continually enhancing sustainability in the core business is followed by a dedicated “Sustainable Investments” team together with a group of specialists within the fund management. Close coordination between this department and other areas of Asset Management ensure on-going transfer and expansion of sustainability know-how within Raiffeisen KAG. This is reflected not least in our active engagement in the sense of exercising our right to vote or actively communicating with listed companies on ESG issues. In 2015 200 active company engagement activities took place and 80 votes were cast either directly at general meetings or on specific platforms.

Raiffeisen KAG’s sustainability philosophy, as it is implemented in the dedicated sustainability funds, consists of three main elements: The first is the expanded information base that comes from sustainability. By taking into account extra-financial information – in addition to the traditional financial criteria – leads to a larger data set for the analysis of companies and issuers compared with traditional investments. The second point that follows this is the broader basis for selection decisions and risk reduction. Sustainable analyses can improve the risk profile of the portfolio. In general, the responsibility and future viability of the investment is the central focus. Ecological, stakeholder-relevant and governance risks are considered in the investment process and improve the risk profile of the portfolio. Thirdly, the positive influence on yield that comes with sustainability needs to be mentioned. Investing in the best companies and issuers in terms of sustainability leads to stable, constant yields, at least when compared to traditional investments

The sustainability process for all sustainability funds of Raiffeisen KAG is structured as follows:



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In the first analysis level (extra-financial/financial criteria), the investment universe is evaluated according to fundamental criteria. On the extra-financial side, this concerns any violations of ESG exclusion criteria; on the financial side, companies with insufficient financial stability are excluded at this level.

The second level of analysis focuses on the detailed view of the individual companies and issuers. At the bottom level, a broadly diversified portfolio is constructed from the remaining companies or issuers and the information that has been gathered about them. As part of the approach described above, an ESG engagement strategy and a strategy for the exercise of voting rights are also followed since engagement and voting are key, integral components of the sustainability strategy.



Sustainable investment

Raiffeisen KAG has accelerated the topic of, and subsequently the product, “sustainable development” in recent years and now offers four sustainability funds (mutual funds open to the public) with differing risk-yield profiles – from global investment equity funds to two mixed funds with different levels of share ratios to a purely (short-term) bond fund. In addition, there is a well-established pension fund with mainly Austrian government bonds which are focused primarily on trustee status (Raiffeisen Austria-Rent) besides the ESG criteria. The youngest member of the product family is the newly invested Raiffeisen GreenBonds, a mutual fund established in 2015. It invests in bonds which are used to finance climate and environmental protection projects. Issuers are local authorities and, increasingly, businesses in addition to supranational organizations and development banks (e.g. EIB, World Bank).

In addition to rounding off its range of sustainability mutual funds, Raiffeisen KAG 2015 also set up two special funds with innovative concepts: The ESG Momentum is based on studies in which the significance of “ESG Momentum” – in other words, an improvement of sustainability development in companies themselves – is used for above-average financial performance. It invests in European shares under the specification of specific sustainability criteria with the emphasis on quality improvement (i.e. momentum). High-yield bonds, in turn, provide a very attractive addition for portfolios in the current low interest rate environment, and issuers with a high level of commitment to sustainable development are also increasingly found in this segment of the bond market.

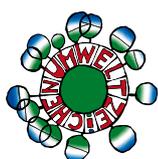
With a managed fund volume of € 27.03 billion and a market share of 16.6 per cent, according to statistics from OeKB, Raiffeisen KAG is one of the leading asset managers in Austria. If advisories (mandates to third parties) are included, the Assets under Management (AuM) totaled € 29.27 billion at the end of 2015. Around € 1.029 billion are managed in the business sector of asset management for premium private customers.

The volume of sustainable investments increased approximately 16 per cent to €1.173 billion compared to the previous year. The share of sustainable investments in the total volume of Raiffeisen KAG is currently four per cent. In the retail distribution, this percentage is about five per cent. This distribution segment exhibited significant growth in 2015 and is now almost 50 per cent of the growth in volume for sustainable funds. In the past, sustainable investment products were primarily held by institutional investors in Austria as well as Germany.

| Sustainable funds of Raiffeisen Kapitalanlage-Gesellschaft m.b.H | Volume (EUR) |
|---|------------------------|
| Raiffeisen-Nachhaltigkeitsfonds-ShortTerm (investment fund in short-term EUR bonds, open to the public) | 55.1 million |
| Raiffeisen-Nachhaltigkeit-Solide (investment fund in global shares and bonds, open to the public) | 24.1 million |
| Raiffeisen-Nachhaltigkeitsfonds-Mix (investment fund in global shares and bonds, open to the public) | 217.3 million |
| Raiffeisen Nachhaltigkeitsfonds Aktien (investment fund in global shares, open to the public) | 32.4 million |
| Raiffeisen-Österreich-Rent (investment fund in Austrian bonds, open to the public) | 459.2 million |
| Raiffeisen-GreenBonds (large investor fund) (NEW) | 37.0 million |
| BfS Nachhaltigkeitsfonds Ertrag KAG (investment fund in shares and bonds, open to the public, foreign mandate) | 37.8 million |
| R Ethik Rentenfonds (special fund in bonds in fixed maturity fund) | 120.2 million |
| Valida Anleihen HighYield N 1 (special fund in high-yield bonds) | 48.1 million |
| Valida Aktien Nachhaltig 1 (special fund in global shares) | 111.4 million |
| VBV ESG-Momentum (special fund in European shares) | 30.3 million |
| Total | 1,172.9 million |

Status: December 31, 2015

Raiffeisen KAG works both internally and with external partners to continuously improve its sustainability investment process. A visible result is, for example, the growing number of national and international certifications it has received. This includes the Austrian Ecolabel, the FNG seal and the eurosif Transparency Code, among others.



Financial products with the Austrian ecolabel (carrier organization: Federal Ministry for Agriculture and Forestry, Environment and Water Management) are not allowed to invest in nuclear power or companies that profit from coal, natural gas or crude oil from fracking or tar sand or those that produce or trade in weapons. Activities in the area of genetic engineering must be evaluated and, if necessary, excluded as an investment if there is evidence of systematic human rights and labor rights violations. State issuers or those related to state governments must not violate core political, social and environmental standards. The award is based on an external audit.



The FNG seal, awarded for the first time in 2015, is a quality standard for sustainable public funds in the German-speaking regions. The minimum requirements include transparency and process criteria, the exclusion of weapons and nuclear power as well as the consideration of the four areas of the UN Global Compact (human and labor rights, environmental protection, the fight against corruption and bribery – also see page 12). Award of this seal follows an audit conducted by an external auditor (Novethic, France) (information under www.fng-siegel.org).



The European Transparency Code logo for sustainability funds (eurosif Transparency logo) identifies the obligation to provide correct, appropriate and timely information to interested parties, in particular customers, the possibility to understand the approaches and methods of sustainable investment for their respective fund. "eurosif" is the pan-European organization, like the "Forum Nachhaltige Geldanlage" (Forum for Sustainable Investments) in the German-speaking regions, whose mission is to promote sustainability through European financial markets (information at www.eurosif.org).

In the annual independent comparison study “Top 100 ESG equity funds” by the Liechtenstein sustainability consulting company CSSP (Center for Social and Sustainable Products), Raiffeisen was again awarded second place for sustainability funds in 2015. In fact, under the global equity products it was even ranked first – as in 2014. This positive feedback from external, independent sustainability initiatives is both confirmation and incentive for us to continue our path. (More information under www.yourSRI.com)

Other sustainable products and services

Other sustainable products and services in Vienna

Green bonds

Sustainable investments on the capital market for refinancing is gaining in importance. The RBI AG has been registered as a member of the Green Bond Principles from the International Capital Market Association (ICMA) since 2014. The Green Bond Principles (GBP) are voluntary procedural guidelines that promote transparency and integrity in the development of this quickly growing market through definition of a uniform issuing process. The Green Bond Principles are open to all institutions that have issued, subscribed to or placed green bonds, and over 55 institutions have already registered.

Cash management

Paper consumption continues to play a large role in connection with account management, transactions and statements. In 2015, RBI AG was able to save 2,845 kg of paper in this area (together 1,163,000 statement sheets and 174,500 envelopes). More Information on page 123.

Incentives to renovate residential units

Additional incentives for the performance of renovation measures that benefit the environment, the economy and residents alike were generated again in 2015 by the “Renovation Check” and “Contractor Bonus” subsidization programs initiated by the Austrian federal government. In acknowledgment of its social responsibility, Raiffeisen Bausparkasse Gesellschaft m.b.H. joined with the Austrian Raiffeisen banks in once again assuming the free processing of the Renovation Check applications submitted by their customers, which made up roughly 38 per cent of all applications nationwide. The “Contractor Bonus” campaign, in which private individuals can take advantage of grants for contractor services for the renovation, maintenance and modernization of their own homes, was supported again. Raiffeisen Bausparkasse handled the entry of roughly 42 per cent of all applications, thereby making a valuable contribution to assisting local contractors.

Services in connection with alternatively powered vehicles

- Environmental fleet management:

In addition to designing financing solutions including subsidy processing in the model regions, Raiffeisen-Leasing GmbH is also involved with battery leasing for electric vehicles and offers fleet management services for alternatively powered vehicles. This includes analyses and comparisons between fossil-fuel-based and alternative vehicles in fleets of three vehicles or more with regard to economic efficiency and applicability on the basis of the distances driven (determination of the travel profile and calculation of the total cost of ownership, TCO). Every fleet management customer regularly receives a report detailing the CO₂ emissions (in kg) of the individual vehicles and the fleet as a whole.

- Cooperation with electric car manufacturers:

Raiffeisen-Leasing GmbH is the preferred financing and cooperation partner of TESLA (a manufacturer of electric cars). Within the framework of this partnership, financing is provided for TESLA customers and insurance processing (by UNIQA) is also offered. Another activity related to this is the cooperation with Smatrics (a joint venture of Verbund AG and Siemens AG), a complete provider of services covering many aspects of electromobility that built the first comprehensive charging network in Austria that is supplied with 100 per cent renewable energy. Beginning in the third quarter of 2016, services provided by Smatrics (charge card with

use and charging station incl. installation across Austria) have been incorporated into the Raiffeisen-Leasing GmbH environmental fleet management.

Valida Vorsorge Management

The Valida staff provision fund is responsible for processing the obligatory contributions under “Abfertigung Neu” for a total of two million employees and self-employed persons. The contributions it manages are in the amount of approximately € two billion. The sustainability concept for “Valida Plus Sustainability” defines the ethical criteria of investment.

| Central positive criteria (examples) | exclusion criteria (examples) |
|--------------------------------------|--|
| Responsible dealings with employees | Weapons |
| Active environmental policy | Nuclear power |
| Sustainable products | Serious deficits in democracy or human rights violations |



The consultancy firm, Mag. Reinhard Friesenbichler Unternehmensberatung (rfu), a specialist in sustainable investment, reviews the level of sustainability for the entire corporate assets of the Valida staff provision fund investment community (VG 1) twice a year. The individual investments are rated on a scale of 0 to 200. Investments with a sustainability score of 100 points or more are to be regarded as sustainable. The scores of the individual portfolio positions are aggregated at the level of the overall portfolio and result in an overall sustainability score.

Additionally, the investments are assigned to one of the following sustainability classes:

- Sustainability funds
- Sustainable individual titles
- Sustainability-oriented funds
- Conventional funds

The goals for the sustainable capital investment of the Valida staff provision fund are as follows:

- It should be possible to assign all investments to one of three sustainable investment classes. By the balance sheet date 2015, the Valida staff provision fund held no conventional funds. This means that 100 per cent of the assets were invested in the above three classes of sustainable.
- The sustainability score for the entire portfolio should be over 140 points. At the balance sheet date December 31, 2015 the Valida pension fund exceeded the reference value with 143 points.

Thus, Valida clearly met all of the goals of sustainable investments.



ÖGUT certification: The Valida staff provision fund is audited and certified annually by the Austrian Society for Environment and Technology (ÖGUT). For 2015, the Valida staff provision fund received the ÖGUT-Gold award, the best possible. This is the fourth ÖGUT Gold certification in a row. In addition to the ethical investment factor, communication and transparency in regards to sustainability, operational ecological aspects, staff policy and corporate citizenship all play a role.



Sustainable actions in the pension fund: Within Valida Pension AG, the financial data provider software-systems.at determines and observes the ethically dynamic share of the securities of an investment and risk association. If a company represented in the portfolio violates the ethical standards, the software-systems.at informs the Valida Asset Management.

Other sustainable products and services at the network banks

Central Europe (CE)

In Poland, the government created a new residential program for young adults under the title "Apartment for Young" that can be handled through the Raiffeisen Bank Polska S.A. The aim is to support young adults when buying an apartment. Families with children receive additional support.

In Slovakia, Tatra Banka, a.s. (in accordance with the statutory provision) offers a free giro account package for individuals with low incomes. In addition, the use of electronic channels for private persons and micro-customers was further promoted in 2015. Customers can receive and accept their contracts electronically via internet banking or mobile applications. Efforts to push more email dispatch for account statements were continued. The same applies to credit card statements.

In Hungary, Raiffeisen Bank Zrt. also continued its effort to reduce paper, in particular through replacing paper confirmations with confirmations over electronic channels for various transactions. This applies to acknowledgments of treasury orders, OTC Spot and Derivate transactions and structured deposits as well as for the provision of securities services and ancillary services. The same applies for the deposits of institutional clients. New customers no longer receive treasury acknowledgments in paper form but online.

Southeastern Europe (SEE)

In Albania, Raiffeisen Bank Sh.A. made special loan offers available to governmental employees with low incomes. Retirees and students could take advantage of service packages with preferential conditions.

Raiffeisen Bank d.d. Bosna i Hercegovina introduced a new service for company card holders which also increased the volume of monthly statements sent electronically.

Raiffeisenbank (Bulgaria) EAD offered so-called "Child deposits", a form of saving for children's futures, which have higher interest rates in comparison to the standard. Account packages for retirees and students as well as student loans at preferential terms and conditions continued to be made available. There was also the consistent promotion of paper reduction in the core business as a contribution to reducing CO₂ emissions: electronic card statements, the increased use of electronic product information and electronic sales channels are among them.

In Croatia, Raiffeisenbank Austria d.d. again offered loans and service packages at favorable conditions for retirees as well as more inexpensive account packages for retirees and students. Internet banking was used for all banking products as well as for some non-banking products.

Eastern Europe (EE)

The Priorbank JSC in Belarus offers special free accounts for retirees that include additional services such as free debit card and higher interest rates. In addition, several different payment options and services, such as SMS notification of payment receipts, accident insurance or a discount program for pharmacies were made available.

Initiatives for improving access to financial products for disadvantaged groups of the population

It is important for social equilibrium in society that all groups of the population are given equal opportunities to access financial services. Disadvantaged groups include people with disabilities as well as people who have, for example, linguistic, cultural or age-related barriers to overcome. We are making an effort in all of our markets to make barrier-free access possible for people with disabilities in every one of our facilities in the medium term.

Austria

In Austria, visually impaired users have the option to switch the websites of the Raiffeisen Banking Group and ELBA internet to high-contrast colors. This makes the pages much easier to read for these users. The web pages meet all standards for screen readers to read. For people who have difficulties operating the website because of limited hand mobility, there are now larger buttons and images. A further significant improvement will soon be achieved through "Responsive Design". This means that the website is automatically modified to suit the end device.

Central Europe (CE)

In Poland there is a provision by the Polish Bank Association (ZBP) regarding how to deal with disadvantaged customers in the branches. This was communicated to all branches by Raiffeisen Bank Polska S.A. These guidelines should help relationship managers provide service that is more considerate of disabled persons. In addition, the website was inspected with regard to accessibility for the visually impaired and people with limited abilities to operate a mouse or keyboard.

Tatra banka, a.s. in Slovakia has already equipped all ATMs with independent and barrier-free access. Except for those offices in the historic city center, all existing offices are now similarly accessible barrier-free as are newly opened branches. It is also now standard that every ATM is equipped with voice navigation for visually impaired persons. Even the internet banking has been adapted for the visually impaired. The website and mobile applications features with voice navigation are currently under implementation for these customers regardless of the platform.

Raiffeisen Bank Zrt. in Hungary has implemented a responsive website in 2016 with integrated barrier-free functions for disadvantaged persons to ensure the best possible equal opportunities.

Southeastern Europe (SEE)

Raiffeisen Bank d.d. Bosnia i Hercegovina has put certain rules for dealing with people with disabilities in place. The Head Office and many branches are barrier-free accessible. Most ATMs are also directly accessible, providing there are no building obstacles, by wheelchair and feature multilingual operation in English and German in addition to Bosnian. The ATM keyboards additionally feature embossed numbers and a headphone jack for easier use by the visually and hearing impaired. Product and service information will also be available in Braille in the future for people with visual impairment. This project is currently being implemented. For the hearing impaired, an initiative is currently in preparation which enables web calls with sign language translators to be made so that these people have the possibility to have all of their questions regarding their banking business explained to them directly.

Raiffeisenbank (Bulgaria) EAD began installing hydraulic ramps for wheelchairs and strollers in their offices in 2015. The website operability and a blog for the blind have already been revised in the past years. Text can be converted into sound using special software.

For advising minorities and customers with other native languages, Raiffeisen Bank Kosovo J.S.C. has made multilingual product brochures, ATMs, websites and e-banking tools available. Employees can communicate in Albanian, Serbian and English.

Raiffeisenbank Austria d.d. in Croatia has been issuing rules for preparing barrier-free access in the local branches and ATM locations for many years.

Raiffeisen Bank Rumänien S.A. has also planned the construction of ramps so that all ATMs in their branches are accessible for wheelchairs and strollers. Around 30 per cent of the needed ramps have already been built.

Eastern Europe (EE)

The AO Raiffeisen Bank in Russia, in consultation with the Russian society for people with disabilities, started an initiative in 2015 to make barrier-free access to banking services available to disadvantaged populations through a call center. A further initiative aims to make the premises of the bank accessible barrier-free and, by 2017 at the latest, to meet all standards from the society for people with disabilities and to receive a corresponding certification. At least ten branches in Moscow and one in each of the other cities where the AO Raiffeisenbank is present will meet the standards by the end of 2016.

Barrier-free access to the ATMs for physically impaired people in the Priorbank JSC in Belarus is being improved every year through structural changes. In addition, they are also being equipped with keyboards in Braille so that the visually impaired can operate them as well. English is installed as a navigation language in most ATMs to aid in operation by foreign-language-speaking customers. In 2015, 14 ATMs were retrofitted in this regards and new ramps were installed.

Overview

The following table provides an overview of the measures implemented in the core business at the individual companies.

| Overview of responsible banker/core business measures | | | | | | | | | | | | | | | | | | | |
|--|---|-------------|------|------|--------|-------|------|------|------|-------|-------|-------|------|------|------|------|-------|-------|------|
| Topic | Measure | Austria | | | | CE | | | | SEE | | | | EE | | | | | |
| | | RBI/ RZB | RBSK | RKAG | Valida | PBPL | TBSK | RBCZ | RBHU | RBAL | RBBH | RBBG | RBKO | RBHR | RBRO | RBRS | AVAL | RBRU | RBYY |
| Social and environmental policies for the core business | Existence of a social and environmental policy | | | ✓ | | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | |
| Social and environmental criteria for lending decisions | Consideration of social and/or environmental criteria in the rating process/ for limit applications | part. | n.a. | n.a. | ✓ | ✓ | | | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | |
| Customers with payment difficulties | Policies/measures concerning fair dealing with customers with payment difficulties | ✓ | ✓ | n.a. | n.a. | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | |
| Customer satisfaction | Measures that ensure consideration of customer concerns/ measure customer satisfaction | ✓ | | | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | |
| Sustainable investment products for customer funds | Selection of investment products that are attractive from the perspective of sustainability | ✓ | ✓ | ✓ | ✓ | | | ✓ | | ✓ | ✓ | | ✓ | | | | | ✓ | |
| Other sustainable products and services | Free money transfers for donations | | n.a. | n.a. | n.a. | | | | | | ✓ | ✓ | ✓ | ✓ | ✓ | | ✓ | ✓ | |
| | Free account and special conditions for NGOs /charitable institutions | | n.a. | n.a. | n.a. | ✓ | ✓ | | | part. | ✓ | | ✓ | | | | part. | | |
| | Electronic account statements | ✓ | | n.a. | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| | Electronic product information | ✓ | ✓ | n.a. | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| | Special conditions for retirees | n.a. | | n.a. | n.a. | | | | | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| | Special conditions for students and/or youths | n.a. | ✓ | n.a. | n.a. | ✓ | ✓ | | | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | | | ✓ |
| Initiatives for disadvantaged persons | Barrier-free access to all branches/ ATMs | n.a. | n.a. | n.a. | n.a. | part. | ✓ | | | ✓ | part. | part. | ✓ | ✓ | ✓ | ✓ | ✓ | part. | |
| | Guidelines/assistance/ training measures for dealing with people with special needs | n.a. | | n.a. | n.a. | ✓ | | ✓ | | ✓ | | | ✓ | ✓ | | | | | |
| | Website adaption for visually impaired | ✓ | ✓ | | ✓ | ✓ | ✓ | ✓ | | | ✓ | | | | | | ✓ | ✓ | |
| | Adaptation of ATMs to the needs of visually impaired | n.a. | n.a. | n.a. | n.a. | ✓ | ✓ | ✓ | | ✓ | ✓ | | | | ✓ | | | ✓ | |
| | Multilingual ATMs for immigrants | n.a. | n.a. | n.a. | n.a. | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |

Please see the list of abbreviations for the complete company designations.

The measure listed above have largely no relevance for Raiffeisen-Leasing GmbH, which has therefore been left off the table.

n.a. ... not applicable

part. ...partially implemented

Future outlook and Sustainability Program

We are working towards the continued advancement of sustainability in our core business. The largest sustainable impact can be achieved with our products and services through leveraging effects. In this process, we focus on all influential variables available to us. Operational actions must be even more strongly geared to social and ecological interests. In a difficult business environment in which internal resources are focused on economic challenges arising from current geopolitical developments and weak economic performance as well as in connection with intensified supervisory requirements, we view this as a journey of many small steps.

We are currently preparing a revised edition of our Code of Conduct with the goal of increasing awareness within the RZB Group. Also the RZB Group's involvement as a member of the VfU (Association for Environmental Management and Sustainability in Financial Institutes) in various focus working groups should contribute to the development and implementation of higher standards for the core business of banking in general and our Group in particular.

In the investment business of Raiffeisen KAG, the dedicated sustainability investment team and the fund management specialists, working in close cooperation with other areas of asset management, have been steadily transferring and broadening our sustainability know-how. The engagement activities, such as exercising the right to vote or active communication with publicly listed companies on ESG issues, will be further intensified.

Human needs are changing. We live in a time in which the digitalization of the economy is moving inexorably forward. It affects all areas of life including changes in banking. The Raiffeisen Banking Group has responded to these changes under the leadership of RZB AG. The official launch of the "Digital Regional Bank" took place in January 2016 - the result of preparations for the development of the program concept and goals by employees of RZB AG, Raiffeisen Landesbanken, IT subsidiaries and specialized subsidiaries. Under this program, the necessary prerequisites will be created for the Raiffeisen Banking Group to live up to service excellence in multi-channel distribution and service, to secure its market share, generate new income, connect digital and regional presences and to improve efficiency through standards for products and processes by 2018. In addition, product innovations and agility in implementation will be increased through the "Digital Regional Bank" while, at the same time, customer confidence in Raiffeisen's digital services will be strengthened. Security, transparency and data protection are essential requirements and a basic pillar of digitalization for Raiffeisen. The "Digital Regional Bank" will be a significant contribution for Raiffeisen in achieving quality leadership in the area of digitalization - while still maintaining the brick-and-mortar bank model - and therefore essential for the long-term competitiveness of RBG as a banking group of the future.

The climate agreement which was adopted in Paris in December 2015 has the objective to contain global warming to a temperature rise of less than two degrees Celsius. It envisions a distribution of responsibility among all UN member states, which means that all states must make a contribution to the reduction of global warming. Naturally this will have consequences for the economy in Austria and in our home markets. The targets for reducing greenhouse gases will likely lead to stricter exhaust emission limits, for example. Investors such as pension funds and insurance companies are increasingly pulling out of CO₂-intensive industries, or at least thinking about it. While the much quoted adieu from the fossil fuel age will still take a while, the process of re-thinking things has begun, and by 2020, when countries must present new climate protection plans every five years, we will be able to see how seriously they take climate protection.

Excerpt from the Sustainability Program

| Responsible banker | | | | |
|---|---|--|--|--|
| General objectives: Anchoring of sustainability within the business processes; promoting sustainable products | | | | |
| Strategy area | Objectives | Measures | Status | |
| From the Sustainability Program 2016 | Responsible banker (Product responsibility) | Increase of awareness regarding ethical behavior | Revision of the Code of Conduct in consultation with stakeholders | In preparation |
| | Responsible banker (Product responsibility) | Structured reporting of all financing with sustainability relevance | Introduce sustainability box in the credit application | In preparation |
| | Responsible banker (Product responsibility) | Achieve leading position in Austria for sustainable investments | Increased training activities and customer presentations by Raiffeisen KAG | Ongoing |
| | Responsible banker (Product responsibility) | Reinforce investor engagement activities for public companies for ESG topics | Each year about five topic engagement activities and creation of own publications, dialog with at least ten companies/issuers per topic by Raiffeisen KAG | Ongoing |
| | Responsible banker (Product responsibility) | Uniform application of marketing standards | Recognition of the ICC code on advertising and marketing communication within the RZB Group | Implemented in 1st half of 2016 |
| | Responsible banker (Product responsibility) | Cooperation with University of Applied Sciences Krems within framework of "Josef Ressel Center" for applied CSR research in the banking area to accelerate innovations | Multi-year close cooperation in the area of applied CSR research for financial services companies with a Josef Ressel Center (as part of the participation in the Raiffeisen Climate Protection Initiative) | Ongoing |
| | Responsible banker (Value creation) | Assure potentiality for 2025 through increased digital presence | Conditions for multi-channel service and sales in Austria created | Started in January 2016 |
| From the Sustainability Program 2015 | Responsible banker (Product responsibility) | Ensure future viability up to 2025 in the area of sustainability in the core business | Establish other responsible financing | Ongoing |
| | Responsible banker (Product responsibility) | Implementation of criteria relevant to sustainability in the lending process at three additional network banks | An additional three network banks will implement an Environmental and Social Management System (ESMS). (Four of a total of 15 network banks already employ an ESMS in accordance with IFC requirements since 2014.) | Implemented; Seven from a total of 15 network banks use ESMS according to IFC/MIGA standards |
| | Responsible banker (Product responsibility) | Expansion of the offering of sustainable investment products with another investment fund in the sustainability segment | The product range of Raiffeisen KAG should be supplemented by another mixed investment fund | Implemented in 1st half of 2015 |
| From the Sustainability Program 2014 | Responsible banker (Product responsibility) | Implementation of criteria relevant to sustainability in the lending process at four additional network banks | Introduction of Environmental and Social Management System (ESMS) according to the exclusion criteria and performance and performance standards of the International Finance Corporation (IFC) in four network banks | Conversion in 2014 |
| | Responsible banker (Product responsibility) | Improve the offering of sustainable products/investment products | Launching of a new product range in autumn of 2014 at Raiffeisen KAG: Creating three investment funds in the sustainability segment | Implemented in 2nd half of 2014 |
| | Responsible banker (Product responsibility) | Promote sustainability awareness among account managers | Participation by RBI AG in green bond emissions (European Investment Bank and Verbund). | Implemented in 2nd half of 2014 |
| | Responsible banker (Product responsibility) | Promote sustainability awareness among account managers | Discussions with those responsible in-house and create concept | Implemented in 2nd half of 2014 |
| | Responsible banker (Value creation) | Determining the economic value creation by Raiffeisen Banking Group in Austria (incl. the RZB Group Austria) | Create value-added report jointly with the economic research institute Economica and publish in March 2015 | Implemented in 1st half of 2014 and 2015 |
| Responsible banker (Product responsibility) | Cooperation with the Eco-Social Forum to support an empirical study on sustainable investment | Publication of the study in March 2015 | Implemented in 1st half of 2015 | |

Reports from the Austrian participations

Raiffeisen Informatik GmbH

Raiffeisen Informatik has set a goal, in regards to sustainability management, to combine successful management with environmental and social responsibility. In 2015 it implemented a CSR Governance for this purpose. This defines fields of action for market, employees, the environment and society as well as the respective measures and it was approved by the CSR board.

Particular focus will be given to providing sustainable services as part of sustainability management. Raiffeisen Informatik's efforts to structure the use of information technology in an environmentally and resource-friendly way along the entire life cycle could be positively confirmed in the energy efficiency audit which was performed in 2015. The audit certified that through the use of state-of-the-art equipment, Raiffeisen Informatik Data Center achieved an overall resource-friendly operation. Through consistent improvements in the areas of cooling, uninterrupted power supply (UPS), scalability and IT management, the Raiffeisen Informatik Data Center achieved the best possible capacity and efficiency. In the past few years, measures such as exchanging two UPS systems due to technological developments and expanding the speed control for the cooling water pumps as well as modernization of the cooling systems, have achieved additional energy savings of around one million kilowatt hours.

Raiffeisen Centrobank AG (RCB)

Raiffeisen Centrobank AG (RCB) is the competence center for shares and certificates of the Raiffeisen Banking Group. RCB as a leading Austrian certificate issuer has already been involved in the topic of sustainable investments for more than ten years. With classic index certifications, investors can specifically invest specifically in the areas of solar, wind, bio-energy and climate protection with unlimited terms. For safety-conscious investors, RCB issues guarantee certificates at regular intervals which enable participation in the development of the underlying basic values. RCB issued its "Sustainability Winner" for the first time in October 2014. iSTOXX ESG Select Global 100 Index, i.e. the index that combines the best companies in the areas of environmental, social and responsible action together forms the base value for this investment product with capital protection. The guarantee certificate offers 100 per cent capital guarantee at the end of the term, 100 per cent participation by the investor in the positive average index development, has a seven-year term and can be traded at any time on the Vienna, Frankfurt or Stuttgart stock exchanges. The follow-up product, "Sustainability Winner 2", has the identical product features and was issued in November 2014. Both products are quoted in euros. Due to high demand, four other products in the Sustainability Winner series were created in September 2015; all of them have capital protection, one of them is in US dollars. The goal of the product series is to make it easy for investors to enter into the sustainability market and generate returns on investments while being consistent with high environmental, social and governance standards.

Sustainability Winner product overview:

| | |
|---------------------------------|---------------------------------|
| Sustainability Winner | ISIN/WKN AT0000A 19XZ4 / RC0AK0 |
| Sustainability Winner 2 | ISIN/WKN AT0000A 1AEB8 / RC0APG |
| Sustainability Winner USD 1,25% | ISIN/WKN AT0000A 1G783 / RC0C75 |
| Sustainability Winner 95% | ISIN/WKN AT0000A 1G7A2 / RC0C78 |
| Sustainability Winner 98% | ISIN/WKN AT0000A 1G7B0 / RC0C77 |
| Sustainability Winner 100% | ISIN/WKN AT0000A 1G791 / RC0C76 |

Raiffeisen evolution project development GmbH

Raiffeisen evolution was established in 2003 through the merger of several project development companies of Raiffeisen and Strabag. Its core business is the development of premium residential and commercial properties in Austria as well as Eastern Europe and Southeastern Europe. Raiffeisen evolution also operates as a service provider and has already implemented numerous property projects under contract for well-known companies. Since the company was founded, 74 projects have been successfully sold and a total of 697,050 m² (gross floor area) created.

The company is involved in the Austrian Society for Sustainable Real Estate (Österreichische Gesellschaft für Nachhaltige Immobilienwirtschaft – ÖGNI), and is also a member of the Managing Board. Raiffeisen evolution plays its part in developing standards and guidelines even outside of the domestic market of Austria. The real estate developer is also a pioneer in the area of sustainability on the Eastern and Southeastern European markets.

In 2015, a large number of commercial projects in Austria and in Central and Eastern Europe by Raiffeisen evolution were awarded with platinum/gold certificates or pre-certificates. Furthermore, the second sustainability report for 2014 was prepared in 2015 under the motto "Developing the future".

As reported earlier, Raiffeisen evolution introduced three pioneering home concepts on the market in 2006 which have been implemented meanwhile in corresponding projects:

Energy efficiency



Saving energy, protecting the environment as well as reducing costs: this concept is automatically taken into consideration for each new residential project. Raiffeisen evolution thus only builds low or lowest-energy houses which meet the highest-possible energy standard and a heating requirement that is far below that of a standard new home.

The specific construction significantly reduces the energy requirement compared to conventional houses. This results in a reduction in CO₂ as well considerable savings on heating costs. The homes are categorized into efficiency classes in accordance with the new Directive 6 of the "Österreichisches Institut für Bautechnik" (OIB, Austrian Institute for Construction Technology). This is done using energy indexes. Thanks to the smart optimization of the building's structure, low-energy values are achieved. The excellent exterior thermal insulation and well insulated windows are a significant part of this. Highly insulating glazing and frame profiles are chosen in order to achieve this optimization. Mechanical ventilation of the rooms is not provided as a rule, while heating is by means of conventional radiators.

Smart living with comfort



This concept is based on six pillars: Security, comfort, communication, working from home, entertainment and cost-saving. Trendsetting technologies are planned and implemented in all these areas. In terms of "smart living", Raiffeisen evolution uses its WOHN-BASE© concept to improve residents' social networking, flexibility and quality of life. The shared, in-house intranet portal enables communication between residents,

reservation of the building's own facilities and individual organization. A wellness base (sauna, infra-red cabin and fitness area) is directly set up and furnished in the building. The event/office base (this room doubles as a kitchen and has plenty of tables and chairs) is available as a party room and can be used as a temporary office base for those who work from home. There is also the shop base (e.g. delivery possibilities for laundry services, post and parcel delivery) and the guest lounge (designed as an in-house accommodation for visitors, it can also be used by any of the residents).

Adaptable housing



Accessibility is a priority at Raiffeisen evolution – due to the demographic shift and the desire to lead a self-determined life in one’s own home for as long as possible. The HUMAN-BASE© concept developed together with experts who are either personally affected or work for institutions that engage intensively with the topic. The HUMAN-BASE© concept aims at achieving a living space that adapts to the changes in needs of its residents which occur with advancing years and can be modified with little effort. For example, the relevant substructures, which allow the subsequent installation of features such as handrails by the bath tub, are put in place during construction of the bathroom. Alternatively, the bathroom and storage area can be remodeled into a more spacious bathroom. The entire housing complex has an accessible design and appears just like a normal residential construction project from the outside. And yet doors open at the press of a button, the lighting is controlled by motion sensors and an appropriate color-guidance system with contrasting colors helps people find their way around. The underground garage has larger parking spaces and the access doors here also open automatically. All of the tools applied in the concept therefore simplify everyday life.

Prizes and awards in 2015

| Award | Project/origin | Status |
|--|----------------------|--|
| Findmyhome QM-Makler ¹⁾ | Raiffeisen evolution | 1st place Top developer |
| CSR Report “Soziale Verantwortung im Geschäftsleben” (Social Responsibility in Business) | RE_Poland | Award for Commitment to the Local Community |
| Blue Volunteer 2014 (ÖGNI) | Gerald Beck | Prize for commitment to sustainability |
| Wiener Schorsch | Plößlgasse | Architekten Koeck award |
| EUREB Institute | Raiffeisen evolution | Real Estate Brand Award: Strongest brand – Project developer (Austria) |

¹⁾ Raiffeisen evolution was recognized in 2015 by the real estate platform www.findmyhome.at as “Top Developer 2015”. The recognition was the result of a customer opinion survey in the form of market screening.



Residential construction project 1020 Vienna Walcherstraße 5, © Raiffeisen evolution

Raiffeisen Wohnbaubank AG

As a specialist institute, Raiffeisen Wohnbaubank AG issues tax-efficient “homebuilding bonds”. The proceeds of these are used by the Austrian homebuilding industry to make long-term, affordable and fixed-interest financing available for specific projects in Austria. These financing arrangements are undergoing transformation within the scope of the legal framework requirements. For a number of years, increasing numbers of new buildings have been financed which contribute to environmental and climate protection through their passive house character and the use of alternative forms of energy. Currently, a special focus is being placed on projects with social sustainability, such as sheltered housing or housing structures with a functioning neighborhood.

Social sustainability in the residential project “Feldweg, Kleinarl”



Residential construction project “Feldweg, Kleinarl”, © Salzburg Wohnbau GmbH

The project “Feldweg 19, Kleinarl” in Pongau was implemented with funds from the issuance of Raiffeisen home building loans from Salzburg Wohnbau GmbH. This affordable living space is in a quiet location with nine apartments for lease or purchase. The two and three room apartments are between 56 m² and 83 m² large and are barrier-free. In addition, each apartment has a balcony or a terrace equipped with a large garden and a covered outdoor parking space. Public transportation connections are good and it is close to the town center. The environmentally friendly energy supply is ensured because it is connected to the district heating network.

An abstract painting featuring vibrant orange and red tones as a background. Overlaid on this are bold, expressive brushstrokes in shades of yellow, black, and white. The white strokes are particularly prominent, appearing as long, thin, and sometimes curved lines that crisscross the composition. The overall effect is one of dynamic energy and layered textures.

FIELD OF ACTION
FAIR PARTNER:
IN DIALOG AND
RESPECTFUL
INTERACTION
WITH OUR
STAKEHOLDERS

Fair partner

The RZB Group is a fair business and dialog partner to all stakeholders. As a partner, we interact in an open and respectful manner with staff, customers, business partners, shareholders and other stakeholder groups. Transparency – that is to say, the disclosure of measurable objectives and the reporting of measures taken and the success in meeting their targets – forms our central, overarching guiding principle.

We foster and promote open and constructive dialog with our stakeholders. Likewise, we endeavor to recognize the needs of our most important stakeholders, and to act within the scope of our powers.

The RZB Group places great value on fair business and operational practices. This includes fairness and transparency towards staff, customers and shareholders. Also important to us is exemplary conduct within our sphere of influence. In our Code of Conduct, we have clearly stated that in our pursuit of profit, there must be no violations of law or of the Code itself. We therefore forgo business which can only take place through such practices.

The rules of fair competition clearly apply to the RZB Group, and we are committed to an outstanding service culture that strives consistently to exceed the expectations of our customers. When making recommendations, we ensure that they are given in an honest and fair manner and that the customer is adequately informed about the risks. False or misleading advertising is something we feel is unacceptable.

The RZB Group stands for transparent disclosure and responsible marketing. Our reporting on business activities and sustainability is conducted transparently and comprehensively, based upon recognized and authorized international standards (such as the Global Reporting Initiative). As such, our communication with stakeholders goes beyond regulatory requirements.

At a time when banking is more than ever a matter of trust, the reception that our customers have given us shows that our fair approach is the correct one. This trust is based on the deep roots of our organization in the countries and our relationships with their people, and also on the efforts made by our staff every day to deepen this trust. We have been present in Austria for almost 130 years, and in CEE for over 25 years. Our customers and we have a common goal: Success. We have internalized this company principle and we put it into practice every day, such as in the way we actively offer our customers tailored, personalized solutions based upon their requirements.

Our employees are our most important asset and the key to the success of the RZB Group. Numerically, they represent the second largest group of stakeholders, just behind our customers. We encourage them, but we also demand excellence from them. We are committed to living by the performance principle and promoting team spirit. This means that we want the very best people, who will become even better with us. In return, we provide systematic further training, attractive development opportunities and a working atmosphere characterized by team spirit.

We work closely with our shareholders and see them as both dialog partners and consultants. In addition, we share an open dialog on many levels with representatives of our stakeholders, and we are active participants in various forums such as the United Nations Global Compact (UNGC), the United Nations Environmental Programme Finance Initiative (UNEP FI), Transparency International, the Global Reporting Initiative and respACT – Austrian Business Council for Sustainable Development.

We also view environmental and climate protection as part of our responsibility to society, and we see ourselves as a fair partner to the environment. The direct environmental impacts of our operational activities are limited compared to those of production industries. Despite this, it is the aim of the RZB Group to minimize negative environmental impacts at all of its sites to the greatest possible extent, and – where possible – to go beyond basic compliance with regulatory requirements and demands (see page 108).

Fair business and operating practices

A prerequisite in our business and operational practices is that all members of staff conduct themselves in a fair, ethical and legally compliant manner. You can find more information about this on page 48.

Fairness with shareholders

It is a key part of our corporate culture to engage in an active exchange with our shareholders. We work closely with our shareholders and see them as both dialog partners and consultants. We therefore ensure that their feedback, inputs and results feed into our strategies and business activities. The result of this is a shared system of added value. The shareholders of RBI AG exercise their rights as per the principle of "one share, one vote", by voting at the Annual General Meeting. All shareholders have entirely equal rights, and can exercise their right to vote in person or by proxy.

The RZB Group adheres to three principles in each financial operation: Yield (share price and dividend policy), security of investment and availability of capital.

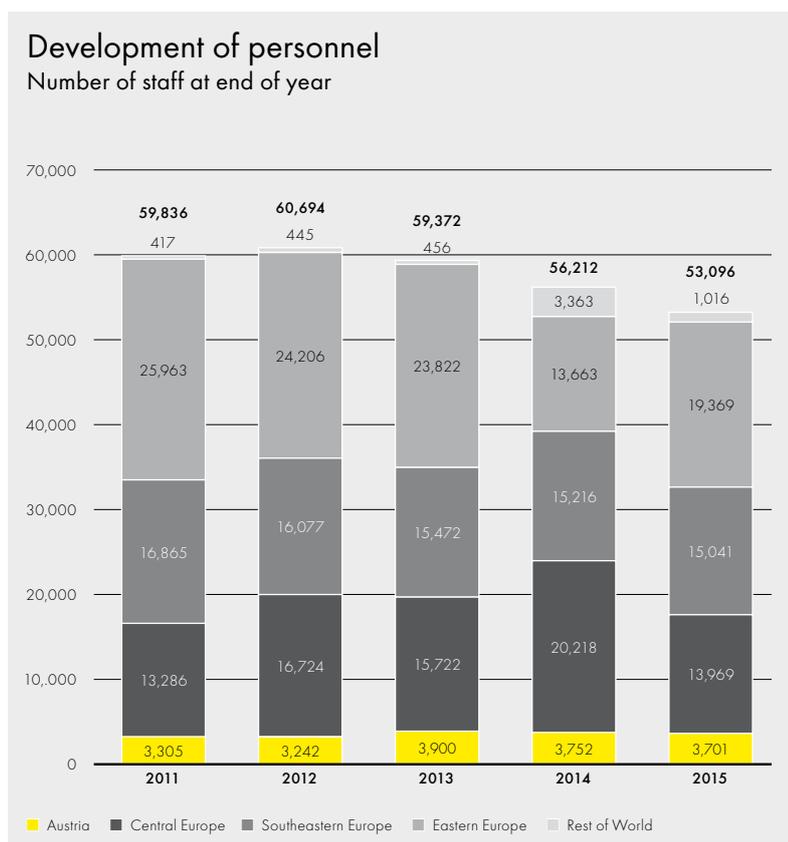
Naturally, we are very responsible towards our shareholders. The optimization of shareholder value is therefore part of our corporate vision. We are not interested solely in short-term increases in value. Good profitability, which we can use to build up equity from within, and a long-term profitable development of the RZB Group are good not only for owners and shareholders but also for all other stakeholders, because they safeguard our common existence.

Human resources

Self-responsibility is an important part of the corporate culture of the RZB Group. The executive management demonstrates responsible and sustainable business behavior. We appraise managers and employees not only by their results but also by their behavior. In order to enhance competitiveness and safeguard our future, various strategic activities were initiated in 2015.

Facts & Figures

The RZB Group employed 53,096 people as at December 31, 2015 (full-time equivalents), which is a reduction of six per cent compared to 2014 (56,212 employees). Most of this decline can be traced to the developments in Ukraine, Russia and Poland. The traditionally very high share of female employees in the overall headcount was 67 per cent. The high qualification level of the employees is reflected in the ratio of university graduates of 72 per cent. The following graphic shows the development of the headcount during the past five years (in full-time equivalents).



In order to further develop the organization, adjustments were also made to the organizational structure in 2015 (redistribution of tasks within the Group and takeover of new tasks by RZB AG as the central institute of the sector). The general bundling of service functions performed by the affiliated companies into Shared Service Centers involved the migration of staff within the Group in 2015.

The following diagram gives you an overview of the measures that are currently being implemented in the area of Human Resources in the individual companies.

| Overview of fair partner/human resources measures | | Austria | | | | | CE | | | | SEE | | | | EE | | | | |
|---|---|-------------|------|------|-----------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|
| Topic | Measure | RBI/ RZB | RBSK | RKAG | RL Valida | PBPL | TBSK | RBCZ | RBHU | RBAL | RBBH | RBBG | RBKO | RBHR | RBRO | RBRS | AVAL | RBRU | RBBY |
| Work and family balance | Part-time work | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| | Teleworking | ✓ | ✓ | ✓ | ✓ | | | ✓ | ✓ | | | | | ✓ | | ✓ | | | |
| | Company kindergarten | ✓ | ✓ | ✓ | ✓ | | | ✓ | | | | | ✓ | | | | | | |
| | Time off for fathers in event of a birth | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Employee development | Performance management | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| | Talent management | ✓ | ✓ | ✓ | | | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Health, safety and support of employees | Safety management system | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| | Programs for mental health | ✓ | ✓ | ✓ | ✓ | ✓ | | | ✓ | | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | | ✓ | ✓ |
| | Health check | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| | Promotion of sports and wellness activities | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | | ✓ | ✓ | ✓ | | ✓ | ✓ | ✓ | ✓ |
| | Promotion of private health insurance | ✓ | ✓ | ✓ | ✓ | | ✓ | | | ✓ | | | ✓ | ✓ | | | ✓ | ✓ | |
| | Promotion of the company canteen | ✓ | ✓ | ✓ | ✓ | ✓ | | ✓ | ✓ | ✓ | ✓ | | | | ✓ | ✓ | | | ✓ |
| | Promotion of the pension fund | ✓ | ✓ | ✓ | ✓ | ✓ | | ✓ | ✓ | ✓ | ✓ | | | ✓ | ✓ | ✓ | | ✓ | ✓ |
| | Promotion of cultural events | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | | | ✓ | | | ✓ | | ✓ | ✓ |

Please see the list of abbreviations for the complete company designations.

In contrast to many global companies, we pursue a relatively decentralized approach. Within a Group-wide framework that sets the standards and methods for performance management, talent management, succession planning and development of management staff, the network banks have developed practices tailored to their specific local requirements so that they can attract, develop and retain talented employees.

Our "RBI Group Management & Leadership Development Policy" sets out the principles for such an approach. As a Group, we require common core elements within our culture of management and leadership. We need to be able to fill vacancies mainly from within and to be able to prepare the next generation of executive managers. Based on this principle, we strive to continuously build up our pool of future management personalities and to develop our existing ones. This is an elemental building block that forms the basis of a modern system of enterprise and leadership development.

Risk Optimized Compensation Structure (ROCS)

Financial year 2015 focused on HR activities aimed at contributing to supporting a smaller risk orientation and thus to further strengthening capital coverage in accordance with the strategic approach of the RZB Group. To this end, the ROCS project, which stands for Risk Optimized Remuneration Structure, was created as part of the remuneration policy.

At the core of the new risk-adjusted remuneration system is the shift away from variable towards fixed remuneration. This makes it possible both to plan the earnings for employees and to precisely control the costs for the RZB Group on a multi-year basis. The new remuneration system reflects the reduced willingness of the Group to accept risk and offers the employees even greater financial stability. As a whole, the overall remuneration model was retained, with changes only being made to individual salary components. Traceability was also increased by making a number of adjustments to the structure. In this way, ROCS should contribute to the employment of motivated and committed employees in the future. Furthermore, the calculation of the variable salary components should in future place greater emphasis on overall Group success instead of individual business lines. This will encourage a shift away from the current thinking "by division" towards thinking as "one Group". ROCS supports

the Performance Management process by focusing even more closely on employee development.

The RZB Group also uses ROCS to track market trends in the European banking industry. The system's development took the applicable regulatory framework conditions into consideration for the compensation structure. The increasing regulatory requirements were factored in and potential negative effects for the employees were cushioned to the extent permitted by the law.



HR-All Meeting, © RBI AG

ROCS was conceived and executed as an overall project of the RZB Group and also involved large areas of the RZB Group in Austria as well as the network banks of the RBI Group in CEE. The international character of the project came to bear above all during implementation at the network banks in Eastern and Southeastern Europe. ROCS was implemented in over 30 companies in 15 different countries. An extensive comprehensive project such as ROCS naturally also has an impact on the internal policies that apply to the companies of the RZB Group, "Total Rewards Management" and "Remuneration Principles", which were adjusted accordingly.

ROCS will continue to be of great importance in 2016. All processes related to the issue of remuneration, such as Performance Management, will be aligned accordingly.

Performance Management

Our Performance Management is a material element for aligning contributions made by management staff and employees to the organization's overall objectives. It also helps create clarity about performance standards and expectations as well as helping employees to constantly improve and develop themselves. It is therefore a central process that is closely linked to other HR processes such as remuneration, promoting talent, employee development and career planning. The corresponding principles are defined in the "Standard Performance Management" policy and form the framework for local policies, which are adapted to the requirements of individual countries.

Like many other international companies, the RZB Group also works intensively on the further development of its Performance Management models and systems. A key focal point in 2015 was on the further development of the technical support provided for Performance Management. While existing IT systems were upgraded and improved at most of the network banks, a new technical, cloud-based solution was introduced at head office in Vienna on January 1, 2015. It offers users greater access flexibility as well as maximum data security and very good system availability. The new user interface has a contemporary look and feel, is extremely clear and virtually self-explanatory. In addition, the new software offers a range of interesting modules for future expansion.

Alongside the technical modifications, work was also done on revising the actual Performance Management model. This first step in this regard involved the development of a new model for Group Executives, the Group's 150 executive managers, in 2015. The model pursued three main objectives.

1. Intensive dialog between Group Head Office and the local units: This served to provide a coordinated and common understanding of the central objectives across the various divisions and to avoid any conflicting goals.
2. Ensuring a target-oriented balance between financial, customer, employee and cost and efficiency targets. A balanced relationship between short and long-term as well as local and Group goals is also to be considered here.
3. Open feedback and coaching on selected management competencies of relevance to the Group's success on the basis of 360 degree feedback: This model has already been in place for Group executives since the beginning of financial year 2016 and serves as a basis for the future Performance Management system, which should be expanded to all other employee levels.

The new Performance Management model for all other employee will be developed within the scope of a group-wide project and should be made available for the Performance Management process in 2017. The specific factors for success for the various employee groups and the changing regulatory framework conditions will also be focused on, as will the intensification of areas ranging from coaching to performance improvement. In addition, more attention will be paid to conduct relevant to success factors and corporate culture as well as the simplification of the overall process and a reduction in red tape.

Initial pilot projects will be launched in 2016 in Austria as well as at the network banks in Russia, Poland, Hungary and Romania. The findings from these will be incorporated into the final concept and be implemented in the group-wide Performance Management process in 2017.

Talent management and development of management staff

The annual standard processes for identifying and developing talents was also performed in 2015 – with focal points adapted to the needs of the respective Group units. The internal talent pipeline in the RBI Group continues to indicate sufficient quantity and outstanding quality. For example, it was possible to fill 100 per cent of the Managing Board positions at the network banks with internal candidates in 2015.

At RBI AG, the focus in 2015 was on the calibration and promotion of management staff on all levels, with further refinements also being made to the Talent Management process (“Spot! – Grow – Lead!”). A comprehensive evaluation of the management staff was performed in almost all organizational units on the basis of their development potential and suitable development measures defined on its basis. The further development of the talents already identified amongst the management staff (non-management staff) in the previous year was also continued and evaluated. The results showed, for example, that a high share of management positions was filled by talents from this pipeline.

Existing, successful elements of management staff development, such as the Talent Lab or the Basic Leadership program, were continued and supplemented with a wider range of individual tools, such as 360-degree feedback, mentoring and coaching. These offerings have also been available to the management staff of RZB AG and the affiliated companies since 2015 (following implementation of the ZukunftPLUS program) and have already been actively taken up.



Leaders' Breakfast, © RBI AG

In addition, a new, targeted training format was created for the existing management staff of RZB AG, RBI AG and the affiliated companies at the Vienna sites: Under the heading “Leaders’ Breakfast”, the management staff was introduced to current management topics by means of brief theoretical inputs as well as through lots of discussions, exchanging practical experiences and learning from one another. On the one hand, the content of the “Leaders’ Breakfasts” included management topics such as motivation, health and burn-out prevention, employee commitment, change management and feedback culture. On the other, the management staff’s expertise on the Group’s main HR-related processes – for

example, on the remuneration model “ROCS”, the use of flexible working models as well as on recruitment and issues pertaining to employment law – was strengthened. Many of the topics were identified as areas for development in the 2014 employee survey, which enabled us to address this demand with the “Leaders’ Breakfasts”. A total of 16 “Leaders’ Breakfasts” were held in 2016, with more than 300 management staff taking part.

Training and development

In order to achieve our economic targets, we rely on competent employees on all levels, which is why we offer a range of programs and measures for staff development.

Despite the high cost pressure, importance was placed on ensuring and constantly expanding the professional qualification of our employees. Focal areas include topics such as risk management, sales, premium private customer business and IT. A lot of attention was also paid to necessary development measures in order to satisfy regulatory requirements and to ensure the qualification of our key employees ("fit & proper") as well as compliance topics.

The learning and development possibilities within RZB AG and RBI AG, as well as our underlying commitment to permanent development with the supporting process, were defined in a new, heavily revised Corporate policy, the "RZB/RBI Learning & Development Policy", in 2015. This policy emphasizes the following and other central elements:

- Personal responsibility of all employees for their own development and the joint responsibility of the direct line manager.
- The annual development meeting and the personal development plan of each employee as a structured basis for development measures.
- Our approach to continuous development as a mix of experience-based, relationship-oriented and training-oriented learning measures ("70:20:10 rule").
- The existence of an annual training budget, which is the responsibility of the line managers, as well as a central budget, which is used by HR for specific development measures.
- Mandatory participation in our internal basic management development programs (in order to ensure the fundamental competencies of new management staff).
- The possibility to participate in business school programs (e.g. MBA programs), including appropriate financial support by the company for executive managers and talents.

As a consequence of the "ZukunftPLUS" program, which combines the HR service functions of affiliated companies in the HR division of the RZB Group, training and HR development activities of the affiliated companies were also merged. Thus the first overarching "RZB Group Training Catalog" was produced in 2015, which offered the training and development programs of RZB AG and of the affiliated companies together with those of the RBI Group, which enables reciprocal utilization. Seminars of the Raiffeisen Campus and a host of eLearning courses on a wide range of specialisms supplement the comprehensive offering. All employees at the Vienna sites can look at the complete training programs in our HR Management System and – once they have obtained permission from their manager – can register directly via the system. Seminars offered internally are also centrally organized in the HR division of the RZB Group, which enables synergies to be achieved in their execution as well as a standardization of the processes.

At RZB AG and RBI AG, the induction process for new employees was restructured and also merged with the affiliated companies at the Vienna sites. This was important in order to give the new entrants a consistent and positive image of belonging to the Raiffeisen Group from the outset.

A new online training course on sustainability topics in the RZB Group has been offered to employees of RZB AG and RBI AG since summer 2015. It also contains a knowledge test. New employees are required to complete the training. All other employees can do this at any time on a voluntary basis.

Education and development initiatives at the network banks as well as safety and special topics

In many areas of the RBI Group, especially in the corporate and private customer business as well as in risk management, international learning trips to exchange knowledge at expert level were held again. This form of practical training, away from traditional classroom training, is strongly on the rise. A total of 104 employees from network banks of the RBI Group had the opportunity of a placement at RBI AG in 2015. Rotation and exchange programs for talents and "high potentials" were further expanded, enabling, for example, the "International Young Potentials Program", which was successfully held for the fifth time in 2015. In total, 45 employees from nine countries have either already participated in it or are currently going through it.

In addition to the specialist training programs, a range of training courses on safety and special topics were held in the various countries and network banks of the RBI Group. A selection of these are presented below:

Central Europe (CE)

The trainee program of Raiffeisenbank a.s. in the Czech Republic is designed for talented young people at universities and offers them practical job experience within the framework of a one-year program. A total of 15 trainees were employed in the Corporate and Risk departments in 2015.

Southeastern Europe (SEE)

As part of the induction module for new employees organized by the Raiffeisen School, specialists from the Combating Fraud and Corruption department in the Compliance division of Raiffeisen Bank S.A. in Romania offered a workshop aimed at teaching the correct way to behave with respect to fraud and corruption. Seventeen training courses for 212 new employees were held in 2015. Three exclusive compliance workshops were held by a leading international consulting firm for the Managing Board and executive management. A mandatory eLearning module on compliance was also developed in order to promote awareness throughout the company around the combating of fraud and corruption. This module has so far been completed by 74 per cent of employees.

Eastern Europe (EE)

In 2015, Raiffeisen Bank Aval JSC in Ukraine trained 10,360 employees on the topic of combating corruption and preventing instances of fraud. Due to the very large reduction in the number of staff in Ukraine, special training courses on "Dealing with emotions following the implementation of unpopular management decisions" were held for the first time in 2015. The aim of the training courses is to ensure that the managements staff are aware of the complexity of the processes and are able to deal effectively with difficult cases. They also concern the competencies required for supporting people with their search for new employment possibilities. Very positive feedback on the training was received from the participants. Most highly rated was the fact that the program not only presents practical methods but also addresses psychological aspects.

As a consequence of the ongoing worsening of the economic situation and the related necessary restructuring measures, the pilot project "Outplacement for Mass Positions" was launched at the beginning of November 2015 at Raiffeisen Bank Aval JSC in the Ukraine. In this way, the bank aims at fulfilling its social responsibility as an employer. The goal of the program is to support released employees with finding their way in the changed conditions of a volatile labor market. Due to recent political events and the economic situation in Ukraine, the loss of employment can have serious consequences, especially in some regions of the country. Some of the terminated employees had worked at the bank for many years and did not know how to deal with the loss of their job and to set about finding a new one. The main goal of the outplacement is to make it easier for these employees to transition to new employment and to help them find their way on the labor market through proven methods and measures. The intention of the pilot project is to test the effectiveness of this concept in Ukraine. Very good feedback was received from several companies that have already made use of outplacement. However, none of these were banks, so the use of outplacement for standard positions at banks had something of a pioneering nature to it in Ukraine. The program is offered to groups in the form of seminars or webinars. Topics include career guidance, career evaluation, writing a CV and application training, building networks, the skills needed for

finding a job and information on the labor market. The training was provided for a total of 65 employees together with a well-known, international recruitment agency and a service provider based in Ukraine. The project will be continued in 2016.

New employees of AO Raiffeisenbank in Russia must take a test to prove their knowledge of compliance and avoidance of money laundering. Existing employees must complete such a test once per year or following a change to the corresponding Russian laws. A new eLearning course on "Instructions for avoiding fraud" has been offered since June 2015.

Employee involvement

Staff surveys

The group-wide staff survey is conducted every two years. The next run will start in autumn 2016. In addition, surveys were conducted at individual network banks in the past year. The central factors were employee commitment (ties to the company) and employee enablement (the presence of an environment that promotes success). These were supplemented by the twelve other tried-and-tested aspects – such as collaboration, strategic orientation, quality and customer focus as well as service orientation and training. In the other Group companies, the measures defined following the 2014 survey continued to be implemented in 2015. For example, process were analyzed and optimized, targeted training and development programs for management staff held and central topics pursued further, including by means of strengthened communication on all available channels. It was evident that the measures taken in these countries were perceived by the employees as desirable improvements and optimizations after a very short period of time. For example, significant increases in the commitment index of between four and eleven per cent were recorded.

Active participation of staff

RZB AG and RBI AG believe it is extremely important that the concerns of our employees are taken seriously and listened to. At internal events, employees are regularly asked by the members of the Managing Board to send questions during the event by SMS, which are projected legibly for all participants on a screen and then answered by the member of the Managing Board. There are also further opportunities for interacting with the members of the Managing Board.

Since the spring of 2015, the employees of RBI AG have had the opportunity to have breakfast with a member of the RBI Managing Board six times a year. The new format invites direct exchange with the RBI board member. Together with ten to twelve colleagues, you can ask the board member burning questions in an informal setting over a convivial breakfast and discuss current topics with him. To ensure that all employees have an equal chance of participating, names are drawn for each date. The Managing Board of RBI AG is also available for a "Q&A" on the intranet site at: "Ask the RBI Managing Board". This is where employees can also ask the Managing Board questions on an anonymous basis. The answers are made available to all employees in online Q&A catalog.



RBI Board Member's Breakfast, © RBI AG

The active participation of employees is also made possible via their interest group, the Staff Council, which undertakes a wide range of activities throughout the year. This also includes employees' suggestions being processed in the various working groups of the Staff Council of RBI AG and RZB AG, some of them with the company physician and the Human Resources division, and ongoing actions are taken. Their goal is the discernment and promotion of economic, social, health and cultural interests of the employees in the business. Some working groups are set up to work on a permanent basis (e.g. workplace conditions/health, work/family, nutrition, bullying/stress/burnout).

Others are put together at short notice and work on a project-by-project basis. However, cost-intensive issues are only rarely discussed here. Often, it is a case of picking up an idea and putting it into practice. In total, around 200 measures are developed each year – meaning that the working groups are always an important breeding ground for sustainable improvements. The “Staff Council Service Center” commenced operations at the new site on Muthgasse in the middle of 2015. Based on the model at RBI’s main building Am Stadtpark, the employees of the affiliated companies are now also provided with services similar to those of the Staff Council.

Forty-six per cent of Group employees are covered by collective bargaining agreements.

RBI Group with European Staff Council

The RBI Group set up a European Staff Council (hereafter referred to as “ESC”) in 2015. The ESC was created on the basis of the values and principles that Raiffeisen has long stood for. The basis of the new ESC is the European Staff Council Agreement concluded in July 2015 between the Group Managing Board the negotiating committee comprising employee representatives of the companies of the RBI Group in the EU. The fact that the ESC agreement took just six months to negotiate bears witness to the excellent co-operation between the negotiating parties.

The constituting session of the ESC in December 2015 in Vienna was attended by 14 representatives from nine EU countries (Austria, Poland, Slovakia, Slovenia, Czech Republic, Hungary, Bulgaria, Croatia and Romania). The Steering Committee of the ESC comprises four members (Austria, Poland, Hungary and Romania).



European Staff Council, © RBI AG

The RBI Group also remains committed to the principle of direct and open communication with employees. The good co-operation with existing local and/or national employee representations is complemented, but not replaced, by the ESC. The newly formed ESC is an important additional platform for ongoing dialog and the structured exchange of information between company management and employees through their elected representatives.

Under the terms of the agreement, the ESC has the right to be informed about and consulted on matters that concern the economic, social, health and cultural interests of employees by at least two companies belonging to the RBI Group. The ESC will essentially

hold two ordinary meetings per year, at which it will deal with international topics in accordance with the remit defined in the ESC agreement.

We are convinced that the ESC will in future form an important and positive new platform for information and communication between company management and employees.

Diversity management and the ability to reconcile work and family

Diversity management contributes to the success of the RZB Group in many ways because numerous teams create innovative solutions by taking various perspectives into consideration. However, these are not the only reasons why prejudice and discrimination of other nationalities or cultures have no place in the RZB Group. For this reason, we actively promote equality, irrespective of origin, sexual orientation, culture, gender, age, language, income, religious convictions or disability. Our group-wide Code of Conduct clearly states that we will not tolerate any form of discrimination. This is also clearly regulated in our recruitment policies with respect to job applications. Diversity is firmly anchored in our values and convictions. We have an open, non-prejudicial corporate culture, in which employees can develop their potential and bring their individual talents to bear.

Diversity management is also intended to create and ensure equal opportunity for women. In order to promote women in the company, appropriate framework conditions are to be implemented and continuously developed. Improving the ability to reconcile family and work is therefore a very important element. The relevant measures include flexible working time, part-time models or teleworking, which are offered in almost all subsidiaries in accordance with statutory requirements.

Salaries are regularly analyzed within the RZB Group. As a result of on-going efforts in previous years to give equal pay for equal work, irrespective of gender, there are no significant differences between the salaries of men and women within the Group. The internal "Total Rewards Management" policy provides a comprehensive framework for shaping the group-wide remuneration management system. This includes all stipulations for implementing statutory and regulatory requirements as well as a structured position evaluation system and regular market benchmarks of the salaries in the countries in question. An internal position evaluation system forms the basis for position-related and - resulting from this - gender-neutral remuneration.

Diversity management and the ability to reconcile work and family at the Vienna sites

While implementing the EU Directive against discrimination, a Company Agreement was concluded in 2011 for RZB AG and RBI AG on the issue of "Fair behavior in the workplace", demonstrating that discrimination of any sort has no place in our Group. To lend even more weight to the seriousness of this issue, and in cooperation with the Staff Council, several employees undertook a training course in Vienna and became 'harassment representatives'; these employees are now the first point of contact for their employees if problems arise with regard to this issue. Expertly trained members of staff provide competent points of contact on the issues of stress and burnout.

Sustainable integration

Around 600 employees (27 per cent of all employees) of a non-Austrian background from a total of approx. 50 countries worked at head office in Vienna (RZB AG and RBI AG) in 2015.



In order to help these colleagues from other countries to find their feet in Austria and to give them a platform for mutual networking, the “International Community” was set up. This initiative was independently established by employees and mostly involves colleagues who themselves relocated to Austria in the past. The goal is to render real assistance and to provide new employees of RZB AG and RBI AG with important information on topics of everyday life. This includes information on looking for somewhere to live, learning German, administrative processes, medical provision, childcare facilities, schools etc. The opportunity provided to build up a social network should also make it easier for colleagues from abroad to find their way around in a new environment and to help them adapt to the new culture. This is also done through shared sports and leisure activities. In 2015, the International Community organized approx. ten leisure events, in which a large number of employees participated. These ranged from useful informational events to theater evenings, wine tastings, cultural tours and excursions to the area around Vienna. The networking is supported by an IT platform which can be easily found by all employees on the intranet of the Vienna sites.

The now long-standing tradition of the International Dinner was continued in 2015. New colleagues from various nations and colleagues from other areas of the bank can be met at this gathering over dinner. The relaxed, informal atmosphere is not only a good setting for talking about the cuisines and cultures of different countries but also helps new colleagues from other countries to integrate more easily.



International Dinner, © Daniela Tsoneva



International Dinner, © Daniela Tsoneva

Our Corporate Volunteering activities focus on the areas of migration and integration. Read more about our activities in this regard on pages 142.

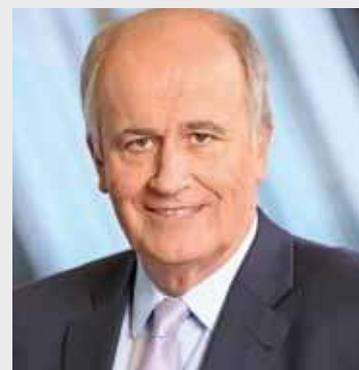
Empowerment of women



In order to sustainably increase the number of women in higher qualified positions, the Managing Boards of RZB AG and RBI AG resolved at the end of 2014 to set a target quota for the under-represented gender of a total of 35 per cent for the Supervisory Board, Managing Board as well as the second and third management levels. The quota was confirmed in the Nomination Committee and should be achieved by the end of 2024. A workshop attended by female and male managers of the second management level and potentials from the talent pool was held in 2015. The purpose was to get a better understanding of the company-specific perception of development opportunities for women. Activities are also undertaken within the scope of talent management in order to achieve a more balanced gender ratio for the group of identified talents. The goal is for the ratio of men and women who participate in HR development programs to roughly correspond to the population of the respective department as a whole.

A large number of additional initiatives will be required to achieve the defined target quota of 35 per cent. That is why a comprehensive package of measures entitled "Diversity 2020: Diversity strategy with a focus on the empowerment of women" was adopted by the RZB Managing Board in autumn 2015 and by the RBI Managing Board in spring 2016. These range from communication measures and training courses aimed at contributing to a change in awareness and boosting women's self-confidence through to an executive manager mentoring program for women. In order to get all employees more involved in this topic, a survey of needs and the status quo should be conducted with the aim of identifying and enabling further measures for improving the ability to reconcile work and family life. We will also strive to form a special pool of management candidates and to adapt the appointment and replacement processes. This process will be accompanied by professional monitoring of the key ratios. The organizational anchoring of the topic was taken into account through the nomination of a Diversity Officer for the RZB Group and through the establishment of a Diversity committee planned for the first half of 2016.

The ability to reconcile work and family life is an important topic for the RZB Group. That's why RZB AG has been a partner of the "Companies for Family" initiative of the Austrian Federal Ministry of Economy, Family and Youth since 2014. We have a clear commitment to family friendliness because it represents a win-win situation for employer and employee and satisfies the values of Raiffeisen. We would particularly like to mention the company kindergartens with employee-friendly opening times at the Am Stadtpark and Muthgasse sites in Vienna's 19th district.



© M. Kammeter

Karl Sevelda, CEO, RBI AG

"Practiced diversity is a factor with increasing importance for the success of RBI. I believe it is essential to appreciate diversity and allow different views. As a Group, we are able to demonstrate cultural diversity through the fact that our employees come from a very large number of countries. These diverse nationalities and cultures are one of the strengths of RBI. The quota of women in executive management is already very high at our network banks. We have undertaken to constantly increase this quota for Austria over the years to come. This is a very important goal for reasons of equal opportunity and fairness. It would not make economic sense if we failed to use the potential of our highly qualified female employees and managers accordingly. The ability to reconcile work and family life is increasingly important in this respect. Wanting to have children and a career should not be contradictory. This includes, for example, enabling part-time management or the taking of paternity leave. Ultimately, it is vital to fill each position in the best way possible for the sake of the company."

QUOTE

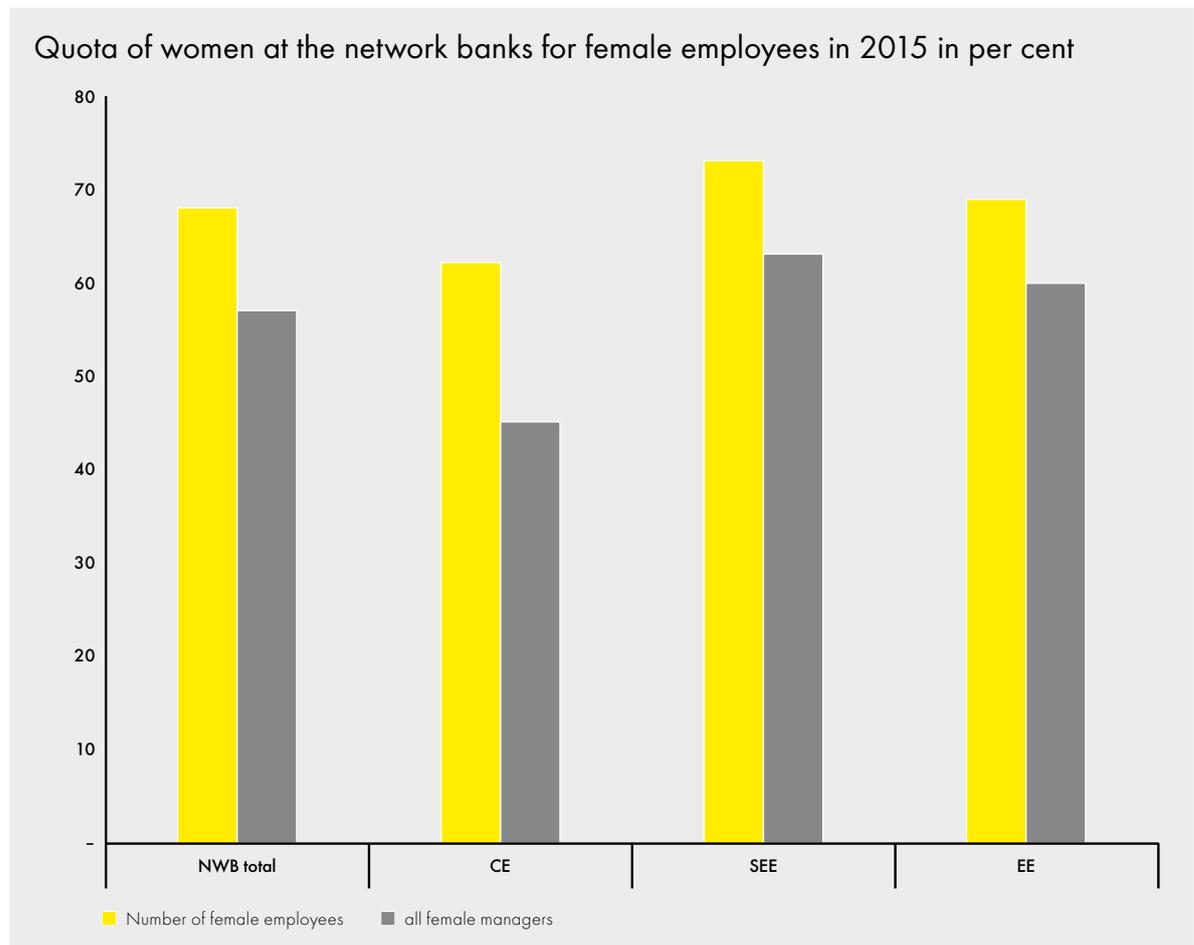


Improving the ability to reconcile family and work is also a very important consideration for Raiffeisen-Leasing GmbH in Austria. The relevant measures include flexible working time, part-time models or teleworking, all of which meet statutory requirements, as well as active parental leave management. The “berufundfamilie” (work and family) audit has been conducted since 2013.

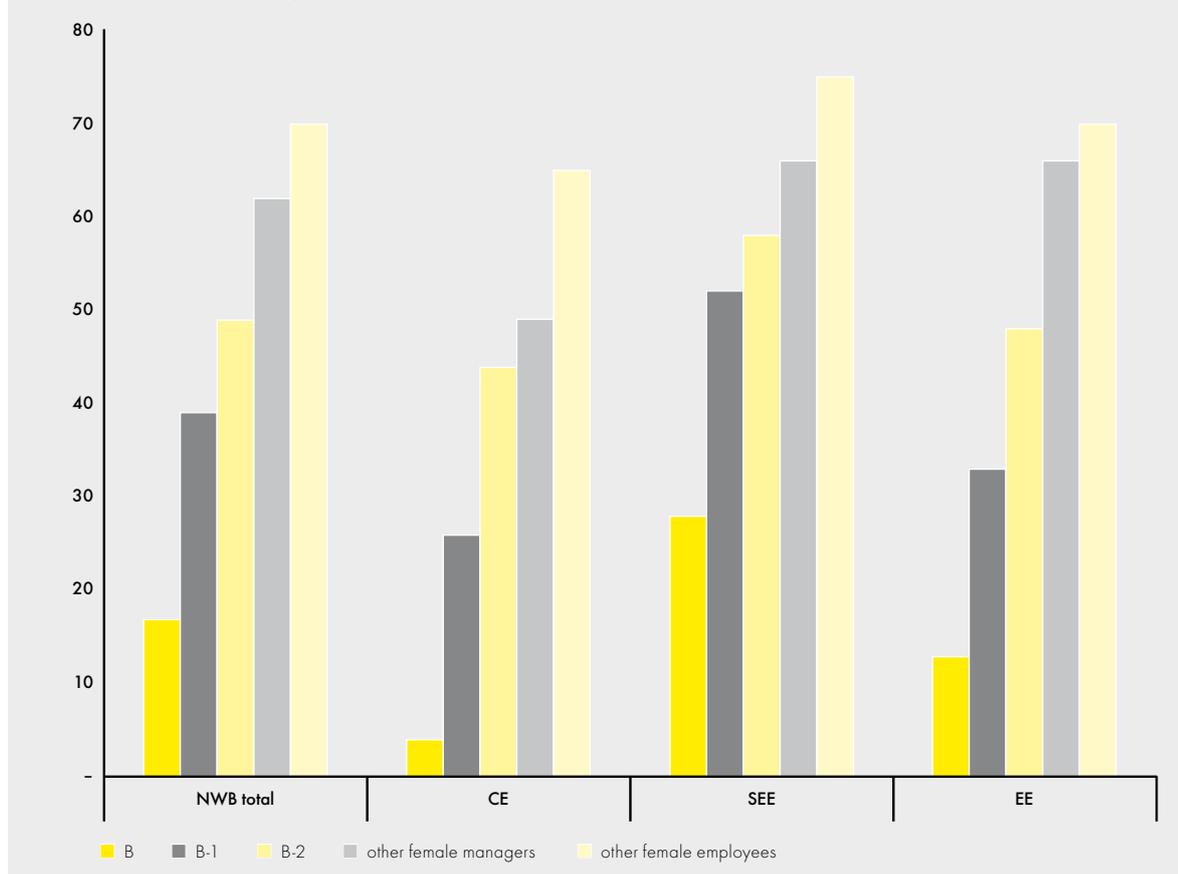


Diversity initiatives at the network banks

The quota of women in management at the network banks of the RBI Group has traditionally been very high:



Quota of women at the network banks for female employees by employee categories 2015 in per cent



Very different labor laws as well as family policies and health systems can be found in the various countries in which the RBI Group operates. In order to offer employees greater opportunity for the ability to reconcile work and family life as well as for a good work-life balance, the network banks provide their employees with a range of supplemental offers tailored to local needs and possibilities.

The program “The family is important to us” has been in place at Raiffeisen Bank Polska S.A. for several years. Among other things, this program offers mothers and fathers of newborn children the chance to individually adjust their working hours as well the opportunity to make use of work tools (computer, mobile telephone) during parental leave. It also includes health services for the entire family and three additional days of vacation for fathers in the first month after the birth of a child. The bank also has an anti-discrimination policy (“Transparentny Bank”). Each employee can report discrimination or similar misconduct directly to the HR department or via other, defined communication channels. The employees can be assured of complete confidentiality.

In the area of work-life balance, Tatra banka, a.s. in Slovakia offers the option to take an extended, partially paid vacation to prevent burnout (one to three months for managers, one month for employees). There is also a rule that all days of leave should, where possible, be taken within a working year in order to exert a positive effect on productivity and well-being.

In 2008, Raiffeisenbank a.s. in Prague became the first Czech company to establish a company kindergarten, called ŽIRAIKA. This kindergarten is currently attended by 80 children of employees. It supports female employees upon their return from maternity leave, since very few spaces are available for small children in public kindergartens. The bank bears 62 per cent of the costs, and the employees pay the rest. Employees who live outside of Prague are assisted in their return from maternity leave with a financial contribution towards kindergarten costs.

Since 2013, employees of Raiffeisenbank a.s. have participated in the Diversity program "Odyssey Leadership". This company-wide Diversity program is aimed at talented female managers from across the Czech Republic and lasts for ten months. In 2015, the program was conducted with 35 participants from all over the Czech Republic. There are currently two programs consisting of a basic module and an advanced module. In 2015, Raiffeisenbank a.s. in Prague nominated three female managers for the basic program and two for the advanced module. Between seven and ten women participate in the programs nationwide each year. The goal is to develop female managers of Raiffeisenbank in the Czech Republic in several areas: effective management style, increasing self-confidence and courage as well as expanding the network to include other women with similar interests in the Czech economy. The overriding goal is to increase the number of female managers at the top of the company.

Raiffeisen Bank Zrt. in Hungary offers the option of teleworking. Twenty-six employees currently work to some extent from home. All employees can choose to work part-time, especially those who are returning from parental leave. Fathers receive five days of special vacation upon the birth of a child. Where it can be reconciled with work commitments, employees may (with permission from their line manager) adjust their working time to suit their private requirements. The bank makes childcare available to employees who work on Saturday. Break rooms were set up at head office in 2015. In order to support women, female employees with management potential are offered mentoring programs.

Raiffeisen BANK d.d. Bosna i Hercegovina offers a refund for the costs of child care for toddlers whose parents voluntarily choose to return early from maternity leave (before the first birthday of the child). A contract with the agency "USPON" for the employment of persons with disabilities in the call center has been in place since 2010. Three employees with disabilities are currently employed. Clear processes for dealing with discrimination or bullying are defined in the Compliance Manual and based on the anti-discrimination principles in the group-wide Code of Conduct.

In order to improve the ability to reconcile work and family, Raiffeisen Bank Kosovo J.S.C. in Pristina, offers the option of part-time work as well as a company kindergarten.

One of the initiatives developed by Raiffeisenbank Austria d.d. in Croatia on the basis of the last employee survey was making working hours more flexible. Flexible working hours were defined for most units in the company in 2015 within the scope of operational possibilities. Some of the units also made it possible for employees to do some of their work from home. All documents necessary for implementing the flexible working time models were created in line with statutory regulations and anchored in the individual employment contracts. In 2015, Raiffeisenbank Austria d.d. was a project partner together with a company specialized in EU projects, which deals with selected HR and employment topics. The goal of the joint project "To Employment with Top Employers" was an improvement of the employment opportunities for those groups of people who are marginalized on the Croatian labor market. Across the country, training courses and internships were offered for 15 people who are deemed difficult to find a job for on the Croatian labor market: People with disabilities, unemployed youth without practical experience and women over 45. Unfortunately, the project was never implemented due to administrative delays.

Raiffeisen Bank S.A. in Romania offers flexible working hours for its employees. In addition, mothers returning from maternity leave can have their working time reduced by one or two hours. Extended periods of unpaid leave are also possible, although little use is made of this. Raiffeisen Bank S.A. in Romania supports the employment of people with disabilities and sees to it that these inclusion programs are expanded each year, as they were in 2015. Employees with sometimes severe disabilities are given the opportunity to do jobs that suit their physical capabilities, such as filing and archiving documents, photocopying or laying out print products. A total of 18 employees with disabilities are employed. In order to take the particular features of Generation Y and Millennials into account, the management trainee programs are constantly updated in order to adapt them to the expectations and peculiarities of these new generations. Some of the changes made aim at achieving variety by rotating employees through different areas of the organization. Clearly defined rotation cycles and career paths as well as challenges within the scope of ambitious projects are intended to offer prospects for the future.



The ongoing and sound efforts surrounding the work-life balance of employees at Raiffeisen Bank S.A. in Romania were awarded the "Wellbeing Master@Work" prize.

This was presented at the national "Wellbeing Gala" in Bucharest in December 2015. The prize was awarded by the Centre of Happiness, which is the first center for integrative transformation in Romania. The basis for this is a study conducted in November, the goal of which was to find out which organizations made the biggest contribution to the "happiness and wellbeing" of Romanian employees with respect to sport, relaxation, personality development and active social commitment.



© Raiffeisen Bank S.A.

Health and safety

Healthy and performing employees form the basis for the success of every company. The RZB Group offers something by way of provision and support with a range of offers and facilities. In addition to the legally prescribed measures in the area of healthcare, we offer numerous additional activities. We consider it our duty to deploy people in line with their skills and abilities and to develop their performance. The statutory standards for occupational health and safety are complied with in all countries, and the corresponding committees and officers setup and appointed.

In the reporting period, the absence rate for the RZB Group was four per cent in 2015 (three per cent in 2014 and 2013). There were no deaths. The injury rate according to ILO is 0.23 (0.18 in 2014; 0.23 in 2013).

Health initiatives at the Vienna sites

In order to encourage employees to look after their health, a range of different options and measures have been put in place for all employees to use. A health week is organized annually in co-operation with the health organization "Health & Life", during which employees can submit themselves to a thorough health examination either for free or for a small charge. The employees can also make use of other medical services during working hours, such as having themselves inoculated with the tick encephalitis (FSME) vaccine or the flu vaccine. This service is rendered by a team of occupational physicians who take care of overall medical support at work, which also includes regular inspections of the workplace. This is an important element for ensuring ergonomics in the workplace, which is supplemented with appropriately furnished offices. Employees also have access, at their own cost and on their own time, to nutritional counseling, acupuncture, massages, osteopathy, physiotherapy, Shiatsu and others, all of which are provided on the company's premises.

To complete the medical healthcare provided, a grant is paid into a group health insurance fund for the employees and their dependents (children, spouses and life partners).

Further initiatives are also available to employees for maintaining and promoting their health. During the annual health week, various specialist lectures and numerous sporting activities are offered. Interested employees can drop by the UNIQA Vital Truck for a professional appraisal of their fitness levels and to obtain advice on training.

When it comes to maintaining the ability of employees to perform, special attention is paid to mental health. The concept of preventive care for our employee's mental burdens is particularly important. An external specialist is available for this, who employees can contact for information about preventing burnout and dealing with stress. This option is available on an entirely anonymous basis (the employer will not be informed). Furthermore, each employee has the possibility to use five therapy units at an institute specialized in burnout and stress management. The bulk of the costs associated with these are covered by the company. Coaching sessions – and mediations in special cases – are increasingly being used to solve specific situations involving mental stress (e.g. conflicts with colleagues). Talks were also given on mental health, with topics including "Burnout – Risk identification and prevention" and "Safety in the workplace from a psychological perspective". These were aimed at management staff, in order to improve their ability to identify and avoid stress and overload. Appropriate seminars on the topic of "Mental Health" are also offered at the internal Raiffeisen training institute "Raiffeisen Campus". These include "Success through mental fitness" or "Stress and health", which can be attended by employees during working hours.



Raiffeisen football tournament Graz, © Robert Kliesspiess

The affiliated companies have placed a lot of emphasis on occupational healthcare for many years already. To this end, there are regular evaluations and training courses on, for example, occupational health and safety. Extensive internal sports and gymnastics courses are offered alongside programs for sport and culture. The occupational physician has expanded his presence following the consolidation of all affiliated companies at the Muthgasse site, where he offers consultations. Sporting activities have been very popular amongst employees for many years. For this reason, the RZB Group supports and funds solo and team sports such as badminton, tennis, ice hockey, skiing and cross-country skiing. Football is also offered, of course. The annual Raiffeisen football league is to

be mentioned in this respect, as are smaller events, such as the Leasing football tournament.

All of these activities are organized in order to promote both health and a sense of team spirit within the company.

Health initiatives at our network banks

Healthcare is also a central issue at the network banks of the RBI Group across the various countries. In order to supplement the range of programs aimed at preventing illnesses and preserving health above and beyond the regulatory requirements, employees can make use of a wide range of offers and activities. The spectrum on offer can vary greatly, depending on what is needed and can be provided locally in the individual countries.

Central Europe (CE)

Raiffeisen Bank Polska S.A. offers all employees a large number of services in the area of health, the scope of which is linked to the position of the employee in question. The bank pays into a private health insurance fund for each employee who works at least half the standard working time. All bank employees with unlimited employment contracts have the possibility to take out life insurance, with the premium being split equally between the bank and the employee (50:50). The bank promotes the interests of its employees by financing various activities in the areas of sport and culture. In 2014, a flexible social services system based on a cafeteria-style approach was introduced which lets employees choose from among a range of attractive fringe benefits (e.g. fitness center, theater and movie tickets, vouchers for weekend vacations). The bank also supports employees in difficult situations through the social fund.

Within the scope of funded preventive health care, employees of Tatra banka, a.s. in Slovakia can choose from a range of offerings in the areas of medicine and health or sport from a Cafeteria system. Contracts were concluded with medical care centers to provide private health services to executive managers.

At Raiffeisenbank a.s. in the Czech Republic, employees can participate in a flu vaccination campaign. In 2015, this offer was taken advantage of by 209 employees.

Management staff at Raiffeisen Bank Zrt. in Hungary have the option of regular medical examinations. Other health screenings and consultation programs are offered for all employees. Training courses on avoiding and reducing stress have been offered for several years as part of the project "Fit for Job – Mindfulness, StressFitness, Recharged". In 2015, 73 employees participated in them. Employees can also select from a range of services in the areas of sport, culture or insurance, which are financially supported by the company within the scope of a flexible system of social services.

Southeastern Europe (SEE)

At Raiffeisen Bank Sh.a. in Albania, a canteen was set up for employees at both head office sites in 2015. The food and drink on offer is 50 per cent financed by the employer. Private health insurance has also been taken out for employees and includes an entitlement to preventive and acute examinations as well as other health-related services.



Banking Game, © Srdan Dunderovic

In 2015, Raiffeisen BANK d.d. Bosna i Hercegovina introduced measures for colleagues affected by bank robberies. These range from psychological support to stress reduction training and the offer to move to another department. On the basis of an employee initiative, an assistance fund for employees with serious illnesses was also set up with the active support of the management. The contract with an occupational medical service, which renders efficient medical services for the bank's employees and grants them discounts, was extended. The availability of medical services provided by an occupational physician was increased from one to two shifts. Other specialists can also be called upon in exceptional circumstances.

Raiffeisen BANK d.d. Bosna i Hercegovina took part in the sports competitions of the Banking Association to promote sport, team spirit, work-life balance and preventive healthcare, and won the trophy for the best sports team for the tenth time in a row.



Laughing yoga, © Raiffeisenbank (Bulgaria) EAD

Time and stress management courses have been held at Raiffeisenbank (Bulgaria) EAD since 2015. There were new initiatives, which included dancing and relaxation as well as a laughter yoga module. The employees have the option to utilize coaching and psychological support free of charge. Supplemental health insurance and regular examinations continue to be offered to all employees.

Raiffeisen Bank Kosovo J.S.C. has a health insurance arrangement for employees, under which children and relatives can also be insured. Employees are additionally offered life insurance. There are also special terms for sport and cultural activities. Special courses for stress management and positive thinking are also available.

The "Back to Balance" program was launched by Raiffeisenbank Austria d.d. in Croatia in September 2015 in order to promote the health and work-life balance of its employees. The program aims at strengthening and improving the health and well-being of employees by means of regular offers. Upon commencing employment, a one-day "Stress and Balance" workshop is offered, which around 195 employees (approx. ten per cent of all employees) took part in from September to December. The employees were able to learn about simple and practical ways of dealing with stressful situations.



The presentation of the certificate "Employee Partner", © Raiffeisenbank Austria d.d.

In 2015, Raiffeisenbank Austria d.d. in Croatia received the "Employee Partner" certificate for the very first time; the accolade is awarded by Selectio d.o.o. (a Croatian HR consultancy and recruitment firm) for outstanding services in human resources management. The goal of the Employee Partner certification project is to identify and honor companies that implement quality processes and promote and apply standards that have proven effective in the advancement of business success and quality. The "Employee Partner" certificate is an external recognition of the high standards in HR development. The certification process was comprehensive. All major Human Resources management processes were audited; a total of 45 processes in five

categories: (1) Strategy, (2) Recruiting and Selection, (3) Work, (4) Motivation and Remuneration, (5) Training, Development and Employee Relations.

Raiffeisen Bank S.A. in Romania offers all employees health and accident insurance as well as the opportunity to make use of private health services at a discount. This also includes psychological support. Assistance is provided for serious medical or financial problems within the scope of a fixed budget.



Raiffeisen Bank S.A. in Romania offers an extensive program for all employees under the name "RStyle - A Balanced Lifestyle". The project's vision is to make a set of measures available for a health-oriented working environment based on the three pillars of physical health, mental and emotional balance and healthy relationships. It presents the employees with solutions that lead to a healthy lifestyle and improve the quality of life and work performance. The program is intended to foster self-awareness and emotional equilibrium for a good balance between work and family life. In total, approx. 3,400 bank employees used the RStyle offers at almost 100 events in 2015 with a total of 6,000 participants.

On the basis of an internal survey conducted in 2015, six fields of action were defined, encompassing the following measures:

- **RSport:** In this field of action, the employees should be motivated to get involved in sporting activities both inside and outside the organization as a way of boosting their self-confidence and lowering their stress levels. In 2015, participation in RStyle events accounted for 42 per cent of sporting activities. More than 1,500 employees took up the offers of cycling, football, streetball, riding, athletics, fishing, sailing and tennis. The bank also organized a very successful campaign in which each participant walked 10,000 steps on 100 consecutive days.
- **DevelopR:** Participation in a range of events on personal and professional topics supported the employees with developing both their self-knowledge and their personality. In 2015, 21 per cent of RStyle participants made use of the developmental offerings. One of the most successful modules was a test on emotional intelligence. More than 1,000 employees accessed the online "Emotional Quotient Inventory" test and received a detailed personal evaluation.
- **RFood:** The employees were invited to participate in activities intended to promote healthy eating habits. Experts gave general suggestions and cooking tips.
- **TogetherR:** Leisure activities are organized in which the employees can participate with their families, with colleagues and/or customers. For example, parents and children made Christmas decorations together on the bank's premises.
- **RParenting:** The activities offered here are an attempt to promote approaches for a positive relationship between children and parents. For example, an online parents forum for various age groups was set up, with contributions made by one of Romania's best-known educational experts.
- **TravelR:** RStyle advises employees on planning their holidays.



RSport, © Raiffeisen Bank S.A.



TravelR, © Raiffeisen Bank S.A.

An annual preventive health examination is offered by Raiffeisen banka a.d. in Serbia for branch directors and employees who are over 40 years of age, as well as an additional examination two years after entering retirement. A number of activities and social services for employees in the area of health were continued in 2015. The bank organized two blood drives and the annual flu vaccination. In the event of severe illness, the employees are offered financial assistance from the "Boško Kostić Foundation". With the supplemental pension insurance (Raiffeisen Future), the bank also again doubled the premium payments of all employees who made their own payments to the pension scheme in 2015.

Yoga classes, soccer training and choir sessions are offered as a way to contribute to work-life balance and help avoid burnout. A sports day was also organized for all employees, whose children were also able to take part in. Seminars on stress management have been offered since 2014. So far, these have been attended by a total of 97 employees. The goal of the training is to support colleagues in stressful situations and to show them ways of dealing with stress.



Prevention of heart disease workshop, © Raiffeisen banka a.d.

Raiffeisen banka a.d. in Serbia also offers free monthly workshops and talks on a wide range of topics, such as preventing heart disease, or about the influence that modern media have on children.

Eastern Europe (EE)

Priobank JSC in Belarus organizes regular online and classroom trainings on stress management and conflict management. A total of 488 employees attended these trainings in 2015. In order to promote employees' health, preventive examinations have been available for all employees since 2015. The bank offers free memberships for fitness centers. Participation in sports competitions is financially funded, as is participation in cultural events, such as theater evenings.

AO Raiffeisenbank in Russia attaches great importance to the mental health of its employees and has offered courses on stress prevention since 2015.

HR marketing

RBI AG – Partner of universities and students

The dialog and maintaining of contacts with universities and students are an important part of our HR marketing strategy. That is why we have been a partner and sponsor of numerous universities in Austria for many years. RBI AG is actively there for students in guest lectures, teaching assignments, as well as with the supervision of seminar papers or providing support with Bachelor's and Master's theses. Participation in career fairs and various networking events (e.g. JOSZEF Assessment Center, traineeship day at the Vienna University of Economics and Business) gets students and graduates involved in personal discussions and promotes lasting ties.

Main focus for 2015: Business meets Technology



TUday, © Ulrike Mikovits

In 2015, the focal point in recruitment and HR marketing was on technology/IT. In particular, participation in the "TUday" and the Career Lounge of the FH Technikum Wien enabled RBI AG to present itself as a diverse IT employee in interaction with the students and graduates of technical fields of study. The initial success speaks for itself: In 2015, RBI AG ranked well ahead of our competitors in the banking category amongst technology/IT students in the "Universum Study – Austria's most attractive employer". (Source: <http://universumglobal.com/rankings/austria/student/2015/engineering-it/>)

In another student survey, the "Graduate Barometer Austria 2015" by Trendence, a research institute for Employer Branding, RZB made it into the Top 10. A total of 6,200 students at 24 universities in Austria took part in the survey. (Source: Wirtschaftsblatt)

Internally, practiced sustainability is also evident in the promotion of young talents. "Finanzieren" (Financing) – the trainee program of RBI AG – combines training and development and makes an active contribution to employee integration. The trainee program in the Corporate Banking division of RBI AG is aimed at graduates of business study programs. Over the course of their 15-month traineeships, the participants work in various departments of RBI AG, where they learn a variety of activities related to financing. In parallel with the on-the-job training, they receive comprehensive theoretical input. The program ends with a one-month stay abroad at one of the subsidiaries in CEE. At the end of the program, trainee coordinators provide individual final reports for each traineeship as well as further recommendations as additional aids for the trainee's future career.

At “Career Calling 15”, Austria’s largest jobs fair, RZB AG and RBI AG presented themselves for the first time together with the specialized subsidiaries, Raiffeisenlandesbank NÖ-Wien and Raiffeisen-Landesbank Steiermark as well as RWA Raiffeisen Ware Austria AG were at the redesigned “Raiffeisen” fair booth and answered lots of questions from interested students.



Career Calling, © Ulrike Mikovits



Career Calling, © Ulrike Mikovits

The active dialog with young talents is also appreciated and supported at Managing Board level. Karl Sevelda, CEO of RBI AG, keenly accepted the invitation of the trainees to attend a fireside chat with members of TraineeNet. The discussion focused on his career path as well as future challenges faced by the banking industry.

Overview of key ratios

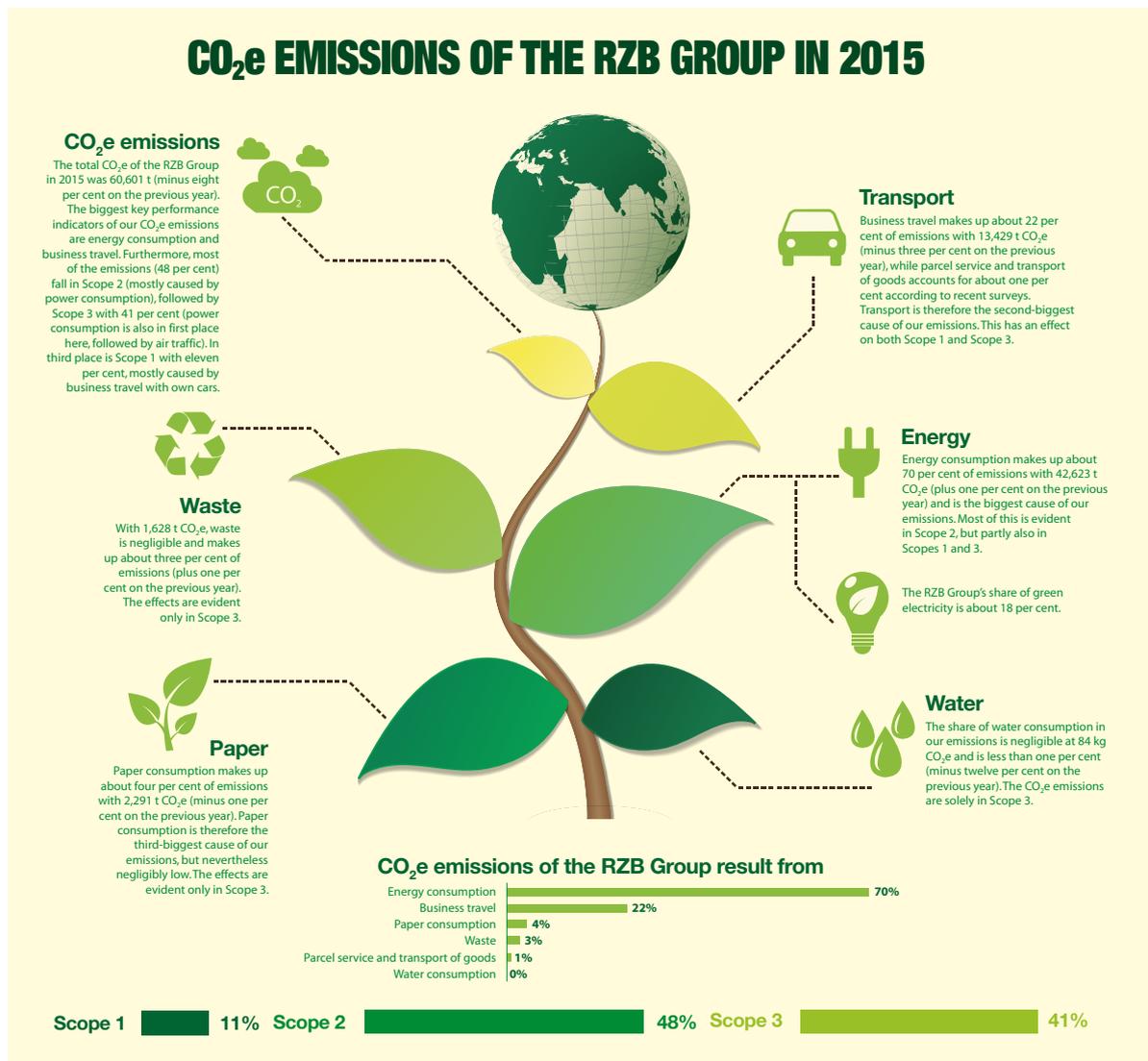
| | RBI Group | | | | | Central institute and specialized subsidiaries | | | | | RZB Group (total) | | | | |
|--|-----------|--------|--------|--------|-------|--|------|------|------|------|-------------------|--------|--------|--------|-------|
| | 2015 | 2014 | 2013 | 2012 | 2011 | 2015 | 2014 | 2013 | 2012 | 2011 | 2015 | 2014 | 2013 | 2012 | 2011 |
| Employees by gender, type of occupation and employment contract | | | | | | | | | | | | | | | |
| Employees | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| of which male | 33% | 33% | 33% | 35% | 33% | 47% | 46% | 56% | 53% | 54% | 33% | 33% | 33% | 35% | 33% |
| of which female | 67% | 67% | 67% | 65% | 67% | 53% | 54% | 44% | 47% | 46% | 67% | 67% | 67% | 65% | 67% |
| Full-time employees | 97% | 98% | 97% | 97% | 97% | 78% | 80% | 89% | 88% | 92% | 97% | 97% | 97% | 97% | 97% |
| of which male | 33% | 33% | n.a. | n.a. | n.a. | 56% | 55% | n.a. | n.a. | n.a. | 33% | 33% | n.a. | n.a. | n.a. |
| of which female | 67% | 67% | n.a. | n.a. | n.a. | 44% | 45% | n.a. | n.a. | n.a. | 67% | 67% | n.a. | n.a. | n.a. |
| Part-time employees | 3% | 2% | 3% | 3% | 3% | 22% | 20% | 11% | 12% | 8% | 3% | 3% | 3% | 3% | 3% |
| of which male | 21% | 19% | n.a. | n.a. | n.a. | 14% | 13% | n.a. | n.a. | n.a. | 20% | 18% | n.a. | n.a. | n.a. |
| of which female | 79% | 81% | n.a. | n.a. | n.a. | 86% | 88% | n.a. | n.a. | n.a. | 80% | 82% | n.a. | n.a. | n.a. |
| With fixed contracts | 85% | 86% | 86% | 88% | 88% | 92% | 98% | 100% | 100% | 100% | 85% | 86% | 86% | 88% | 88% |
| of which male | 34% | 34% | n.a. | n.a. | n.a. | 46% | 46% | n.a. | n.a. | n.a. | 34% | 34% | n.a. | n.a. | n.a. |
| of which female | 66% | 66% | n.a. | n.a. | n.a. | 54% | 54% | n.a. | n.a. | n.a. | 66% | 66% | n.a. | n.a. | n.a. |
| With limited contracts | 15% | 14% | 14% | 12% | 12% | 9% | 2% | 0% | 0% | 0% | 15% | 14% | 14% | 12% | 12% |
| of which male | 25% | 25% | n.a. | n.a. | n.a. | 51% | 45% | n.a. | n.a. | n.a. | 26% | 25% | n.a. | n.a. | n.a. |
| of which female | 75% | 75% | n.a. | n.a. | n.a. | 49% | 55% | n.a. | n.a. | n.a. | 74% | 75% | n.a. | n.a. | n.a. |
| Employees by region | | | | | | | | | | | | | | | |
| Central Europe | 27% | 26% | 27% | 23% | 22% | 0% | 0% | 0% | 0% | 0% | 26% | 26% | 27% | 23% | 22% |
| of which male | 38% | 37% | 38% | 44% | 37% | 0% | 0% | 0% | 0% | 0% | 38% | 37% | 38% | 44% | 37% |
| of which female | 62% | 63% | 62% | 56% | 63% | 0% | 0% | 0% | 0% | 0% | 62% | 63% | 62% | 56% | 63% |
| Southeastern Europe | 30% | 28% | 27% | 29% | 29% | 0% | 0% | 0% | 0% | 0% | 29% | 28% | 27% | 29% | 29% |
| of which male | 27% | 27% | 28% | 28% | 28% | 0% | 0% | 0% | 0% | 0% | 27% | 27% | 28% | 28% | 28% |
| of which female | 73% | 73% | 72% | 72% | 72% | 0% | 0% | 0% | 0% | 0% | 73% | 73% | 72% | 72% | 72% |
| Eastern Europe | 39% | 41% | 42% | 45% | 46% | 0% | 0% | 0% | 0% | 0% | 38% | 40% | 42% | 45% | 46% |
| of which male | 31% | 31% | 31% | 32% | 33% | 0% | 0% | 0% | 0% | 0% | 31% | 31% | 31% | 32% | 33% |
| of which female | 69% | 69% | 69% | 68% | 67% | 0% | 0% | 0% | 0% | 0% | 69% | 69% | 69% | 68% | 67% |
| Austria | 4% | 4% | 3% | 3% | 3% | 100% | 100% | 100% | 100% | 100% | 6% | 5% | 4% | 3% | 3% |
| of which male | 55% | 55% | 55% | 54% | 56% | 47% | 46% | 56% | 53% | 54% | 52% | 52% | 55% | 54% | 55% |
| of which female | 45% | 45% | 45% | 46% | 44% | 53% | 54% | 44% | 47% | 46% | 48% | 48% | 45% | 46% | 45% |
| New hires | | | | | | | | | | | | | | | |
| Total | 8,913 | 8,646 | n.a. | n.a. | n.a. | 122 | 159 | n.a. | n.a. | n.a. | 9,035 | 8,805 | n.a. | n.a. | n.a. |
| Share in percent of total headcount for: | | | | | | | | | | | | | | | |
| Employees total | 18% | 17% | n.a. | n.a. | n.a. | 11% | 17% | n.a. | n.a. | n.a. | 18% | 17% | n.a. | n.a. | n.a. |
| Employees under 30 years of age | 13% | 12% | n.a. | n.a. | n.a. | 3% | 7% | n.a. | n.a. | n.a. | 12% | 12% | n.a. | n.a. | n.a. |
| Employees between 30 and 50 years of age | 5% | 5% | n.a. | n.a. | n.a. | 7% | 10% | n.a. | n.a. | n.a. | 5% | 5% | n.a. | n.a. | n.a. |
| Employees over 50 years of age | 0% | 0% | n.a. | n.a. | n.a. | 1% | 0% | n.a. | n.a. | n.a. | 0% | 0% | n.a. | n.a. | n.a. |
| Men | 6% | 5% | n.a. | n.a. | n.a. | 7% | 7% | n.a. | n.a. | n.a. | 6% | 5% | n.a. | n.a. | n.a. |
| Women | 12% | 12% | n.a. | n.a. | n.a. | 4% | 10% | n.a. | n.a. | n.a. | 12% | 12% | n.a. | n.a. | n.a. |
| Central Europe | 6% | 6% | n.a. | n.a. | n.a. | 0% | 0% | n.a. | n.a. | n.a. | 6% | 6% | n.a. | n.a. | n.a. |
| Southeastern Europe | 3% | 3% | n.a. | n.a. | n.a. | 0% | 0% | n.a. | n.a. | n.a. | 3% | 2% | n.a. | n.a. | n.a. |
| Eastern Europe | 9% | 8% | n.a. | n.a. | n.a. | 0% | 0% | n.a. | n.a. | n.a. | 9% | 8% | n.a. | n.a. | n.a. |
| Austria | 0% | 0% | n.a. | n.a. | n.a. | 11% | 17% | n.a. | n.a. | n.a. | 1% | 1% | n.a. | n.a. | n.a. |
| Fluctuation¹ | | | | | | | | | | | | | | | |
| Total | 12,402 | 11,259 | 10,789 | 10,629 | 9,252 | 156 | 212 | 5 | 11 | 8 | 12,558 | 11,471 | 10,794 | 10,640 | 9,260 |
| Share in percent of total headcount for: | | | | | | | | | | | | | | | |
| Employees total | 25% | 22% | 20% | 20% | 17% | 14% | 22% | 4% | 10% | 9% | 25% | 22% | 20% | 20% | 16% |
| Employees under 30 years of age | 12% | 9% | 8% | 9% | 8% | 3% | 5% | 0% | 1% | 1% | 12% | 9% | 8% | 9% | 8% |
| Employees between 30 and 50 years of age | 12% | 11% | 10% | 9% | 7% | 8% | 12% | 3% | 8% | 7% | 12% | 11% | 10% | 9% | 7% |
| Employees over 50 years of age | 2% | 2% | 2% | 2% | 1% | 3% | 6% | 1% | 1% | 1% | 2% | 2% | 1% | 2% | 1% |
| Men | 8% | 7% | 7% | 7% | 6% | 7% | 12% | 2% | 5% | 5% | 8% | 7% | 7% | 7% | 6% |
| Women | 17% | 15% | 13% | 13% | 11% | 7% | 10% | 2% | 6% | 5% | 17% | 15% | 13% | 13% | 11% |
| Central Europe | 7% | 6% | 6% | 4% | 4% | 0% | 0% | 0% | 0% | 0% | 6% | 6% | 6% | 4% | 4% |
| Southeastern Europe | 4% | 3% | 4% | 3% | 3% | 0% | 0% | 0% | 0% | 0% | 4% | 3% | 4% | 3% | 3% |
| Eastern Europe | 15% | 12% | 11% | 12% | 10% | 0% | 0% | 0% | 0% | 0% | 14% | 12% | 11% | 12% | 9% |
| Austria | 0% | 0% | 0% | 1% | 0% | 14% | 22% | 4% | 10% | 9% | 1% | 1% | 0% | 1% | 0% |
| ¹ Figures also include internal transfers, which were above average in the central institute and the specialized subsidiaries in 2014 and 2015 due to the structural program 'ZUKUNFTPlus'. | | | | | | | | | | | | | | | |
| Average number of training hours for employees, by position | | | | | | | | | | | | | | | |
| B-1 | 64 | 54 | 71 | 41 | 33 | 37 | 27 | 10 | n.a. | n.a. | 61 | 52 | 70 | 40 | 33 |
| B-2 | 60 | 53 | 57 | 40 | 47 | 31 | 13 | 47 | n.a. | n.a. | 59 | 51 | 57 | 40 | 46 |
| Other managers ² | 77 | 49 | | | | 19 | 11 | | n.a. | n.a. | 76 | 49 | | | |
| Other employees | 51 | 55 | 57 | 46 | 33 | 17 | 12 | 24 | n.a. | n.a. | 50 | 55 | 57 | 46 | 32 |
| ² Other managers are included in the line 'Other employees' in the years prior to 2014. | | | | | | | | | | | | | | | |
| Share of employees with Performance Management | | | | | | | | | | | | | | | |
| Total | 67% | 59% | 57% | 56% | 52% | 100% | 100% | 100% | 94% | 95% | 67% | 60% | 57% | 56% | 52% |
| Men | 72% | 63% | n.a. | n.a. | n.a. | 100% | 100% | n.a. | n.a. | n.a. | 72% | 64% | n.a. | n.a. | n.a. |
| Women | 64% | 57% | n.a. | n.a. | n.a. | 100% | 100% | n.a. | n.a. | n.a. | 65% | 58% | n.a. | n.a. | n.a. |
| B-1 | 99% | 96% | n.a. | n.a. | n.a. | 100% | 100% | n.a. | n.a. | n.a. | 99% | 97% | n.a. | n.a. | n.a. |
| B-2 | 97% | 94% | n.a. | n.a. | n.a. | 100% | 100% | n.a. | n.a. | n.a. | 97% | 94% | n.a. | n.a. | n.a. |
| Other managers | 85% | 73% | n.a. | n.a. | n.a. | 100% | 100% | n.a. | n.a. | n.a. | 85% | 73% | n.a. | n.a. | n.a. |
| Other employees | 63% | 56% | n.a. | n.a. | n.a. | 100% | 100% | n.a. | n.a. | n.a. | 64% | 56% | n.a. | n.a. | n.a. |

| | RBI Group | | | | | Central institute and specialized subsidiaries | | | | | RZB Group (total) | | | | |
|--|-----------|------|------|------|------|--|------|------|------|------|-------------------|------|------|------|------|
| | 2015 | 2014 | 2013 | 2012 | 2011 | 2015 | 2014 | 2013 | 2012 | 2011 | 2015 | 2014 | 2013 | 2012 | 2011 |
| Diversity | | | | | | | | | | | | | | | |
| Quota for women | | | | | | | | | | | | | | | |
| Board | 15% | 12% | 16% | 16% | 16% | 0% | 0% | 0% | 0% | 0% | 14% | 11% | 16% | 16% | 15% |
| B-1 | 37% | 36% | 39% | 41% | 40% | 22% | 20% | 8% | 8% | 0% | 36% | 35% | 38% | 40% | 39% |
| B-2 | 48% | 47% | 48% | 48% | 49% | 30% | 35% | 27% | 25% | 17% | 47% | 46% | 48% | 48% | 49% |
| Other managers | 61% | 60% | 58% | 60% | 59% | 36% | 28% | 0% | 0% | 0% | 61% | 60% | 58% | 61% | 59% |
| Managers total | 56% | 55% | 55% | 56% | 55% | 29% | 28% | 14% | 12% | 4% | 55% | 54% | 55% | 56% | 55% |
| Employees total | 67% | 67% | 67% | 65% | 67% | 53% | 54% | 44% | 47% | 46% | 67% | 67% | 67% | 65% | 67% |
| Share of minority groups | | | | | | | | | | | | | | | |
| Employees with disabilities | | | | | | | | | | | | | | | |
| Board | 0% | 0% | | | | 0% | 0% | | | | 0% | 0% | | | |
| B-1 | 0% | 0% | | | | 0% | 0% | | | | 0% | 0% | | | |
| B-2 | 0% | 0% | | | | 1% | 0% | | | | 1% | 0% | | | |
| Other managers | 1% | 1% | | | | 0% | 0% | | | | 1% | 0% | | | |
| Other employees ³ | 1% | 1% | 1% | 2% | 1% | 2% | 3% | 0% | 0% | 0% | 1% | 1% | 1% | 2% | 1% |
| ³ includes all employees in the years 2011 - 2013 | | | | | | | | | | | | | | | |
| Employees with foreign citizenship | | | | | | | | | | | | | | | |
| Board | 35% | 40% | | | | 0% | 0% | | | | 30% | 36% | | | |
| B-1 | 4% | 4% | | | | 2% | 0% | | | | 4% | 4% | | | |
| B-2 | 2% | 2% | | | | 5% | 2% | | | | 2% | 2% | | | |
| Other managers ⁴ | 1% | 1% | 0.2% | 0.2% | 0.2% | 5% | 0% | 0.8% | 0.9% | 0% | 1% | 1% | 0.2% | 0.2% | 0.2% |
| Other employees | 1% | 1% | 1% | 1% | 1% | 6% | 4% | 11% | 9% | 11% | 2% | 1% | 1% | 1% | 1% |
| ⁴ includes all managers in the years 2011 - 2013 | | | | | | | | | | | | | | | |
| Age groups | | | | | | | | | | | | | | | |
| Board | | | | | | | | | | | | | | | |
| Board under 30 years of age | 0% | 0% | n.a. | n.a. | n.a. | 0% | 0% | n.a. | n.a. | n.a. | 0% | 0% | n.a. | n.a. | n.a. |
| Board between 30 and 50 years of age | 63% | 67% | n.a. | n.a. | n.a. | 58% | 64% | n.a. | n.a. | n.a. | 63% | 66% | n.a. | n.a. | n.a. |
| Board over 50 years of age | 37% | 33% | n.a. | n.a. | n.a. | 42% | 36% | n.a. | n.a. | n.a. | 38% | 34% | n.a. | n.a. | n.a. |
| B-1 | | | | | | | | | | | | | | | |
| Employees under 30 years of age | 1% | 1% | n.a. | n.a. | n.a. | 0% | 32% | n.a. | n.a. | n.a. | 1% | 3% | n.a. | n.a. | n.a. |
| Employees between 30 and 50 of age | 86% | 85% | n.a. | n.a. | n.a. | 74% | 50% | n.a. | n.a. | n.a. | 85% | 83% | n.a. | n.a. | n.a. |
| Employees over 50 years of age | 13% | 13% | n.a. | n.a. | n.a. | 24% | 18% | n.a. | n.a. | n.a. | 14% | 14% | n.a. | n.a. | n.a. |
| B-2 | | | | | | | | | | | | | | | |
| Employees under 30 years of age | 2% | 4% | n.a. | n.a. | n.a. | 0% | 29% | n.a. | n.a. | n.a. | 2% | 5% | n.a. | n.a. | n.a. |
| Employees between 30 and 50 of age | 87% | 85% | n.a. | n.a. | n.a. | 74% | 51% | n.a. | n.a. | n.a. | 86% | 83% | n.a. | n.a. | n.a. |
| Employees over 50 years of age | 11% | 11% | n.a. | n.a. | n.a. | 26% | 20% | n.a. | n.a. | n.a. | 12% | 12% | n.a. | n.a. | n.a. |
| Other management staff | | | | | | | | | | | | | | | |
| Employees under 30 years of age | 6% | 9% | n.a. | n.a. | n.a. | 0% | 16% | n.a. | n.a. | n.a. | 6% | 9% | n.a. | n.a. | n.a. |
| Employees between 30 and 50 of age | 80% | 77% | n.a. | n.a. | n.a. | 86% | 64% | n.a. | n.a. | n.a. | 80% | 77% | n.a. | n.a. | n.a. |
| Employees over 50 years of age | 14% | 14% | n.a. | n.a. | n.a. | 14% | 20% | n.a. | n.a. | n.a. | 14% | 14% | n.a. | n.a. | n.a. |
| Other employees | | | | | | | | | | | | | | | |
| Employees under 30 years of age | 31% | 33% | n.a. | n.a. | n.a. | 15% | 32% | n.a. | n.a. | n.a. | 30% | 33% | n.a. | n.a. | n.a. |
| Employees between 30 and 50 of age | 61% | 59% | n.a. | n.a. | n.a. | 72% | 55% | n.a. | n.a. | n.a. | 61% | 59% | n.a. | n.a. | n.a. |
| Employees over 50 years of age | 9% | 8% | n.a. | n.a. | n.a. | 13% | 13% | n.a. | n.a. | n.a. | 9% | 8% | n.a. | n.a. | n.a. |

Inhouse ecology

In the RZB Group, we are committed to environmental and climate protection, with the goal of keeping environmental impacts as low as possible. We therefore work to continuously improve our sustainability standards and the main environmental parameters in the most relevant areas. The environmental management system in Austria is based on international standards (e.g. ISO 14001). This is not a matter of merely fulfilling legal requirements or standards, but rather one of optimizing the use of energy and resources, and as such, is a task of sustainable resource utilization. The network banks are conscious of their responsibility for the environment and are working to continuously improve this.

In order to ensure comparability, the environmental indicators contain only the head office data of the network banks. The key ratios of the network banks have been summarized by segments and are published on our websites at www.rzb.at/sustainabilitymanagement and www.rbinternational.com. There are no plans at present to collect environment-related data in all branches. The data are presented for the RZB Group, which consists of the RBI Group as well as the central institute and specialized subsidiaries, with the data of Valida Vorsorge Management being included in the scope of reporting for the first time in 2015. The RBI Group comprises the network banks (NWB) and RBI AG. The graphic below shows the environmentally relevant key performance indicators of the RZB Group and their impact on CO₂e emissions².



¹ Specialized subsidiaries: includes the figures for Raiffeisen Bausparkasse Gesellschaft m.b.H., Raiffeisen Kapitalanlage-Gesellschaft m.b.H., Raiffeisen-Leasing GmbH and Valida Vorsorge Management

² CO₂e is the conversion of the hazard potential of the relevant, climate-influencing gases into an equivalent amount of CO₂.

The graphic on the previous page shows that the biggest key performance indicators of CO₂e emissions of the RZB Group (total of 60,601 tonnes (t) or minus eight per cent compared to the previous year) concern energy consumption and business travel. Particularly relevant is the division of the emissions into three “Scopes” (which define the classification of the CO₂ emissions according to the Greenhouse Gas Protocol):

- Scope 1 comprises all greenhouse gas emissions produced directly in the company; e.g. from the combustion of stationary sources (such as power plants, boilers), from the combustion of mobile sources (such as from the company’s own fleet), from the production processes and from transient emissions.
- Scope 2 comprises indirect emissions which arise when supplying the company with energy, when an energy supplier makes power or heat available for this company.
- Scope 3 comprises all other emissions caused within the limits of the system, e.g. mobility by means of plane, train and external fleet as well as office needs (such as paper).

Most emissions (48 per cent) can be found in Scope 2 (mainly caused by power consumption), followed by Scope 3 with 41 per cent (power consumption is also in first place here, followed by air travel). In third place comes Scope 1 with eleven per cent, mainly caused by business travel with company cars. Detailed assessments of paper and water consumption and waste will be published exclusively on our websites for the first time this year due to the low level of CO₂e emissions (www.rzb.at/sustainabilitymanagement and www.rbinternational.com).

Compliance with legal regulations

Compliance with legal regulations is subjected to a stringent procedure defined in the management system. There were no convictions due to violations of environmental protection regulations in 2015 at the Vienna sites or the network banks.

Environmental policy

The RZB Group has had an environmental policy since 2014. As a sustainably operating banking group, the traditional Raiffeisen values were the central point of reference for its design. The contents of the environmental policy are contained in the sustainability guiding principles of the RZB Group in the areas of product ecology, inhouse ecology and climate-friendly society, which are published on the websites at www.rzb.at/sustainability-management and www.rbinternational.com. With respect to the area of inhouse ecology, for example, the guiding principles state that the RZB Group is committed to continuously improving its services for the environment beyond statutory requirements, where possible and meaningful. The RZB Group works continuously to improve its sustainability standards and the main environmental parameters in the relevant areas.

Environmental measures

The central measures in the environmental areas of greatest importance for the RZB Group in recent years are presented briefly in the following overview and in the following chapters.

| Overview of fair partner/inhouse ecology measures | | | | | | | | | | | | | | | | | | | | |
|---|---|-------------|------|------|------|--------|------|------|------|------|------|------|------|------|------|------|------|------|-------|------|
| Topic | Measure | Austria | | | | | CE | | | | SEE | | | | EE | | | | | |
| | | RBI/ RZB | RBSK | RKAG | RL | Valida | PBPL | TBSK | RBCZ | RBHU | RBAL | RBBH | RBBG | RBKO | RBHR | RBRO | RBR5 | AVAL | RBRU | RBBY |
| Certificates | Environmental Certificates | ✓* | ✓* | ✓* | ✓* | ✓* | | ✓ | ✓ | | ✓ | | | | | | | | | |
| Energy savings and efficiency | Power savings for lighting, energy-saving mode on computers | ✓ | ✓ | ✓ | ✓ | ✓ | | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | | ✓ | ✓ | ✓ |
| | Evening/weekend mode | ✓ | ✓ | ✓ | ✓ | ✓ | | ✓ | ✓ | ✓ | ✓ | ✓ | | ✓ | ✓ | ✓ | | ✓ | ✓ | ✓ |
| | Measures involving the building | ✓ | ✓ | ✓ | ✓ | ✓ | | ✓ | | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | | ✓ | ✓ | ✓ |
| | Other adaptations in heating and cooling | ✓ | ✓ | ✓ | ✓ | ✓ | | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | | ✓ | ✓ | ✓ |
| Renewable energy | Photovoltaics and geothermal energy in/on the building | ✓ | | | | | | | ✓ | | ✓ | | | ✓ | | | | | | |
| | Green electricity in the power mix | ✓ | ✓ | ✓ | ✓ | ✓ | | ✓ | | | ✓ | ✓ | ✓ | | ✓ | | | | | |
| Business travel | Measures for reducing | ✓ | ✓ | ✓ | ✓ | ✓ | | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | | ✓ | ✓ | ✓ |
| Mobility survey | Measures have been implemented | ✓ | n.a. | n.a. | n.a. | n.a. | | ✓ | ✓ | | ✓ | ✓ | | | | | | | | ✓ |
| Fleet | Environmental measures in the fleet | ✓ | ✓ | ✓ | ✓ | ✓ | | ✓ | ✓ | | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | | ✓ | n.a. | |
| Material consumption | Measures for reducing paper consumption | ✓ | ✓ | ✓ | ✓ | ✓ | | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | | ✓ | ✓ | ✓ |
| | Paper with an environmental label | ✓ | ✓ | ✓ | ✓ | ✓ | | ✓ | ✓ | ✓ | | ✓ | ✓ | | ✓ | | | ✓ | ✓ | ✓ |
| | Measures in the IT area | ✓ | ✓ | ✓ | ✓ | ✓ | | ✓ | ✓ | ✓ | | ✓ | ✓ | ✓ | ✓ | ✓ | | ✓ | ✓ | ✓ |
| Waste | Waste separation | ✓ | ✓ | ✓ | ✓ | ✓ | | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | | ✓*** | ✓**** | ✓ |
| Water | Measures for reducing water consumption | ✓ | ✓ | ✓ | ✓ | ✓ | | ✓ | ✓ | ✓ | | ✓ | ✓ | | ✓ | ✓ | | | | ✓ |
| Suppliers | Suppliers with environmental and social standards | ✓** | ✓** | ✓** | ✓** | ✓** | | | | | ✓ | ✓ | | ✓ | ✓ | | | | | ✓ |
| Compliance | No violation of environmental legislation | ✓ | ✓ | ✓ | ✓ | ✓ | | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | | ✓ | ✓ | ✓ |

Please see the list of abbreviations for the complete company designations.

- * ISO 14001 Facility Management
- ** Query made by ZHS Office- & Facilitymanagement GmbH
- *** Only hazardous waste
- **** Waste outsourced

Environmental targets

The central tool for the implementation and further development of the environmental targets is the environmental management system in Austria, which is operated in accordance with the requirements of ISO 14001 (certified since 1998). In addition, the greenhouse gases have been validated for RBI AG since 2013 in accordance with ISO 14064-3. On the basis of the environmental audit and the usage data, measures for improving our environmental balance sheet were defined for the RZB Group in 2014. These encompass the following areas:

- Emissions
- Energy
- Mobility
- Information technology
- Waste and cleaning
- Employees
- Procurement

The base year for the various environmental and CO₂e reduction targets is 2011. Primarily responsible for implementing and evaluating the achievement of our targets are the environmental committee, the Sustainability Management Department of the RZB Group, Facility Management, and the Sustainability Officers at the network banks. Details on the targets can be found on our websites at www.rzb.at/sustainabilitymanagement and www.rbinternational.com.

Present-state assessment and weak point analysis

Two studies carried out in cooperation with the Sustainable Europe Research Institute (SERI) in 2009 and 2014 formed the quantitative base for all target definitions and measures pertaining to our environmental policy. The principles of data collection were key building infrastructure, energy use, mobility data (traffic, logistics), materials used (resources, consumables) and waste streams. The system boundaries of this analysis were set in accordance with the Greenhouse Gas Protocol (WRI/WBCSD, 2009), which makes a distinction between emissions in Scopes 1-3. The results agree with those from our reporting tool "mona", which is why we were able to derive further measures for the Group as a whole. These are reflected in the environmental targets of the RZB Group (see also chapter "Environmental targets").

Travel policy

The travel policy of the RZB Group contains rules for traveling to events and conferences and defines framework conditions for business trips in Austria and abroad. It was revised in accordance with environmental aspects in October 2013. Economic aspects as well as aspects that protect the environment should be considered when selecting the means of transport. This applies to the Austrian units including the specialized subsidiaries and also provides a framework for the network banks. To save costs and protect the environment, business trips should – where possible – be replaced by available technologies, such as web and video conferences. The mode of transport to be used should result in the lowest costs, taking the journey time into consideration. Furthermore, environmentally friendly means of transport (e.g. public transportation) are to be preferred.

Supplier evaluation and purchasing

In 2015, the Code of Conduct was revised with respect to stricter requirements for suppliers. These include compliance with laws, the ban on corruption and fraud, attention to employees' basic rights and environmental regulations. All suppliers of the RZB Group must therefore abide by the CoC and its principles.

RBI AG is partly responsible for the purchasing activities of the RZB Group. ZHS Office- & Facilitymanagement GmbH (ZHS) is responsible for all purchasing activities for RZB AG and some of those for RBI AG and specialized subsidiaries, and performs the following tasks: building & property administration, building management, energy management, space & relocation management, event support, office resource purchasing, waste management and environmental protection.

ZHS revised the supplier conditions in 2013 out of its responsibility for society and the environment. Criteria taken into consideration include quality and costs as well as inquiries on delivery distance, compliance with industry standards, agreements or directive regarding the environment and sustainability (e.g. UNGC) and current certifications (quality, environment, employee protection such as ISO 9001, ISO 14001, EMAS). Apart from the obligatory annual check of the supplier criteria, environmental and social data are now also surveyed. All suppliers of ZHS must meet certain sustainability criteria and are recorded and evaluated in electronic systems in accordance with these criteria. If these criteria are not met, no business relationship will be entered into.

In addition, the leading suppliers of the RZB Group have, where purchasing is performed centrally, been surveyed annually on the following topics:

- Survey of environmentally and/or socially relevant certificates for the company and for the products and/or services procured by us
- Proceedings due to the infringement of environmental regulations
- Indicators on mobility (km/tkm³)

The response rate at ZHS 56 per cent of suppliers, while for the RBI Group it was 68 per cent of the leading suppliers. The results of the surveys show that:

- half of all suppliers have environment-related certificates for their company and products.
- three quarters of suppliers publish their environmental and social data in various ways – mostly in the form of a sustainability report.
- one quarter of the suppliers were able to provide information on the tkm traveled for us.
- one supplier is in proceedings due to the infringement of environmental regulations.

We see the survey as an important step towards raising further awareness amongst our suppliers and will continue to conduct it on an annual basis.

Carbon Disclosure Project (CDP)

RBI AG has participated in the Carbon Disclosure Project annually since 2011, which surveys the CO₂ emissions of listed companies in 60 countries on behalf of investors. This is a non-profit organization (NPO) with the goal of promoting transparency at companies in terms of their goals and strategies and consequently of reducing CO₂ emissions. The CDP now administers the world's largest database of environmental data for listed companies.



Of 350 companies in the "Germany, Austria and Switzerland (DACH)" region, RBI AG (incl. the network banks) is – with 100 A points – one of 13 companies to have been included in the Carbon Performance Leadership Index (CPLI) again in 2015. This index gives an overview of the detailed nature of the reporting and covers the best-performing companies. The CDP also uses the reported data to prepare the Carbon Disclosure Leadership Index (CDLI) for individual regions (incl. DACH), which analyzes the quality of the information. RBI AG was included in the CDLI for the first time 2015 and awarded for the third time in a row by the CDP for its high level of CO₂ savings. The fact that the cooperation of all network banks in Central and Eastern Europe also enabled their emissions data to be reported for the first time had a particularly positive impact. Various measures within the scope of comprehensive environmental controlling, such as the relation to energy-efficient office buildings, have also contributed to a sharp improvement in our emissions figures.

The maximum award in the ranking, however, is the CDP Climate Score 100 A, which reflects the degree of transparency of the reported data in conjunction with the actually rendered climate protection services. It is an expression of credibility through the verification of data (RBI AG has had audits performed in accordance with ISO 14064-3 since 2013) and above all the effectiveness of the measures initiated by the companies in respect of adjusting to and combating climate change. Only 113 of more than 2,000 listed companies around the world secured a place in the CDP Climate A List. With a score of 100 A points in the 2015 Climate Change Report, RBI AG also belongs to the "Sector Leader Financials", the best companies of this industry in the DACH region, and was the Country Leader in Austria (see also page 36).

³ Tonne kilometers or tkm are calculated from the transported mass in tonnes and the distance covered in kilometers

Inhouse ecology at the Vienna sites

The head office sites in Vienna are operated in accordance with the standards of an environmental management system (ISO 14001 – first certification in 1998). The revision of ISO 14001 was published in September 2015. The goal for 2016 is to conduct the audit of the existing environmental management system on the basis of this version.

The relocation of the specialized subsidiaries to their new shared location “R19” bundled the implementation of the environmental measures, as operational management of all buildings is performed centrally by ZHS Office- & Facilitymanagement GmbH. This improvement in inhouse ecology for the specialized subsidiaries concerns not only the building itself but also supporting processes, such as purchasing. All of these processes are embedded in an environmental management system. Of particular note is that “Valida Vorsorge Management” was awarded ÖKOPROFIT certification in 2015 for 2014. Decisive for this were measures in the areas of energy efficiency, mobility and waste logistics for the reduction of power, fuel and paper consumption.

It is difficult to compare the key ratios for 2015 against those for 2014 because the relocations of the specialized subsidiaries as well as of parts of RZB AB took place in the past year, which resulted in the shifting of a large number of workplaces both from the old sites and between the two main sites, which are very different in terms of energy efficiency.

The following measures were implemented in recent years:

- Increase in the proportion of energy-efficient offices

One goal is to increase the energy efficiency of the offices. This concerns both the buildings themselves as well as the business and staff traffic to the sites. The “R19” site was constructed in Vienna with these considerations in mind. The building is located right by the express train/subway station, making it ideally connected to the public transportation system. When finished, the site will have five interconnected buildings with a total of 46,000 m² of lowest-energy office space (Class A – 20 kWh/m² and year). The air conditioning system – powered by district cooling – is particularly innovative. It reduces CO₂ emissions by around 70 per cent compared to conventional air conditioning systems. Since 2015, all specialized subsidiaries have been located at the new “R19” site.
- Use of the supply infrastructure of the server landscape

An increase in the energy efficiency of the data centers was achieved through the creation of appropriate infrastructure in 2014 and involved the relocation of the components to the new site, resulting in significant improvements:

 - Heat recovery: The waste heat produced in a data center by the servers, storage systems, etc. is discharged via heat exchangers installed on the roof. A heat pump is also used in the new data center and uses a portion of this energy for heating/cooling the building. The heat pump is located in the return cooling circuit of the overall cooling system. The calculation data are based on a reduction in primary energy use of around 200,000 kWh/year.
 - Free cooling: A cooling system consists of a chiller and heat exchangers which to extract excess heat from an object. To minimize the runtime of the chiller – and thus to reduce its energy consumption – only outdoor air is used for cooling purposes for as long as possible. Based on the design data, approx. 4,900 hours per year of pure free cooling operation are anticipated. The higher the share of free cooling hours, the greater the energy saving due to the non-use of the chillers.
- Energy efficiency

In 2014, the Energy Efficiency Act was passed in Austria in implementation of the Energy Efficiency Directive 2012/27/EU. The law aims at achieving the 20-20-20 targets by 2020 (20 per cent fewer greenhouse gases than in 2005, 20 per cent share in renewable energies, and 20 per cent more energy efficiency). Large companies are therefore required either to have an external energy audit performed every four years as required by the Energy Efficiency Act or to introduce a certified energy and environmental management system. The central institute and the specialized subsidiaries have decided on an external energy audit. As stipulated in the Act, the audit will include all majority participations. The implementation requirement started in 2015.

- Fleet and business travel

A new communication tool ("Skype for Business") was introduced for electronic co-operation and online meetings. The main goals are to reduce the number of business trips and printed documents. A conscious effort has been underway in recent years to build up a fleet of low-emission vehicles. This has allowed the specific CO₂ emissions of the fleet of the central institute and specialized subsidiaries incl. RBI AG to be reduced by about four per cent compared to the previous year.

Environmental Committee

In terms of their responsibility for environmental measures, the Managing Boards of RZB AG and RBI AG appointed an Environment Officer and an inhouse Environmental Committee in 1994. The Environmental Committee is the advisory and decision-making committee. Permanent members are the Environment Officers of RZB AG, the representatives of the Sustainability Management Department of the RZB Group and the Staff Council. Depending on the field of expertise, further representatives of the departments, such as Purchasing, Marketing or IT, will be involved in the meetings. The Environmental Committee is convened at least twice a year by the Environment Officer. Tasks of the environmental committee include developing decision-making principles for the Managing Board regarding ecological strategies, planning and initiatives, as well as conducting periodic present-state assessments and weak point analysis.

Topics in recent years included, for example, the reduction of the energy consumed by IT devices as well as the support of awareness-raising events such as the bicycle repair days, which are held annually in support of environmentally conscious mobility. The increased replacement of paper with online media was also dealt with in order to save resources and shorten transport distances.

Environmental aspects in the staff restaurants

SV (Österreich) GmbH services the staff restaurants of RBI AG as well as of the central institute and the specialized subsidiaries. It has had an environmental management system certified to DIN EN ISO 14001:2004 at its disposal since 2010. Implementation of the standard's stipulations is externally verified by Quality Austria - Trainings, Zertifizierungs- und Begutachtungs-GmbH in annual monitoring audits as well as in the recertification audits, which are held every three years. The environmental management system of SV (Österreich) GmbH is closely linked with the quality management system in accordance with ISO 9001:2008 and focuses on the areas of waste disposal and the separation of valuable materials, energy and cleaning agent consumption, purchasing as well as constant improvement of environmental services through ongoing employee training and awareness raising.

Environmental targets for the SV restaurant at the two head office sites include, among others, increased attention to the purchasing of regional and seasonal products as well as the use of take-away cups produced from corn starch for freshly made health shakes, etc. Another focal point is the constant development of the vegetarian



@wdw4friends

Peter Seidl, Head of Department,
ZHS Office- &
Facilitymanagement GmbH

"The topic of forest dieback touched me very much in my youth and still determines my actions today, both in private and at work. Since then, environmental protection has moved on enormously, been joined by other aspects and become indispensable for the sustainable actions of companies. In my position as Head of Department for the sub-area of "Safety/Quality and Environmental Management", I am able to implement my inner conviction on a daily basis at work. A very good example is our "R19" site in Vienna, which we moved into recently. When selecting the site, we took into consideration criteria such as accessibility by public transport. State-of-the-art building technology combined with the connection to the city of Vienna's district heating and cooling network ensure efficient use of energy with the lowest possible emissions and best security of supply. The high-quality building envelope and the state-of-the-art air conditioning equipment enable a pleasant indoor climate. The high amount of daylight provides optimal lighting conditions. Particularly pleasing is the LEED (Leadership in Energy and Environmental Design) award in 'Gold' for the new parts of the building recently occupied."

QUOTE



and vegan options on offer. In addition, the reconditioning of disposed waste cooking oils into environmentally sustainable biodiesel achieved a reduction in CO₂ of 2,198 kg CO₂e in 2015.

Inhouse ecology at the network banks

The group-wide environmental rules are already being implemented at all network banks. Besides the Code of Conduct, this applies in particular to the reporting via "mona" (a group-wide, web-based monitoring tool for sustainability) and the supplier survey. Special environmental measures put in place by individual network banks are listed below.

Central Europe (CE)

The building of Tatra banka, a.s. in Slovakia is a low-energy building and procures part of its electricity from green sources.

Raiffeisenbank a.s. in the Czech Republic evaluates its products and suppliers according to ecological and other criteria when making purchases.

In one of the the office buildings of Raiffeisen Bank Zrt. in Budapest, geothermal heating is used for heating and cooling of the back office.

Southeastern Europe (SEE)

Raiffeisenbank Austria d.d. in Croatia has an energy and environmental management system in the Magazinska building (a head office in Croatia).

In 2013, Raiffeisen Bank d.d. Bosna i Hercegovina installed solar panels for producing hot water at the head office.

Since 2013, Raiffeisenbank (Bulgaria) EAD has required suppliers to furnish certificates with regard to environmental and social standards as per ISO 9001:2008, ISO 14001:2004 and ISO 18001:2008 as part of its selection procedure. Companies that have these certificates are given preference. At the start of 2015, Raiffeisenbank (Bulgaria) EAD moved from two buildings into a new main building with high environmental standards.

Raiffeisen Bank Kosovo J.S.C. has commenced construction of a building that meets the latest energy standards.

Raiffeisen Bank S.A. in Romania ensures that suppliers who offer products with environmental risks have an environmental policy and recycling contracts with specialized providers.

Environmental protection was an important aspect in construction of the head office for Raiffeisen banka a.d. in Serbia. Attention was paid to the use of renewable energy sources as well as the resource-efficient use of heating and cooling equipment.

Eastern Europe (EE)

The head office of AO Raiffeisenbank in Russia was able to significantly reduce its energy consumption in 2014 by moving into an energy-efficient building.

Inhouse environmental key ratios

The individual environment-related Key Performance Indicators (KPIs) of the entire RZB Group are broken down by region and ranked by relevance below.

Energy consumption

At about 70 per cent, indirect energy consumption is the largest source of CO₂ emissions at the RZB Group. Electricity consumption accounts for 91 per cent of this, while heating consumes nearly nine per cent.

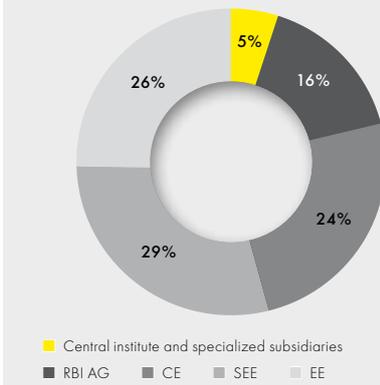
Direct energy consumption (emergency power generator) accounts for a negligible share of total consumption and emissions and is only shown in the table on page 126.

The green power share of the RZB Group is about 18 per cent. One hundred per cent green power is procured in Austria.

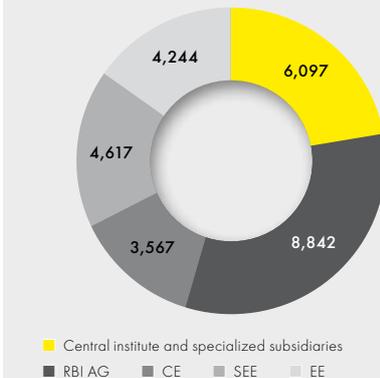
The entire indirect energy consumption of the RZB Group was nearly 107 GWh in 2015 (four per cent lower than the previous year). Of this, about 78 GWh was needed for electricity and nearly 30 GWh for heating. Southeastern Europe has the largest share of electricity consumption of about 31 per cent (in part because electricity is used for heating purposes in some parts of Southeastern Europe); in terms of heat consumption, Eastern Europe is the biggest consumer, also with around 31 per cent. The smallest share of total consumption was accounted for by the central institute and the specialized subsidiaries with six per cent of power consumption and eight per cent of heat consumption.

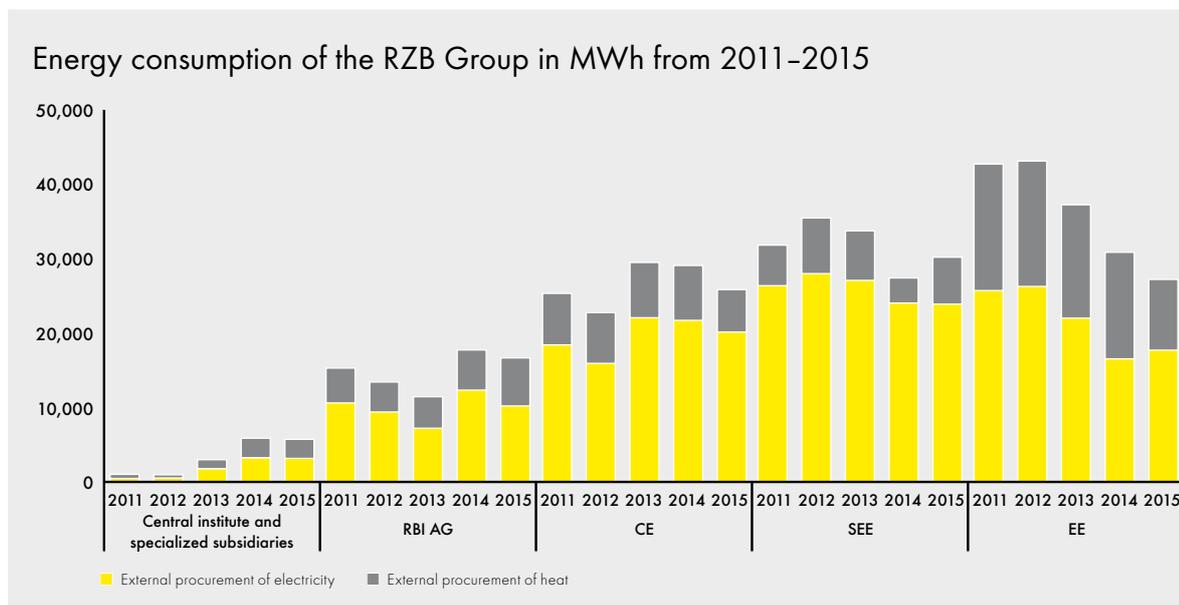
In terms of employee and year, the average energy consumption for electricity and heat is a total of 4,606 kWh. RBI AG has the highest energy consumption of 8,842 kWh per employee (the reason being that the majority of employees of RBI AG are still located at the non energy-efficient site), while Central Europe has the lowest energy consumption per employee at 3,567 kWh.

Energy consumption of the RZB Group in 2015



Energy consumption of the RZB Group in 2015 in kWh per employee





| Energy consumption in 2015 | Central institute and specialized subsidiaries | RBI AG | CE | SEE | EE |
|--|--|--------|--------|--------|--------|
| External procurement of electricity in MWh | 3,218 | 10,921 | 20,446 | 24,060 | 17,886 |
| External procurement of heat in MWh | 2,370 | 6,267 | 5,500 | 6,113 | 9,280 |
| Energy consumption total in MWh | 5,589 | 17,189 | 25,945 | 30,173 | 27,167 |

Energy consumption at the Vienna sites

The energy consumption figures at the Vienna sites (especially for RBI AG) must be viewed in a differentiated manner because the consumption figures do not reflect the measures taken in recent years (e.g. low-energy buildings). On the one hand, consideration must be given to the head office at the site in 1030 Vienna, whose main building was opened in 1989. Apart from being used as an office site, large areas are also intensively used for internal and external events (max. capacity of about 800 people including hospitality). These areas are fully incorporated into the energy balance sheet and significantly increase both the absolute and the relative figures. The measures taken at this site last year focused on the reduction of power consumption by improving the heat exchangers (free cooling), the relocation of the servers and measures relating to the IT terminal equipment (replacement with low-energy devices, sleep mode when not in use). Some of the lighting in the main building was converted to LEDs, while the energy supply for the refrigerated counters in the staff restaurant was optimized.

On the other hand, construction and occupation of the "R19" site in 1190 Vienna commenced in Austria in 2013. Parts of RBI AG relocated first, followed by the specialized subsidiaries in 2014 and 2015. The new site has much better energy efficiency than the old leased premises. Systems such as the air conditioning – powered by district cooling – are innovative. It reduces CO₂ emissions by around 70 per cent compared to conventional air conditioning systems. LEED awards (Leadership in Energy and Environmental Design) with the 'Gold' standard were achieved for the newly occupied buildings. The first phase (buildings A&B) achieved 60 out of a possible 110 points. For the second phase (building C), improvements in the planning resulted in a score of 67 out of 110 points. A direct comparison shows that the energy consumption per employee of the specialized subsidiaries at the new site is half what it was at their original sites.

Since January 2013, both sites (1030 and 1190) have solely been supplied with green electricity from small hydroelectric plants, wind power, biomass, geothermal energy and photovoltaics.

Energy consumption at the network banks

Central Europe (CE)

The GoGreen! program for electricity savings was introduced at Raiffeisen Bank Polska S.A. in Poland in the year 2013. In addition, the air-conditioning is switched off and the heating turned down at night. Trainings in the area of energy conservation were provided for new employees.

One of the buildings of Tatra banka a.s. Bratislava in Slovakia is a low-energy building that is heated with waste heat from the data center. Another building requires less energy thanks to its double-glazed façade. The heating is turned down in the evening and on weekends with a timer. Old systems are continuously being replaced with new equipment with lower energy consumption. Motion-controlled light switches were installed at the head office to save electricity. At seven branches of Tatra banka, a.s. in Slovakia, energy-saving bulbs have been in use since 2014. Additionally, the IT department replaced old PCs and monitors at the head office with more energy-efficient equipment. More than one quarter of the purchased electrical energy comes from renewable energy sources such as hydropower, wind or solar energy.

An energy-saving program has now been in effect at Raiffeisenbank a.s. in the Czech Republic for the fourth year in a row. Since 2013, LED lights have been used both at the head office and the branch locations. A central control system (HVAC system) for monitoring and controlling the heating, air-conditioning and electricity was introduced at the head office as well as the branch locations with the goal of reducing energy consumption.

In the last three years, the main focus of attention at Raiffeisen Bank Zrt. in Hungary has been on improving the technical equipment and installations in order to reduce energy consumption. A power-saving mode is activated at night and on weekends. The number of gas boilers at the head office was also reduced by 50 per cent in 2014. Motion-controlled light switches were also installed at the head office and should be expanded to other areas in the coming years. In 2015, the conventional luminaires in the branches were replaced with LED lamps; replacement at the head office is planned for 2016. The heating, cooling and ventilation systems should be replaced in 2016 as required. The office building in Budapest is heated with geothermal heat, and the back office headquarters is cooled in this way.

Southeastern Europe (SEE)

Raiffeisen Bank Sh.A. in Albania replaced all incandescent bulbs at the head office and the branches with LED luminaires and also improved the thermal insulation at the head office in 2013. About 98 per cent of the electricity is procured from hydropower.

For energy-saving reasons, the head office building of Raiffeisen Bank d.d. Bosna i Hercegovina had a glass façade installed that led to less electricity consumption due to much better lighting levels. In addition, a building management system was also implemented with special software that automatically regulates the air-conditioning and heating. The server room and technical rooms are cooled in winter with outside air. In 2014, all office rooms, hallways and illuminated advertisements were converted to LED lights; motion-controlled light switches were installed in the stairwells. The branches should also be converted to LED lighting in the next three years. Solar panels have been used for hot water production since 2013.

At the start of 2014, Raiffeisenbank (Bulgaria) EAD moved out of two of the four head office buildings and into a new office building with LEED certification. Additional measures to reduce electricity and heat consumption are planned for the coming years, including central heating control in the business areas and the use of LEDs. The property has a modern building control system that monitors and reduces energy consumption. All illuminated advertisements at the head office of the bank are controlled by sensors. The information technology and office equipment satisfy the ENERGY STAR environmental and energy standard. In 2015, the first air conditioners were also replaced by more energy-efficient systems. This should also be implemented across the branch regular offers.

To reduce electricity consumption, LED light panels have been used by Raiffeisen Bank Kosovo J.S.C. since 2013. The bank strives to meet high environmental standards in the maintenance of electronic equipment. In addition, initiatives are being prepared to raise employee awareness about the need to reduce electricity consumption.

The construction of a new head office building was begun in 2014 and should live up to the most recent environmental standards and further reduce electricity consumption. Occupation of the building is planned for 2016.

Raiffeisenbank Austria d.d. in Croatia continues to invest in an efficient infrastructure. In 2013, a central management system was introduced in the Magazinska building with an “intelligent system control” for cooling and heating. Outside of office hours, these systems operate with minimal consumption. Energy audits are carried out at all locations to determine the level of energy efficiency. Furthermore, low-energy computers with 70 per cent less electricity consumption have been in use since 2013. Conventional lighting was replaced with LED lights at four branches in Dubrovnik, Varaždin, Rijeka and Zagreb, with Jarun-Zagreb and Karlovac following in 2015. In Dubrovnik, the replacement of a heating and air-conditioning system also lowered energy consumption by 20 per cent. All buildings at the head office of Raiffeisenbank Austria d.d. in Croatia have an energy certificate.

Since 2014, LED lights have been used in all illuminated signs at Raiffeisen Bank S.A. in Romania. Publicly accessible areas in the branches have motion-controlled lighting, and timer switches have been installed in the heating systems. A building control system was also introduced in both head office buildings in 2014. The new system allows for central control and optimization of lighting and cooling. Investment in a more energy-efficient air conditioning system was made in 2015. Conventional heat pumps were replaced by an inverter technology.

Environmental protection was an important consideration in the construction of the head office of Raiffeisen banka a.d. in Serbia during 2012 and 2013. Special attention was paid to the insulation of the building envelope. The general lighting is controlled by the building management system and can be switched off once everyone has gone home in the evening. The bank has equipped the air cooler system in the data center with a free cooling mode. Raiffeisen banka a.d. in Serbia converted to LED lighting in 2013. The careful selection of technical solutions for cooling and heating has resulted in a reduction in electricity consumption. In 2015, the data center was moved to a specially designed building to save further energy. The use of solar energy is currently being evaluated.

Eastern Europe (EE)

The lighting at Priorbank JSC in Belarus has been partially converted to luminescent lights with electricity savings of about 75 per cent and to LED luminaires with electricity savings of nearly 85 per cent. Control sensors for the lighting systems were also introduced. For energy-intensive systems, such as the hot water supply, an automatic timer was installed. The server rooms, which consume large amounts of electricity, as well as the heating system were modernized. In addition, thermal insulation measures such as new façade insulation and window replacements in the building were implemented. Computers were switched to LCD monitors. These measures brought about a significant reduction in electricity consumption in 2014. In 2015, further measures were taken at the head office in Minsk and in three branches to control the heating and hot water. Thermal insulation was also installed. At the head office, additional improvements in the automation of the air-conditioning system as well as improvements in the thermal insulation of the heating systems are planned. Informational material on the topic of energy saving has been distributed to employees since 2015 and new measures are planned for 2016.

In 2014, AO Raiffeisenbank in Russia moved into a new, 26,000 m² office building. In construction of the building, attention was paid to energy and resource conservation through high-quality thermal insulation of the exterior façade, motion-controlled lighting systems, low-energy office lights, sensor-controlled faucets in the sanitary facilities and efficient ventilation. Furthermore, computers with energy-saving Thin Client technology have been in use at head office since 2014.

In 2013, Raiffeisen Bank Aval JSC in Ukraine managed to reduce electricity consumption by over 30 per cent through a variety of measures, such as the “Enterprise Server Consolidation” project, virtualization of the servers and a switch to LED lighting. In addition, the cooling system was modernized and replaced with an energy-saving inventory system. LED lamps have also been in use at five branches since 2014. It is planned to replace gas heaters as far as possible with electrically powered heaters.

Transport

Business travel is the second biggest cause of CO₂ in the RZB Group. For this reason, improvement measures in this area are constantly being evaluated. For example, the travel policy for business trips was revised in accordance with environmental aspects in 2013 (see page 111), and a mobility survey was conducted at the end of 2014 (see RZB Group Sustainability Report 2014, page 112).

In order to reduce business travel, the video conference system was expanded in Austria and at almost all network banks and will therefore no longer be listed as a separate measure.

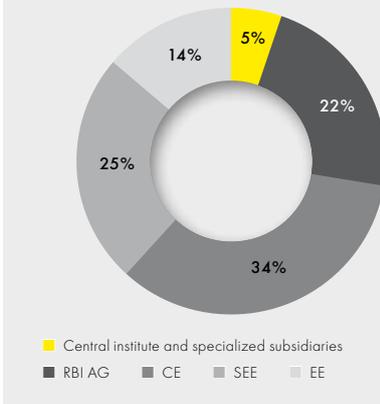
Business travel of the RZB Group amounted to nearly 61 million pkm (passenger kilometers or "pkm" are calculated on the number of persons carried and the distance covered). Of this, Central Europe has the biggest share of 34 per cent or 21 million pkm. The smallest share was accounted for by the central institute and the specialized subsidiaries with six per cent or about three million pkm.

Business travel in terms of employee and year averaged 2,603 pkm, with RBI AG recording the strongest activity of 6,920 pkm/employee and year. This can be explained by the fact that many trips to international stakeholder representations etc. are conducted from head office. Eastern Europe has the fewest business trips per employee of 1,294 pkm.

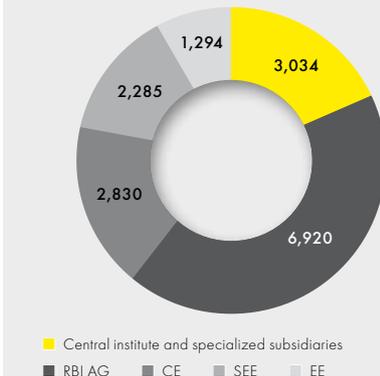
If the means of transport are compared, then business travel in a company car makes up the biggest share with 53 per cent, followed by flights on 33 per cent. Trips by train make up the smallest share with about three per cent.

The fleet of the RZB Group is particularly friendly to the environment with an above average 136 g CO₂ emissions, with Eastern Europe recording a value of 163 g/km and Central Europe 121 g/km.

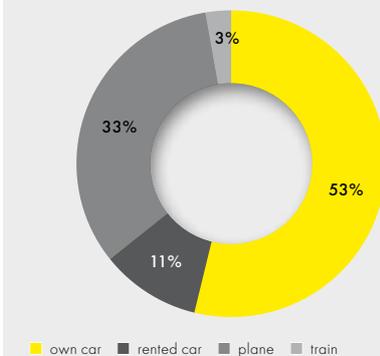
Business travel of the RZB Group in 2015

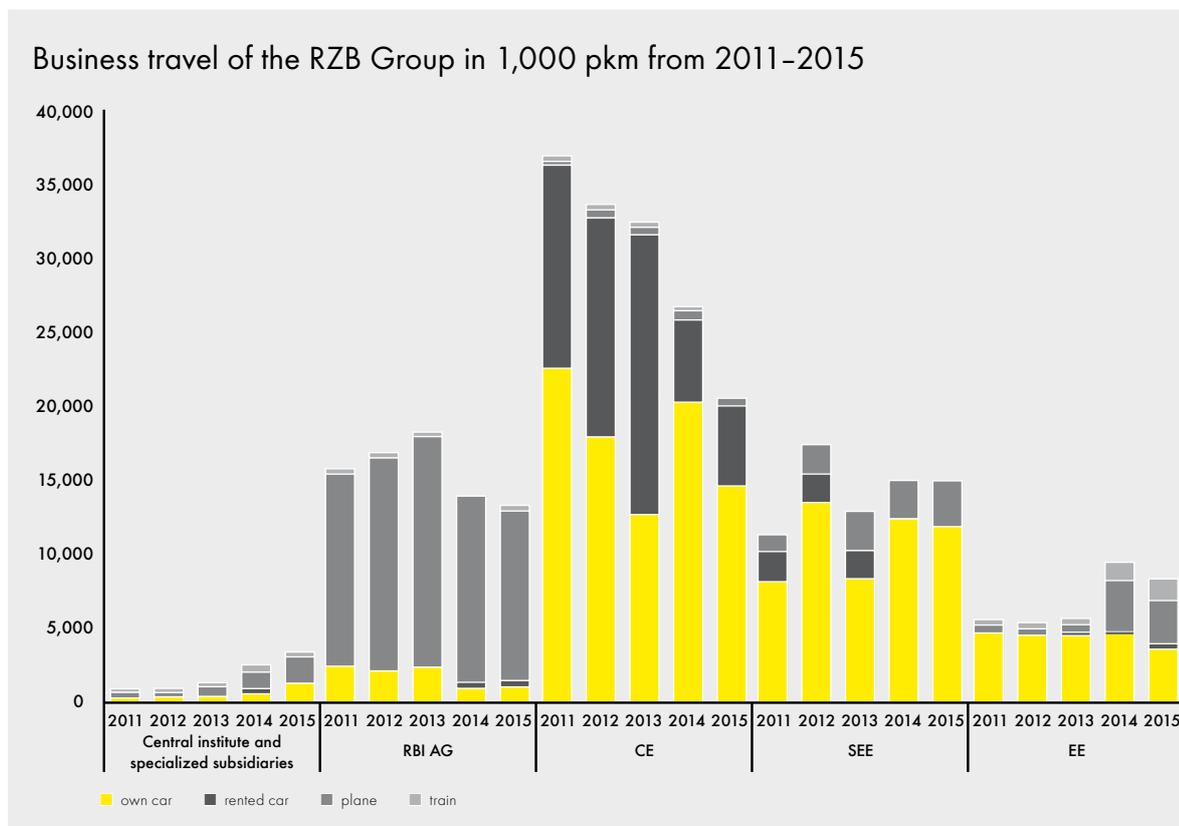


Business travel of the RZB Group in 2015 in pkm per employee



Transport modes of the RZB Group in 2015





| Business travel in 2015 | Central institute and specialized subsidiaries | RBI AG | CE | SEE | EE |
|--|--|--------|--------|--------|-------|
| 1,000 pkm own car | 1,414 | 1,030 | 14,602 | 11,855 | 3,606 |
| 1,000 pkm rented car | 135 | 424 | 5,500 | 0.3 | 399 |
| 1,000 pkm plane | 1,767 | 11,826 | 459 | 3,080 | 2,933 |
| 1,000 pkm train | 70 | 172 | 22 | 0.0 | 1,346 |
| 1,000 pkm total | 3,386 | 13,452 | 20,583 | 14,935 | 8,284 |
| Average CO ₂ emissions of fleet in g/km | 153 | 160 | 121 | 129 | 163 |

Transport at the Vienna sites

Business travel increased in 2014 and 2015 because new companies were included in the scope of reporting.

In order to reduce CO₂ emissions, the costs incurred by employees for annual public transportation tickets in Vienna have been covered in full by RZB AG and RBI AG since 2014 (for the central zone of Vienna for those employees normally resident in Vienna or for the central zone of Vienna and one outer zone for those employees outside Vienna who have no claim to a commuter allowance). In addition, employees are given their own bicycle rooms and bicycle parking space in front of the head office. A special bicycle repair service is also offered every year. Company bikes are available for our employees to use for business trips within Vienna.

Since 2012, the inhouse fleets of RZB AG and RBI AG have had an electric car which can be used by employees for business trips. Furthermore, the CO₂ emissions of the fleet were reduced by over four per cent compared to last year, bringing them down to 151 g CO₂/km.



The RZB Group in Austria has participated in the “Green Points” project of ÖBB (Austrian Federal Railways) since 2015. Green Points are allocated for each kilometer traveled by train. Ultimately, these can be used to benefit a selected nature project in Austria. The decision fell on support for the project “Grasende Landschaftspfleger” (Grazing Countryside Conservationists). Within the scope of this project, railway embankments and land along the tracks of ÖBB should be turned into new grazing land. This will contribute to increasing biological diversity and at the same time to preventing the invasion of alien plant species, the invasive neophytes. These in particular have spread dramatically in recent years and pose a threat to the domestic ecosystem. As “conservationists”, various grazing animals, if possible old breeds of domesticated animals, will be used, depending on the location and quality of the area. In 2015, a total of 148,067 Green Points were collected in the RZB Group in Austria, which is equivalent to a saving of about 23 tonnes of CO₂.



Travel at the network banks

Central Europe (CE)

The employees of Raiffeisenbank a.s. in the Czech Republic participated in the competition “Bike 2 work” again in 2015 and commuted to work by bicycle almost every day for a month. The bank paid the participation fee and provided appropriate infrastructure. A total of 180 tonnes of CO₂ were saved again. The initiative is expected to be supported again in 2016.

Raiffeisen Bank Zrt. in Hungary offers its employees the use of a free shuttle bus service, with the aim of reducing the need for individual transport. Employees also receive a public transportation allowance. The purchase of an electric or hybrid vehicle is being planned for 2016.

Southeastern Europe (SEE)

Since 2015, Raiffeisen BANK d.d. Bosna i Hercegovina has been planning to improve coordination between departments making business trips to the same destination in order to save on any unnecessary trips.

Raiffeisenbank (Bulgaria) EAD pursues a strict travel policy and introduced a guideline on “carpooling” in 2013. At the same time, the bank reduced the number of company vehicles by about 20 per cent.

Bicycles are provided to the employees at the head office of Raiffeisen Bank S.A. in Romania. The vehicle fleet was also replaced in 2014 with more environmentally friendly vehicles. As in previous years, the bank continued support for the bicycle sharing program in cooperation with Green Revolution (www.greenrevolution.ro), which is available in eight Romanian cities.

Eastern Europe (EE)

In 2014, Priobank JSC in Belarus established the program “Fit for Future 2016” with measures aimed at reducing business travel.

AO Raiffeisenbank in Russia updated its internal business travel policy in 2014, which is still applicable.

Raiffeisen Bank Aval JSC is increasingly reliant upon public transport for business travel.

Material consumption

In the area of material consumption, paper is the most important resource for financial service providers, but has a very low effect on CO₂e emissions. Efforts have been made for years to reduce levels of paper consumption. Double-sided printing is already a default setting both in Austria and at most of the network banks.

In total, nearly 997 tonnes of paper or eight per cent more were consumed in the RZB Group than in the previous year, with Eastern Europe accounting for most of this consumption with 36 per cent or 360 tonnes/year. The smallest share of total consumption was accounted for by the central institute and the specialized subsidiaries with four per cent or 35 tonnes/year. However, paper consumption has more than doubled since 2014 following the addition of the specialized subsidiaries to the scope of reporting.

In terms of paper consumption per employee and year, which averages 8,580 sheets, Eastern Europe is the biggest consumer with 11,275 sheets per employee. RBI AG has the lowest consumption of 6,153 sheets per employee. The share of recycled paper used in the RZB Group is 73 per cent. RBI AG as well as the central institute and the specialized subsidiaries have the highest share of 100 per cent recycled paper.

Waste

The quantity of waste produced by the RZB Group amounts to about 2,882 tonnes per year of 124 kg/employee and consists of 94 per cent non-hazardous waste (data for Raiffeisen Bank Kosovo J.S.C. are not available). Pleasingly, the area of Waste has a share of just three per cent of the total emissions of the RZB Group, which is why no further details on this are presented here. You can find more information on our websites at www.rzb.at/sustainability-management and www.rbinternational.com. Waste disposal cost a total of about € 280,000 in 2015.

About 35 per cent of the waste is incinerated, with 28 per cent going to landfill and 31 per cent being recycled. Electrical devices have a share of about six per cent. Hazardous waste, like electrical devices, is disposed of correctly. Central Europe has the biggest share in total waste produced with 36 per cent or 1,049 tonnes. The smallest amount of waste is produced by the central institute and the specialized subsidiaries with seven per cent or slightly over 193 tonnes total waste/year. RBI AG produces the most waste in terms of the number of staff, with 188 kg/employee (reasons for this are the gradual replacement of old office furniture and remodeling work). Southeastern Europe reported the lowest waste per employee of 71 kg/employee.

Parcel service and transport of goods

The parcel service and transport of goods is included in the report for the first time, due to the improved data situation. This indicator has an effect on Scope 1 and 3 emissions and has a share of about one per cent of all emissions of the RZB Group.

According to the latest data, the total parcel service and transport of goods amounts to about 696,611 tkm (tonne kilometers or tkm are calculated from the transported mass in tonnes and the distance covered in kilometers). Southeastern Europe has the biggest share of this of 75 per cent or around 520,000 tkm (and reports this value inclusive of all bank branches). The smallest share is not indicated separately here as values are not yet available for all network banks.

Water consumption

The water consumption of the RZB Group, which consists entirely of tap water, is comparatively low and has little if any effect on the CO₂ footprint (less than one per cent). Total water consumption for 2015 was 263,599 m³ or 11 m³/employee and year. Eastern Europe reported the biggest share of total water consumption with over 84,179 m³ or 32 per cent, while the central institute and the specialized subsidiaries reported the smallest share with 14,238 m³ or five per cent. RBI AG consumes the most water per employee with 20 m³/year (due to the company kitchen and landscaped areas), while Central Europe has the smallest share with eight m³/year.

CO₂e emissions

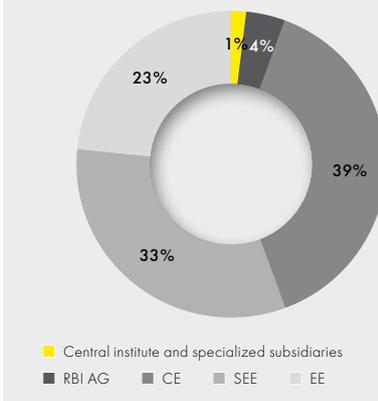
Average CO₂e¹ emissions amounted to 60,601 tonnes (t), a reduction of eight per cent compared to the previous year and 17 per cent compared to 2011 (date of first reporting). You can find more details on the scopes in the introduction to the chapter "Inhouse ecology".

In 2015, 6,767 t of CO₂e were allocated to Scope 1 (eleven per cent), 29,226 t (48 per cent) to Scope 2 and 24,608 tonnes (41 per cent) to Scope 3 in the RZB Group. The Scope 1-3 emissions fell by eight per cent compared to the previous year.

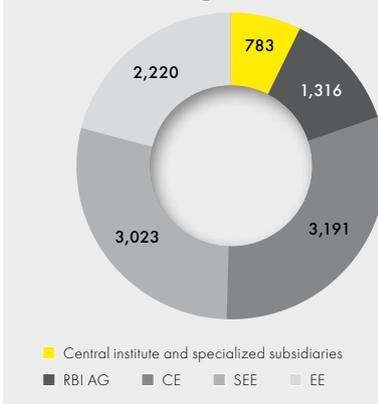
- Energy consumption accounts for about 70 per cent of emissions (one per cent compared to the previous year) with 42,623 t CO₂e and is the increase source of emissions in the RZB Group. Most of these fall under Scope 2, but partly also under Scopes 1 and 3. The green power share of the RZB Group is about 18 per cent.
- Business travel generates about 22 per cent of emissions (minus five per cent compared to the previous year) with 13,428 t CO₂e. Travel is therefore the second-biggest source of emissions in the RZB Group. This has an effect on both Scope 1 and Scope 3.
- Paper consumption accounts for approx. four per cent of emissions (plus 23 per cent compared with the previous year) nearly 2,291 t CO₂e. Paper consumption is therefore the third-biggest source of emissions in the RZB Group, but still negligibly low. The impacts are felt solely in Scope 3. The recycled share of materials purchasing is 73 per cent.
- Waste, with 1,628 t CO₂e, is also negligible and accounts for nearly three per cent of emissions (minus one per cent compared to the previous year). The impacts are felt solely in Scope 3.
- The other emissions are caused by the parcel service and transport of goods, which according to current information amount to nearly one per cent. The emissions have an impact on both Scope 1 and Scope 3.

Central Europe has the biggest share in total emissions of 38 per cent or 23,205 tonnes CO₂e (minus 22 per cent compared to the previous year). The smallest share was accounted for by the central institute and the specialized subsidiaries with one per cent or 873 tonnes CO₂e (minus 17 per cent compared to the previous year). The CO₂e emissions of the RZB Group per employee and year are about 2,602 tonnes (minus eleven per cent compared to the previous year). Central Europe has the biggest share per employee of about 3,191 kg CO₂e/employee and year. The central institute and the specialized subsidiaries reported the smallest share of 783 kg CO₂e/employee.

Scope 1-3 emissions of the RZB Group in 2015

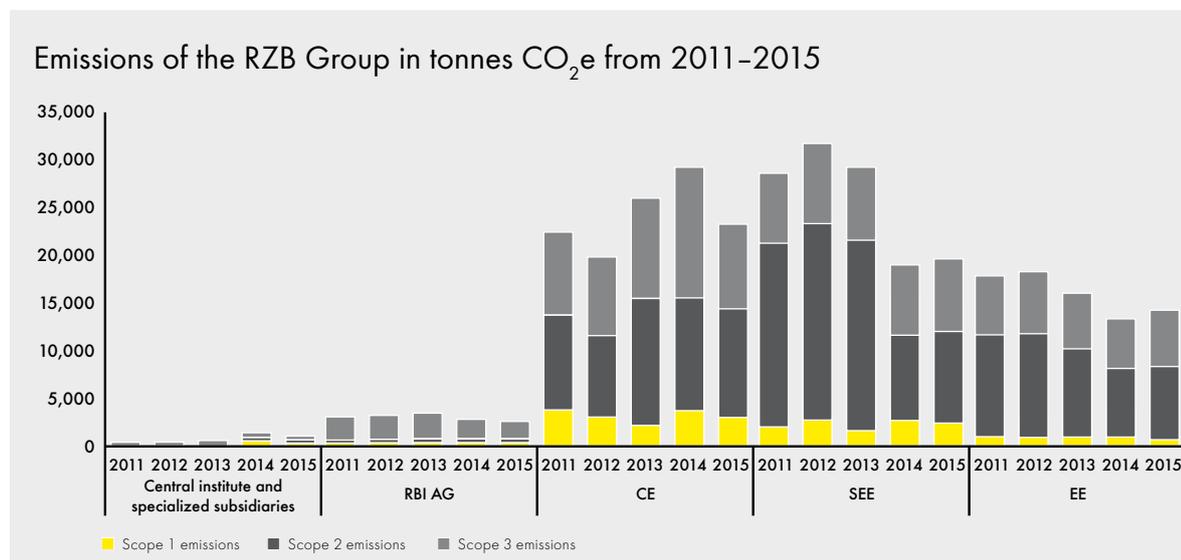


Scope 1-3 emissions of the RZB Group in 2015 in kg CO₂e per employee



¹ CO₂e is the conversion of the hazard potential of the relevant, climate-influencing gases into an equivalent amount of CO₂.

In the area of emissions, the main goal of all efforts is to reduce the amount of electricity and heat used and to avoid emissions in the mobility sector. The RZB Group defined appropriate environmental objectives for this in 2015 (see also page 120).



| CO ₂ emissions in 2015 | Central institute and specialized subsidiaries | RBI AG | CE | SEE | EE |
|-----------------------------------|--|--------|--------|--------|--------|
| Scope 1 emissions in t | 267 | 208 | 3,075 | 2,436 | 781 |
| Scope 2 emissions in t | 103 | 164 | 11,675 | 9,734 | 7,550 |
| Scope 3 emissions in t | 504 | 2,185 | 8,455 | 7,583 | 5,882 |
| Scope 1+2+3 emissions in t | 873 | 2,557 | 23,205 | 19,753 | 14,213 |

Overview of key performance indicators

The following overview presents the key ratios of the RBI Group, the central institute and the specialized subsidiaries and the RZB Group as the total of these two key performance indicators. Details on the indicators of the individual regions can be found on our websites at www.rzb.at/sustainabilitymanagement and www.rbinternational.com. The values from 2014 have been supplemented with the indicators of district cooling as well as the parcel service and transport of goods. This also has an impact on the scope values.

| | RBI Group | | | | | Central institute and specialized subsidiaries | | | | | RZB Group (total) | | | | |
|--|-----------|--------|--------|--------|--------|--|-------|-------|-------|-------|-------------------|--------|--------|--------|--------|
| | 2015 | 2014 | 2013 | 2012 | 2011 | 2015 | 2014 | 2013 | 2012 | 2011 | 2015 | 2014 | 2013 | 2012 | 2011 |
| Material | | | | | | | | | | | | | | | |
| Non-recycled paper in t | 263 | 258 | 310 | 316 | 397 | 7 | 12 | 6 | 0.4 | 0.4 | 270 | 270 | 315 | 316 | 397 |
| Recycled-paper in t | 699 | 618 | 636 | 665 | 794 | 28 | 32 | 11 | 2 | 2 | 728 | 650 | 647 | 667 | 796 |
| Total paper in t | 962 | 876 | 946 | 981 | 1,190 | 35 | 44 | 17 | 2 | 2 | 997 | 920 | 963 | 983 | 1,193 |
| Paper consumption in sheets/employee | 8,695 | 8,139 | 9,611 | 10,243 | 11,655 | 6,292 | 8,874 | 7,081 | 4,443 | 5,278 | 8,580 | 8,176 | 10,530 | 11,281 | 12,892 |
| Recycling input | 73% | 71% | 67% | 68% | 67% | 81% | 72% | 67% | 81% | 81% | 73% | 71% | 67% | 68% | 67% |
| Direct energy consumption | | | | | | | | | | | | | | | |
| Emergency power generator in MWh | 176 | 192 | 260 | 274 | 269 | 6 | 4 | 2 | 1 | 5 | 182 | 196 | 262 | 275 | 274 |
| Direct energy consumption in kWh/employee | 8 | 9 | 13 | 14 | 13 | 0.3 | 4 | 4 | 5 | 56 | 8 | 9 | 14 | 16 | 15 |
| Indirect energy consumption | | | | | | | | | | | | | | | |
| External procurement of electricity in GWh | 73 | 76 | 79 | 80 | 82 | 4 | 4 | 2 | 1 | 1 | 78 | 76 | 79 | 80 | 82 |
| External procurement of heat in GWh | 27 | 30 | 33 | 35 | 33 | 2 | 3 | 1 | 0.2 | 0.2 | 30 | 30 | 33 | 35 | 33 |
| Total energy consumption in GWh | 100 | 106 | 112 | 115 | 115 | 7 | 6 | 3 | 0.8 | 0.7 | 107 | 106 | 112 | 115 | 115 |
| Electricity consumption in kWh/employee | 3,306 | 3,516 | 4,015 | 4,190 | 3,996 | 3,973 | 3,514 | 3,182 | 5,242 | 5,526 | 3,338 | 3,516 | 4,405 | 4,636 | 4,438 |
| Heat consumption in kWh/employee | 1,225 | 1,389 | 1,653 | 1,799 | 1,606 | 2,124 | 2,549 | 2,363 | 2,216 | 2,241 | 1,268 | 1,440 | 1,841 | 1,990 | 1,784 |
| Energy consumption in kWh/employee | 4,531 | 4,905 | 5,668 | 5,990 | 5,602 | 6,097 | 3,063 | 5,545 | 7,458 | 7,767 | 4,606 | 4,956 | 6,246 | 6,627 | 6,222 |
| Water | | | | | | | | | | | | | | | |
| Water consumption in 1,000 m ³ | 249 | 285 | 249 | 250 | 240 | 14 | 16 | 2 | 2 | 1 | 264 | 300 | 251 | 252 | 241 |
| Water consumption in m ³ /employee | 11 | 13 | 13 | 13 | 12 | 13 | 16 | 4 | 16 | 13 | 11 | 13 | 14 | 14 | 13 |
| Waste | | | | | | | | | | | | | | | |
| Hazardous waste for incineration in t | 0.3 | 1 | 0.0 | 0.2 | 0.2 | 0.0 | 0.1 | 0.0 | 0.0 | 0.0 | 0.3 | 0.9 | 0.0 | 0.3 | 0.2 |
| Hazardous waste for landfill in t | 5 | 5 | 6 | 8 | 6 | 0.0 | 0.2 | 0.0 | 0.2 | 0.0 | 5 | 5 | 6 | 8 | 7 |
| Hazardous waste for recycling in t | 11 | 11 | 5 | 7 | 11 | 0.1 | 0.4 | 0.1 | 0.0 | 0.0 | 11 | 12 | 6 | 7 | 11 |
| Non-hazardous waste for incineration in t | 981 | 1,233 | 1,223 | 1,773 | 1,673 | 34 | 77 | 19 | 6 | 5 | 1,015 | 1,309 | 1,242 | 1,779 | 1,682 |
| Non-hazardous waste for landfill in t | 793 | 859 | 946 | 1,211 | 930 | 0.0 | 0.0 | 1 | 0.0 | 0.0 | 793 | 859 | 947 | 1,211 | 930 |
| Non-hazardous waste for recycling in t | 737 | 788 | 788 | 923 | 771 | 156 | 115 | 23 | 14 | 10 | 893 | 902 | 810 | 937 | 781 |
| Old-electronic devices for recycling in t | 163 | 74 | 91 | 49 | 31 | 2 | 0.4 | 1 | 0.1 | 0.1 | 165 | 75 | 92 | 49 | 31 |
| Total hazardous waste in t | 16 | 17 | 12 | 15 | 18 | 0.1 | 1 | 0.2 | 0.2 | 0 | 16 | 17 | 12 | 15 | 18 |
| Total non-hazardous waste in t | 2,511 | 2,879 | 2,957 | 3,907 | 3,378 | 190 | 191 | 43 | 21 | 15 | 2,701 | 3,070 | 3,000 | 3,928 | 3,392 |
| Waste in kg/employee | 121 | 138 | 155 | 207 | 167 | 173 | 193 | 91 | 194 | 171 | 124 | 140 | 169 | 229 | 186 |
| Business travel | | | | | | | | | | | | | | | |
| 1,000 pkm by own car | 31,093 | 38,592 | 28,231 | 38,827 | 38,133 | 1,414 | 608 | 446 | 402 | 31 | 32,506 | 39,200 | 28,677 | 39,229 | 38,446 |
| 1,000 pkm by rented car | 6,323 | 6,212 | 20,993 | 16,877 | 16,069 | 135 | 216 | 0.0 | 0.0 | 0.0 | 6,458 | 6,428 | 20,993 | 16,877 | 16,069 |
| 1,000 pkm by plane | 18,298 | 19,164 | 19,924 | 17,568 | 15,109 | 1,767 | 1,377 | 692 | 290 | 285 | 20,065 | 20,541 | 20,615 | 17,858 | 15,393 |
| 1,000 pkm by train | 1,541 | 1,179 | 220 | 208 | 198 | 70 | 52 | 17 | 14 | 17 | 1,610 | 1,231 | 237 | 222 | 215 |
| 1,000 pkm total | 57,254 | 65,147 | 69,368 | 73,480 | 69,508 | 3,386 | 2,252 | 1,155 | 706 | 615 | 60,640 | 67,399 | 70,523 | 74,186 | 70,123 |
| Business travel in pkm/employee | 2,582 | 3,021 | 3,518 | 3,830 | 3,395 | 3,034 | 2,259 | 2,396 | 6,538 | 7,074 | 2,603 | 2,988 | 3,849 | 4,248 | 3,782 |
| 1,000 tkm for parcel service | 696 | 1,052 | 795 | 790 | 774 | 0.0 | 4 | n.a. | n.a. | n.a. | 696 | 1,056 | 795 | 790 | 774 |
| CO₂ emissions | | | | | | | | | | | | | | | |
| Scope 1 emissions in t | 6,501 | 7,434 | 5,161 | 6,988 | 7,034 | 267 | 113 | 53 | 48 | 3 | 6,767 | 7,538 | 5,214 | 7,036 | 7,072 |
| Scope 2 emissions in t | 29,123 | 28,298 | 43,060 | 40,953 | 40,221 | 103 | 376 | 22 | 7 | 6 | 29,226 | 28,691 | 43,082 | 40,960 | 40,227 |
| Scope 3 emissions in t | 24,104 | 28,925 | 26,786 | 25,755 | 25,431 | 504 | 564 | 175 | 73 | 68 | 24,608 | 29,643 | 26,961 | 25,829 | 25,499 |
| Scope 1+2 emissions in t | 35,624 | 35,732 | 48,221 | 47,941 | 47,254 | 370 | 489 | 75 | 55 | 44 | 35,993 | 36,229 | 48,296 | 47,996 | 47,298 |
| Scope 1+2+3 emissions in t | 59,728 | 64,657 | 75,007 | 73,697 | 72,685 | 874 | 1,053 | 250 | 128 | 112 | 60,601 | 65,872 | 75,257 | 73,824 | 72,797 |
| Scope 1+2 emissions in kg/employee | 1,606 | 1,654 | 2,445 | 2,499 | 2,308 | 331 | 491 | 155 | 505 | 505 | 1,545 | 1,606 | 2,636 | 2,748 | 2,551 |
| Scope 1+2+3 emissions in kg/employee | 2,693 | 2,994 | 3,804 | 3,841 | 3,551 | 783 | 1,056 | 518 | 1,184 | 1,288 | 2,602 | 2,920 | 4,107 | 4,228 | 3,926 |
| Fleet | | | | | | | | | | | | | | | |
| CO ₂ emissions of the fleet in g/km | 131 | n.a. | n.a. | n.a. | n.a. | 153 | n.a. | n.a. | n.a. | n.a. | 136 | n.a. | n.a. | n.a. | n.a. |
| Purchasing | | | | | | | | | | | | | | | |
| Procurement from local suppliers | 76% | 65% | n.a. | n.a. | n.a. | 100% | 87% | n.a. | n.a. | n.a. | 76% | 65% | n.a. | n.a. | n.a. |

Future outlook and Sustainability Program

Human resources

In 2016, we will commence a new two-year cycle for the employee survey. Surveys will be conducted in RZB AG, the affiliated companies and all RBI network banks in this period. This is intended to ensure that this topic becomes a permanent element of employee involvement.

The measures adopted at RZB AG and RBI AG to increase the quota of women under the slogan 'Empowerment of Women' will be defined in detail and their implementation commenced.

The Performance Management concept for RZB AG and the entire RBI Group will be revised following the initial steps taken in 2015. Supported by pilot roll-outs in selected countries in 2016, the aim is to form the basis for a group-wide roll-out in 2017.

Since the beginning of 2016, the Managing Board of RZB AG has organized breakfasts together with employees as an opportunity to talk about issues and raise questions.

Raiffeisen Bank Polska S.A. is introducing a program for making working hours more flexible. This will be done in the course of 2016 due to the relocation to the new head office.

At Raiffeisen BANK d.d. Bosna i Hercegovina, the focus in 2016 will be on initiatives in the areas of worklife-balance and health. Sports events or the reimbursement of childcare costs for toddlers as well as preventive examinations are some of the initiatives being planned.

Inhouse ecology

For the first time, 195 states reached a binding agreement at the COP21 climate summit in Paris on December 12, 2015. In doing so, the international community commits itself to limiting global warming and to providing aid for developing countries. The agreement is the first climate protection agreement in which all states promise to make their own contributions in the fight against global warming. Compared to the pre-industrial era, this should be limited to well below two degrees Celsius - if possible to below 1.5 degrees Celsius. At the same time, a package of measures was agreed for those countries that are particularly affected by the consequences of present-day climate change. It remains to be seen what goals and measures will be defined by the EU and Austria and to what extent they will include obligations for large companies. They are, however, expected to have an impact over the medium to long term.

New to the 2016 Sustainability Report is the consideration of the new Scope 2 standards defined in the GHG Protocol of January 2015. These include an evaluation of Scope 2 emissions from power consumption by location and market-based mix. The "location-based method" quantifies emissions based on the average emissions factors for a certain geographical region. The "market-based method", on the other hand, quantifies the actually produced emissions of an energy producer from which the reporting company procures its power. The new Scope 2 standard will therefore introduce "Dual Reporting", which requires companies operating in regions where treaty instruments are available to report in accordance with both methods. This also affects the RZB Group and will therefore lead to a new presentation of the Scope 2 emissions from power consumption in the coming year.

Excerpt from the Sustainability Program

| Fair partner | | | |
|---|---|--|--|
| General objectives: Comprehensive stakeholder involvement; high employer attractiveness; reduction in environmental impacts | | | |
| Strategy area | Objectives | Measures | Status |
| Fair partner (Employees) | Creation of a Human Assets Report for the Raiffeisen Banking Group in Austria (incl. the RZB Group in Austria) | Determination of the relevant data and creation of a Human Assets Report for the Raiffeisen Banking Group in Austria (incl. the RZB Group in Austria) | Concept created, ongoing |
| Fair partner (Employees) | Increase in the quota of women in executive management to 35 per cent by the end of 2024 | Detailed elaboration for the defined package of measures and commencement of the implementation | ongoing |
| Fair partner (Employees) | Use of the materiality analysis update | Analysis of the results of the materiality survey and adjustment of the sustainability program | ongoing |
| Fair partner (Employees) | Raising awareness of sustainability among the employees | Expansion of the online training already in place at RZB AG and RBI AG for employees to the network banks in an English-language version | planned for the second half of 2016 |
| Fair partner (Employees) | Realignment of the Performance Management System | Revision of the Performance Management concept; conducting of pilot projects in 2016 and Group-wide introduction in 2017 | ongoing |
| Fair partner (Employees) | Staff survey Enablements and engagements | Conducting of a group-wide employee survey in the fourth quarter of 2016 | ongoing |
| Fair partner (Suppliers) | Survey of the status of the Top 30 suppliers of the RZB Group regarding environmental and social aspects in their business management | Conducting of a supplier survey, in which the suppliers of the RZB Group receive an annual questionnaire on environmental and social aspects | ongoing |
| Fair partner (Inhouse ecology) | Use of green power at the Vienna sites of the RZB Group | Conversion to certified green energy without large-scale hydropower | implemented in 2013 |
| Fair partner (Inhouse ecology) | Implementation of new environmental targets such as: CO ₂ reduction of the Scope 1-3 emissions by 30 per cent by 2025 | Derivation of measures in order to implement the defined objectives of the environmental program (http://www.rzb.at/under: About us/Sustainability Management/Guiding Principles/ Environmental Measures and Objectives) | ongoing |
| Fair partner (Inhouse ecology) | Participation in the Carbon Disclosure Project (CDP) | Participation of the RBI Group in the CDP and derivation of suitable measures | implemented in the first half of 2016 |
| Fair partner (Stakeholder inclusion) | Ensuring future viability for 2025 in the area of sustainability/ employees | Ensuring a meaningful work environment | Ongoing development and communication of the sustainability activities to the employees as well as development of a corporate volunteering program |
| Fair partner (Employees, Stakeholder inclusion) | Update of the materiality analysis | Conducting of an online survey with the goal of updating the existing materiality matrix. The topics presented in the materiality analysis should be the basis for this. An expansion of the survey to include stakeholders of the network banks is planned. | implemented in the second half of 2015 and in the first quarter of 2016 |
| Fair partner (Employees) | Increase in the quota of women in executive management to 35 per cent in five to ten years | Achievement of a quota of women of 35 per cent on the Supervisory Board, Managing Board and in higher management of RZB AG and RBI AG through the advancement of appropriate measures such as direct address or supporting measures | Conducting of a workshop with management staff and talents; definition of a comprehensive package of measures |
| Fair partner (Inhouse ecology) | Participation in the Carbon Disclosure Project (CDP) for increasing the transparency of our carbon emissions | Participation of the RBI Group in the CDP and derivation of suitable measures | implemented in the first half of 2015 |

| | | | | |
|--------------------------------------|---|--|---|--|
| From the Sustainability Program 2015 | Fair partner (Inhouse ecology) | Reduction in Scope 3 emissions relating to the mobility sector by ten per cent by 2030 | The mobility survey conducted in the RBI Group and at RZB AG at the end of 2014 will be analyzed in detail. Appropriate measures for reducing the Scope 3 emissions were analyzed | implemented in the first half of 2015 |
| | Fair partner (Inhouse ecology) | Specification and communications of the environmental strategy and its implementation in the form of environmental guiding principles | Creation of environmental guiding principles for the RZB Group and corresponding publication | implemented in the first half of 2015 |
| | Fair partner (Suppliers) | Survey of the status of the Top 30 suppliers of the RZB Group regarding environmental and social aspects in their business management | Conducting of a supplier survey, in which the suppliers of the RZB Group will receive a questionnaire on environmental and social aspects annually from 2015 | ongoing |
| | Fair partner (Inhouse ecology) | Determination of the environmental footprint for the Raiffeisen Banking Group in Austria (incl. the RZB Group in Austria) | Creation of an environmental balance sheet by an external partner for the Raiffeisen Banking Group in Austria (incl. the RZB Group in Austria) | implemented in the second half of 2015 Publication in Dec. 2015 |
| | Fair partner (Inhouse ecology) | Implementation of the environmental targets such as: Reduction in power and heat consumption by ten per cent by 2020 | Derivation of measures in order to implement the defined objectives of the environmental program (http://www.rzb.at/under: About us/Sustainability management/Guiding Principles/ Environmental measures and objectives). | ongoing |
| | Fair partner (Inhouse ecology) | Depicting our environmental footprint | Evaluation of the environmental footprint on a scientific basis by SERI (for RZB AG and RBI AG). | implemented in the second half of 2014 |
| From the Sustainability Program 2014 | Fair partner (Stakeholder inclusion) | Strengthened stakeholder inclusion | Holding of a focus group in October 2014 on the topic "RZB Group 2025: Sustainable future scenarios and strategies" and a further impact focus group in January 2015 | implemented in the second half of 2014 and in the first half of 2015 |
| | Fair partner (Stakeholder inclusion) | Holding of a Sustainability Challenge to obtain new ideas in the context of sustainability | Implementation of the Employee Ideas Competition and awarding of the winning projects of RZB AG/RBI AG. Implementation of the winning projects in the first half of 2015 | implemented in the second half of 2014 and in the first half of 2015 |
| | Total (Responsible banker, Fair partner and Engaged citizen) | Implementation of the Group-wide monitoring tool "mona" and development of a controlling process | Conducting of performance comparisons and initiation of the controlling process; further development of the functionalities of the tool and adjustment to GRI G4 | ongoing |
| | Total (Responsible banker, Fair partner and Engaged citizen) | Further development of the internal Raiffeisen blog on sustainability and corporate responsibility | Further development of the features, activation of additional bloggers, gaining of new readers | ongoing |
| | Fair partner (Employees) | Increasing employees' awareness and know-how on topics of sustainability through an e-learning course | Development of a comprehensive elearning course together with HR, which will be mandatory for new employees and voluntary for all other employees | implemented in the first half of 2015 |
| | Fair partner (Inhouse ecology) | Participation in the Carbon Disclosure Project (CDP) | Participation of RBI AG in the CDP and derivation of appropriate measures | implemented in the first half of 2014 |
| | Fair partner (Suppliers) | Add appropriate content regarding suppliers to the Code of Conduct | Content regarding suppliers has been added to the Code of Conduct of the RZB Group | implemented in the first half of 2015 |
| | Fair partner (Suppliers) | Supplier assessment of RZB AG and RBI AG | Suppliers have been evaluated and selected for the first time in accordance with corresponding social and environmental guidelines | ongoing |
| | Fair partner (Inhouse ecology) | Anchoring of sustainability criteria in the Travel Policy | Revision of the travel policy in terms of environmental aspects | implemented |
| | Fair partner (Stakeholder inclusion) | Stakeholder Management: Online survey (materiality and performance) | Materiality matrix was clustered into topics and recreated for the 2014 Sustainability Report in the form of a materiality analysis | implemented |

An abstract painting featuring bold, expressive brushstrokes in shades of green, blue, and orange. The composition is dynamic, with thick layers of paint and thin, white, calligraphic lines that sweep across the canvas. The overall effect is one of movement and energy, suggesting a natural or organic form. A bright yellow rectangular area is positioned in the upper center, containing the text.

FIELD OF ACTION
ENGAGED
CITIZEN: AS
DESIGNERS
OF A FUTURE-
PROOFED
SOCIETY AND
ENVIRONMENT

Engaged citizen

We consider ourselves to be an engaged corporate citizen who actively champions sustainable development in our society. Our commitment as an corporate citizen goes beyond the core business with the aims of counteracting social problems, promoting cultural life and protecting the environment. Diversity, tolerance and a strong focus on people are the constant mainstay of our efforts to bring about forward-thinking developments in society.

In our role as engaged citizen, we champion aspects that are essential for the transformation into a sustainable society. Sustainability is not just restricted to environmental protection here, it also combines this protection with economic progress and social justice.

As a company in the financial sector, we think it is important to play a part in future issues being openly discussed in conjunction with a sustainable financial economy and these issues being deliberated with our stakeholders and the wider public.

On the whole, cooperation with the relevant socio-political representatives and stakeholders is very important, as new systems can only be created through cooperation. These systems also signify a new quality in the economy.

Our declared goal is to establish responsible corporate management and promote sustainable innovations – including by strengthening the business locations in which we operate. By doing this, we are creating and securing jobs in these regions. RZB Group champions an active civil society and social well-being. We support an open society and consider ourselves to be promoters of integration, awareness and openness. Social awareness is a driving force for sustainability. This means that we need to demonstrate the consequences of social action and make the discussion of sustainable solutions public.

Poverty eradication, integration and solidarity are important goals in our social commitment. We champion social sustainability in terms of reducing poverty and fostering better educational prospects and equal opportunities as well as a fairer distribution of income and treating people with respect, regardless of their background.

Of course, as a company in the financial sector, we think that improving knowledge about how to deal with money is very important and we actively support these types of initiatives.

We make our contribution to society by initiating corporate volunteering programs, supporting various social projects and entering into partnerships with NPOs and NGOs.

At Raiffeisen, protecting the environment and the climate has been incorporated into the “Raiffeisen Klimaschutz-Initiative” (Raiffeisen Climate Protection Initiative, RKI) for approximately nine years and implemented through a multitude of projects and measures. Environmental sustainability includes topics such as reducing greenhouse gas emissions, increasing resource efficiency, isolating growth and the consumption of resources, and of course, protecting nature and our living environment. As a result we perform activities in the areas of sustainable corporate management in our RKI workgroups, including inhouse ecology, sustainable mobility and sustainable financial products. One single group focuses on communication issues because raising awareness of environmental and climate protection is the basis for necessary changes.

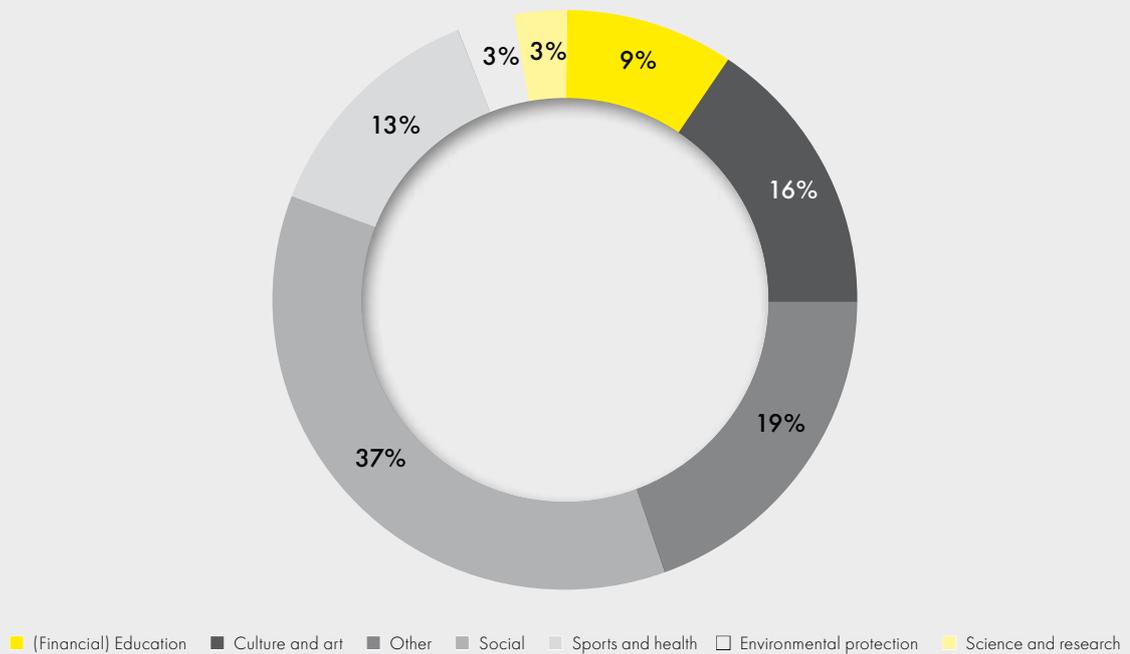
Supported projects and initiatives



We have for the first time raised the sum of donations in 2015, with which the RZB Group has supported projects in those communities in which it operates. The topics and projects we promote these are as varied as life itself.

The amount of total donations expenditures for community involvement in the RZB Group is € 2,991,421.

Percentages of monetary donations by the RZB Group in 2015, by topic¹



¹ Breakdown as recorded in the "mona" monitoring tool

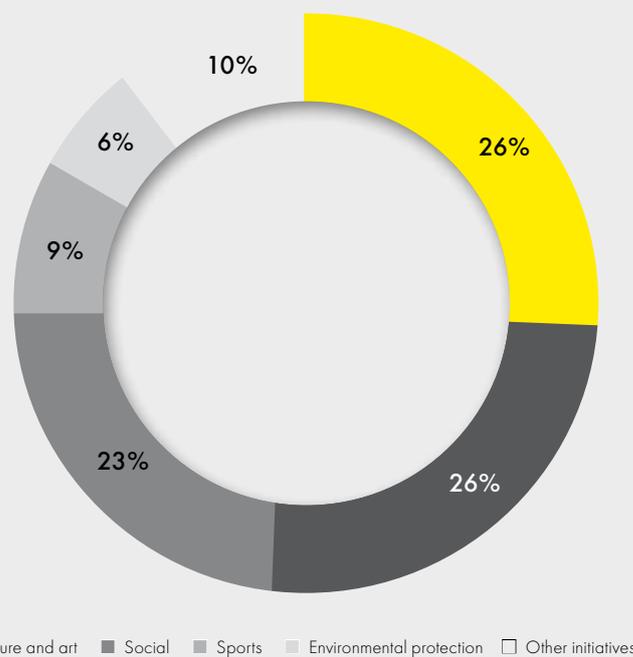
The total expenditures listed here do not include any sponsoring and therefore do not include all projects and activities that have been carried out within the framework of the social and cultural commitment of the RZB Group.



The total of all supported projects - whether as donations, sponsoring or corporate volunteering - numbers 644.

As part of our social responsibility, we decided years ago not to restrict ourselves only to a few major aid projects but instead to place factors such as personal dedication and regional societal challenges at the forefront of our decisions.

Percentages of all implemented projects of the RZB Group 2015, by topic



The RZB Group and its employees are involved in a wide range of projects and initiatives by providing financial support or by fostering contacts. We support international humanitarian aid projects along with partner organizations.

An overview of the measures currently being implemented in the engaged citizen field can be found below:

| Overview of engaged citizen measures | | | | | | | | | | | | | | | | | | | |
|---|---------|------|------|----|--------|------|---------------------|------|------|------|------|------|------|------|------|------|------|------|------|
| Measure | Austria | | | | | CE | | | | SEE | | | | | EE | | | | |
| | RBI/RZB | RBSK | RKAG | RL | Valida | RBPL | TBSK | RBCZ | RBHU | RBAL | RBBH | RBBG | RBKO | RBHR | RBRO | RBR5 | AVAL | RBRU | RBBY |
| Financial education/ financial literacy | ✓ | | ✓ | | | | | ✓ | ✓ | | ✓ | ✓ | ✓ | ✓ | ✓ | | ✓ | | ✓ |
| Other educational initiatives | ✓ | | | | | ✓ | ✓ | ✓ | | | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | | | ✓ |
| Cultural initiatives | ✓ | | | ✓ | | ✓ | ✓ | | | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Social initiatives | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Corporate volunteering | ✓ | | | | | | part. ¹⁾ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Sports initiatives | ✓ | | | | | | ✓ | ✓ | ✓ | ✓ | | | ✓ | | ✓ | ✓ | ✓ | | ✓ |
| Environmental initiatives | ✓ | | | | | | ✓ | | | | | | ✓ | | ✓ | | | | |
| Initiatives for innovative start-ups, entrepreneurs and SMEs | | | | | | | | ✓ | | | | | ✓ | | | | | | |

Please see the list of abbreviations for the complete company designations.

¹⁾ Tatra banka, a.s.: Yes; in the branches of Raiffeisen Banka Slovensko: No

The procedure for dealing with sponsorship and donation requests is clearly defined at RZB AG and RBI AG. Within the context of our desire to help others to help themselves, we offer support in a variety of ways: The RZB Group provides financial resources for education, art and culture, and sport as well as for charitable initiatives.

The reported examples represent just some of our numerous projects within Austria and abroad. We are particularly proud of the fact that many of our employees not only make the projects supported by the RZB Group possible through their personal commitment but also take on social activities in their free time.

Financial education (financial literacy) and other educational initiatives

Education is one of the most important issues of the 21st century. The RZB Group contributes to the improvement of education as it is an important aspect of the fight against poverty. It actively promotes an understanding of financial products and services and imparts banking expertise as part of its advisory role in day-to-day operations. It is closely linked with the subject of financial education, i.e. the competent handling of money and financial matters, also referred to under the term "financial literacy", due to its core business. The RZB Group focuses on this issue in particular in the field of education.



A multi-pronged approach is taken in the area of financial education: in basic research, by appealing to the various age levels and by integrating employees into corporate volunteering programs. Grade school and university students as well as the broader public are reached via a diverse range of channels. Great effort is being exerted to improve the everyday life of each individual and to lay the foundation for future responsible handling of money through financial education. This is not about developing programs only but also about measuring their success rates.

Since 2009, Raiffeisenbank a.s. in the Czech Republic has supported consumers facing or at risk of insolvency. These advisory services were made possible through a cooperation of the largest private customer banks in the Czech Republic, which founded the non-governmental, non-profit organization "Poradna" for this purpose. Raiffeisenbank Austria d.d. decided in 2015 to participate in the first "European Money Week" in Croatia. Raiffeisen Bank S.A. in Romania is increasingly developing into a provider of financial education together with Junior Achievement Romania. The topics for small and micro enterprises offered at no charge at the "Business Academy" in Ukraine are being continuously expanded due to the strong popularity: A total of 36 workshops were held in 2015, attended by 445 customers (details can be found on the following pages).

Financial literacy at the Vienna sites



The Three Coins Model, © Three Coins

The start-up company Three Coins was founded in 2012. The organization's reasons for researching and developing methods that teach how to handle money are clear: Over 40 per cent of all households in the eurozone have debt. Our financial and consumption system is more complex and less transparent than ever. The principles of responsible handling of money are not automatically learned within the family and social environment.

Against this backdrop, Three Coins developed the smartphone game "CURE Runners". With this innovative training format, the company addresses people with "open learning windows". These are people for whom the responsible handling of money is particularly important and who are also open to new ideas.

In recent years, RZB AG financially supported the independent and multiple award-winning organization Three Coins in its fundamental mission of empirical studies assessing the effect of behavioral-based financial education measures (the results can be found in the Sustainability Report 2014, page 145 et seq.). In 2015, Three Coins developed an innovative training method for financial education in schools and youth centers. The contribution of RZB AG was used for the performance of the target group analysis as well as for development of the teaching guide. This work produced a target group database containing the specifics of the target groups – with its focus on the group of migrants – and detailing, for example, their characteristics, the high risk groups, examples of life situations as well as topics relating to the handling of money with which the target group is concerned. This database is now being continuously expanded with new insights. In addition, individual and group discussions were held with young people in the high-risk target group as well as with experts from the sectors of youth, education and social affairs, and the results were used as the

basis for the teaching guidelines of the “CURE Runners” program. The developed guidelines with ideas for all aspects of the workshop as well as the foundation for measuring their effectiveness were already implemented in 2015. Based on the experienced gained here, the guidelines will be continuously optimized in the future.



© Raiffeisen KAG

Since 2006, Raiffeisen Kapitalanlage-Gesellschaft m.b.H. has invited students of higher schools in and around Vienna to talks and workshops. The responsible use of money and capital market instruments was taught in the seven events held in 2015.



© Raiffeisen Club

For many years, Raiffeisen Club in Austria has offered a fun way to learn how to handle money and investment products responsibly with the online stock exchange game “Raiffeisen School Investor”. The goal is for participants to become familiar with the options on the capital market and with instruments such as shares, funds and certificates. With a mobile solution for smartphones, they can link up with each other and exchange tips on dealing with shares and funds. Teams of at least five students of grade level eight or higher can play School Investor. In addition to monetary prizes, the best class in Austria wins a visit to RBI AG in Vienna and a meet and greet with Chief Executive Officer

Karl Sevelda. Numerous trips to other publicly traded Austrian companies can also be won.

Financial Literacy at the network banks

Central Europe (CE)



© Fotolia

Since 2012, Tatra banka, a.s. in Slovakia has worked with various universities in the regions of Bratislava, Nitra and Prešo/Košice to give students a chance to obtain practical insights. The financial service industry presents itself by means of every day examples as well as in case studies, talks and workshops. The “Junior Achievement Program” for grade school and higher education students was continued, offering every participant the opportunity to learn about how to responsibly handle money as well as the various financial services. This includes basic information about banks and the

banking system as well as bank-specific terms.



© Fotolia

“Poradna” is a non-governmental, non-profit organization in the Czech Republic that provides advice to consumers suffering from or at risk of overindebtedness. The advice is given completely independently of the interests of sponsors, state agencies or other legal entities. The organization has branches in several cities within the country. Raiffeisenbank a.s. has for years (since 2009) been a partner of the debt advisory center, which was founded at the initiative of the largest private customer banks in the Czech Republic. All parties involved are convinced that it is in the interest of consumers,

the financial service sector and society in general to be prepared in advance for possible problems in connection with overindebtedness. “Poradna” provides consumers with highly professional advice in the event of (potential) insolvency, outstanding financial burdens (credit, loans, etc.) and produces analyses as well as calculations of income and expenses for clarification the equity situation and consolidation of debt.



© Raiffeisenbank a.s.

The Junior Achievement Foundation established in 1992, also in the Czech Republic, is a charitable organization specialized in instruction at primary and secondary schools. It is the world’s oldest and largest non-profit organization in the area of education and works closely with companies, whose managers give talks or function as jurors in competitions, for example. The partnership with Raiffeisenbank a.s. has existed since 2005. The students

have the opportunity to found practice companies and present the experiences and results of their business activities at the end of the school year. The winner at the national level has the opportunity to represent the Czech Republic at the European level. As part of this competition, the bank introduced the "Raiffeisen Students Leadership Award" for the first time in the 2014/15 school year.



© Hana Kovářová

The corporate volunteering program "RBCZ Ambassadors" offered since 2010 was continued in 2015 by fifteen employees of Raiffeisenbank a.s. in various regions of the Czech Republic. In this program, financial knowledge was taught to upper grade classes and at universities in the form of presentations and discussions about bank products, in talks about the principles of responsible handling of money and in small competitions.



© Raiffeisen Bank Zrt.

The initiative "Pénz7" of Raiffeisen Bank Zrt. in Hungary seeks to help remedy the lack of financial education offered in schools. The target group for this project consists of students at the primary school and lower secondary school levels. They learn how to handle money and use it responsibly.

Southeastern Europe (SEE)



© Raiffeisen Bank d.d. Bosna i Hercegovina

Since 2007, Raiffeisen Bank d.d. Bosna i Hercegovina has shared information on financial topics every evening on prime time television. The aim of the program is not only to inform the public about the various banking activities but also to explain common financial terms. In addition to the topics presented, each broadcast also contains segments on stock exchange data and the ABCs of business. The episodes are available on YouTube and linked to on Facebook. Since 2015, it has also been possible to communicate with bank employees around the clock via web chat.



© Raiffeisen Bank Zrt.

The free financial profile, a service of Raiffeisenbank (Bulgaria) EAD, offers the evaluation of one's personal financial situation based on the four primary factors of an income and expenses balance sheet, thriftiness, loan debt and covering risks. This personal profile provides an overview of one's financial situation and helps identify those areas that one should pay attention to. This service is not restricted to bank customers or bound to the use or purchase of bank products of Raiffeisenbank in Bulgaria.



© Raiffeisenbank (Bulgaria) EAD

Raiffeisenbank (Bulgaria) EAD also launched a new digital initiative in 2015. "Ask the Experts" is a series of videos containing interviews with experts. The goal is to advise customers on the use of credit cards by means of this online medium. The consumers receive professional advice and assistance concerning the bank products of credit cards and store cards, consumer credit, mortgages and bank insurance. In five short videos, experts answer

the most frequently asked questions about credit cards without complicated vocabulary and with many practical examples. The videos can be watched on YouTube, the Facebook page of the bank and via the communication channels of Twitter, Vbox7.com and the media center of the bank homepage.



Stockfoto © Fotolia

The cooperation between Raiffeisen Bank Kosovo J.S.C. and the International Monetary Fund begun in mid-2014 for the launch of an educational initiative for customers has been continued. The necessary research has now been completed, and corresponding documents have been developed. By the end of 2016, 200 persons will have taken part in these workshops.



© Raiffeisenbank Austria d.d.

To heighten public awareness of financial education and improve the financial education of grade school and university students, Raiffeisenbank Austria d.d. in Croatia took part in the first European Money Week in Croatia. This is a joint initiative of the European Banking Federation. Numerous events are held during "Money Week" in the participating countries as well as at the European level. In 2015, more than twenty countries participated in this initiative. Raiffeisenbank Austria d.d. made itself available to 130 secondary school students for presentations on the topics of financial management, responsible money management, the history of money and the finance market. The students learned the principles of banking services and financial transactions. They also had the opportunity to speak with representatives of the management board. In addition, Raiffeisenbank Austria d.d. established cooperation agreements with five secondary schools in Zagreb for financial education during this week.



© Raiffeisenbank Austria d.d.

Raiffeisenbank Austria d.d. in Croatia is now an enthusiastic supporter of the adventure camp "GoOut Junior", at which it instructs children aged seven to ten in basic knowledge concerning the topics of energy and money. The adventure camp takes place in natural surroundings and provides the children with tips on promoting health.



© Fotolia

Another measure of Raiffeisenbank Austria d.d is to visit kindergartens and schools on World Savings Day at the end of October. On this day, children learn about the various ways to save money. In 2015, more than 770 children visited the Raiffeisen branches in Croatia.



© Raiffeisen Austria d.d.

In 2005, Raiffeisenbank Austria d.d. in Croatia established the web portal "www.limun.hr". With useful information about the economy and a focus on financial services, the portal contributes to advancing the topic of financial education. In 2015, the portal recorded approx. 1.1 million visits, of which 31.2 per cent were new visitors.



© Scoala Mamei Junior

Raiffeisen Bank S.A. in Romania is increasingly developing into a provider of financial education. Since 2010, it has carried out various age-appropriate financial education programs in ten cities in Romania within the framework of corporate volunteering and in cooperation with Junior Achievement Romania: "Noi Insine" (We Ourselves) for ages 6-7, "Familia Mea" (My Family) for ages 7-8, "Comunitatea Mea" (My Community) for ages 8-9, "Orasul nostru" (Our City) for ages 6-11, "ABCdar Bancar" (The ABCs of Banking) for ages 15-18 and the creativity and innovation challenge for ages 16-18. These programs aim to convey basic financial



© Marian Mocanu

Corina Vasile, Director of PR and Communication of Raiffeisen Bank S.A., Romania

"Financial education is one of the most important responsibilities of our bank. According to a recent survey of the Romanian Bank Association, only four of ten Romanians are familiar with a bank product. We, at Raiffeisen Bank S.A., know that if we are to increase this number, we must begin financial education as early as possible. For this reason, we started various financial education programs in 2010 tailored to the various age classes in partnership with Junior Achievement Romania. Since then, we have taught 15,202 children. In addition, Raiffeisen Bank S.A. promotes volunteer work among its employees, which is why over 500 employees have already shared their knowledge with grade school students over the years as volunteer classroom advisers. Every program has an individual set of work materials, including handbooks for teachers, student notebooks and other aids. For primary school students, Raiffeisen Bank S.A. adapted the content of the standard instruction books with a number of supportive "learning by doing" activities. The outstanding results led to the decision to continue the program and to expand it to a growing number of Romanian cities, thereby strengthening the reputation of the bank as a provider of financial education."

QUOTE



concepts and develop financial budgets and saving plans that are required for a financially independent and responsible life. So far, over 15,200 young people have participated in these programs. An individual set of materials has been assembled for each of these financial education programs, and these materials are continuously updated. This includes a guide for teachers, workbooks for the students and other teaching materials. For the primary school programs, Raiffeisen Bank S.A. supplemented the standard literature with some helpful self-learning activities. The good results and the positive feedback from the participants have motivated Raiffeisen Bank S.A. not only to continue the program but to expand it in the future to other cities in Romania as well.

Eastern Europe (EE)



© Priorbank JSC

Priorbank JSC in Belarus published in the media a series on the topic of financial literacy with a focus on cashless payments. After a successful run in the previous year, the bank also organized a nationwide knowledge game on the topic of finance for university students. Fifty students from the universities of Minsk took part in a first step. Additional games relating to products and services were carried out in cooperation with VISA and Master Card.



© RB AVAL

In some Ukrainian cities, various industry specialists from Raiffeisen Bank Aval JSC regularly held free financial education workshops for children aged 14 to 18. The training was held primarily at the finance academy "FARBA" in Kiev but also at universities and institutes in other cities. In addition, a cooperation with the Ministry of Education and the center for "Corporate Social Responsibility" was established in 2015 in order to develop and implement a university course for first-year students on the topic of financial education (responsible handling of money and learning about the various financial services). So far, 200 students in eight regions have taken advantage of this offering. For customers of small and micro enterprises, free workshops have been offered in all regional centers since 2014 within the framework of the "Business Academy". The topics addressed are being continuously expanded. In 2015, a total of 36 workshops were held, which were attended by 445 customers.

Further educational initiatives at the Vienna sites



© JWB_Berlin_2015

The Raiffeisen Banking Group and RZB AG held the 45th International Raiffeisen Youth Competition in 2015 under this year's motto of "Always online, always mobile - What moves you?". The competition has enjoyed uninterrupted popularity with grade school students of all age levels for over four decades. In 2015, 140,000 students participated in the quiz, painting and drawing competition in Austria alone. After the three-month competition period, the jury evaluations are held at the local and provincial level. The top three finishers in the national evaluations in the painting and drawing competition in the age group of 14 to 18-year-olds had the opportunity to personally attend the large concluding event in Berlin, each earning third place there in the various age groups.



© Vienna University of Economics and Business Administration

In addition, RZB AG has supported the Language Resource Center at the Vienna University of Economics and Business Administration (WU Wien) since 2004. The "Raiffeisen Sprachlernzentrum" (Raiffeisen Language Resource Center) is a modern institute that offers an ideal environment for independent language learning with a rich selection of learning materials and electronic resources. This facility consists of a self-learning area, two multimedia language labs and a seminar room. Overall, it offers materials in 38 different languages. A program for tandem language learning also enjoys great popularity. This is a form of independent learning in which people with different native languages work together in pairs to learn each other's languages or improve existing language skills. The partnership between RZB AG and the Vienna University of Economics and Business Administration is about supporting students and

the university infrastructure. In this way, RZB AG makes an important contribution to the language education of future managers since language competence is ever more important in a globalized world.



© Universities Austria/APA-PictureDesk/Schedl

Once again in 2015, the Raiffeisen Banking Group, RZB AG and RBI AG supported the charitable association “Österreichische Universitätenkonferenz” (Universities Austria). This organization aims to support Austrian universities in fulfilling their missions, thereby promoting science and research. It also handles the internal coordination of 21 Austrian state universities, represents these universities in national and international committees and is the public voice of the universities. Universities Austria also provides the administrative basis for the national university federation.

Further educational initiatives at the network banks

Central Europe (CE)



© Tatra Banka

In order to contribute towards improving the educational situation in Slovakia, Tatra banka a.s. created a foundation in Bratislava in 2004. Alongside the focus on education, projects in the area of art and design are also carried out here.

As part of the program “Personalities in Person”, seven Nobel Prize winners and five Pulitzer Prize winners, dozens of renowned professors from abroad and over 80 Slovakian and Czech economists have so far given talks hosted at Slovakian universities. In 2015, Nobel Prize winner Finn Kydland and

Pulitzer Prize winner James Steele accepted the invitation and spoke to approx. 600 students.



© Raiffeisen Banka Slovensko

Raiffeisen Banka Slovensko, another brand of Tatra banka, a.s. in Slovakia, supported the business academy in Zilina in 2015 through the purchase of an interactive whiteboard, including accessories, as part of the program “Young Bankers”. These tools now help the students and instructors work according to modern methods.



© Towarzystwo Nasz Dom

The cooperation with the association “Towarzystwo Nasz Dom” (Our Social House) was continued within the framework of the Polish scholarship program “Moja przyszłość” (My Future) by Raiffeisen Bank Polska S.A. This program takes on the costs for further education (in the form of private lessons) as well as for remedial courses for the orphans so that they can advance to the next school level (middle school, vocational high school, etc.). It also pays for preparation courses for a future profession.

Southeastern Europe (SEE)



© Arben Ilapshtica

Raiffeisen Bank Kosovo J.S.C. supported the “Digital Festival” of the Kosovo Innovation Center in 2015. This is a festival for the community of technology enthusiasts that puts a focus on the digital trends in the banking industry and addresses these in workshops, conferences, trainings, panels and talks. In addition to the various informational offerings, a hackathon was also held. In this context, a “hack” refers to a creative approach to using a new app or hardware development in a unique way. What makes this particularly exciting is that the developers have only a few hours during the hackathon

to produce a finished product.

Cultural initiatives

The commitment in the field of art is diverse and focused on different art forms and national and international projects in order to promote widespread interest in art. The focus is also on the local art and culture communities.

Cultural initiatives at the Vienna sites



© ÖNB

RZB AG supported the "Österreichische Nationalbibliothek" (Austrian National Library) as a sponsor of the exhibition "Goldene Zeiten" (Golden Times) from November 20, 2015, to February 21, 2016. The National Library presented over 80 unique exhibits from more than 200 years of book culture at this show. Large-format illuminated Gothic manuscripts that were prepared for Emperor Friedrich III stood next to masterworks of the Renaissance such as the "Wiener Heiltumsbuch" (Holy Relic Book of Vienna). Together in the large ceremonial hall, they document the transition from medieval manuscripts to modern printed books.



© ÖNB

In April 2015, the literature museum of the Austrian National Library was opened in the Grillparzerhaus in Vienna. This is the first museum that exhibits Austrian literature in a prominent location. RZB AG helped make this possible as one of the sponsors.



© Musée d'Orsay, Paris, Dist. RMN-Grand Palais, Adrien Didierjean

RZB AG and RBI AG supported the exhibition "Degas, Cézanne, Seurat aus dem Musée d'Orsay" (January 30 to May 3, 2015). Pastels by Edgar Degas, Georges Seurat and Odilon Redon, gouaches by Honoré Daumier and Gustave Moreau, watercolors by Paul Cézanne as well as works by salon artists highly appreciated in their day formed a broad panorama of French art. Important works of realism were on display here next to works by famous impressionist artists.



© Wiener Staatsoper, Michael Pöhn

In continuation of the longstanding cooperation with the "Wiener Staatsoper" (Vienna State Opera), RZB AG together with RBI AG sponsored a new production of Gaetano Donizetti's "Don Pasquale", which premiered on April 26, 2015. "Don Pasquale" is one of Donizetti's most successful operas and an entertainment classic that has long offered an appropriate stage to the greatest singers and actors. Absent from the schedule of the Vienna State Opera for three decades, this work finally returned to the opera house on the Ring.



© Fotolia

The sponsoring of a concert at the "Wiener Musikverein" (Viennese Music Association) by RZB AG was continued in the 2014/2015 season. On May 21, 2015, the "Sächsische Staatskapelle Dresden" (Dresden State Ensemble of Saxony) were guests in the large hall with their chief conductor Christian Thielemann performing works by Richard Wagner, Franz Schubert and Anton Bruckner. Soloist for the operatic works of Wagner and Schubert was the German baritone Christian Gerhaher.



© Wiener Akademie

All of Beethoven's symphonies were performed for the first time in Vienna. The project "RESOUND Beethoven" of the Wiener Akademie (Vienna Academy) under the direction of Martin Haselböck is bringing these back to the magnificent theaters and concert halls of their premieres on period instruments for the first time. Special attention is being paid in the presentation of the concerts to recreating the intensity of the original performances: The orchestra composition, the positioning of the choir in front of the orchestra,

even the positioning of the audience are intended to help relive the original performance style that differs greatly from modern musical practice. RZB AG was a sponsoring partner in the 2014/2015 as well as 2015/2016 concert season.

From 2013 to 2015, RZB AG supported the Porzellanmanufaktur Augarten (Porcelain Manufactory Augarten) as a sponsor partner. Founded in 1718, the Vienna Porcelain Manufactory Augarten is the second oldest in Europe. Today, as always, every piece is manufactured and painted by hand. Viennese porcelain is famous for its delicate and graceful form, the purity of the lines and the exquisite composition. The highest quality and perfection in the production of each individual piece are top priority at the porcelain manufactory.

As part of the partnership with the "Israelitische Kultusgemeinde" (Jewish Community), RZB AG sponsors the annual event "Open Doors at the Jewish Community". The partnership, which has existed for a number of years, has been extended for the coming years.



© RZB

In October 2015, RBI AG sponsored the annual "LET's CEE Film Festival" held in Vienna to promote international acceptance and the dissemination of Central and Eastern European film. The festival presented the best productions from Central and Eastern Europe (CEE), including the Caucasus region and Turkey. In addition to a selection of the best and most recent films and documentaries, promising short films that had presented within the framework of competitions were also shown. Various film series were also presented, ranging from legendary cinema classics to relevant retrospectives

and homages as well as excellent children's films. Almost all productions were shown in the original version with English or German subtitles – and many of the films had their Austrian premieres.



© RBI

"Literatur im Nebel" (Literature in the Mist) is a literature festival held for the first time in 2006 that has since taken place annually on two days in the second half of October in the city of Heidenreichstein in the northwest Waldviertel district of Lower Austria. RBI AG has supported the festival from the very start. Its tenth anniversary was celebrated with a full house: around 600 people per day visited the festival, many of whom have been regular attendees since 2006. It offered a captivating ten-hour reading marathon by prominent actors such as Ursula Strauss and Erni Mangold. The star guest in

the Waldviertel was the German author Christoph Hein, the incorruptible observer of politics, history and society.

Cultural initiatives at the network banks

Central Europe (CE)



© Tatra banka, a.s.

In 2015, as for the last 20 years, the Tatra banka foundation of Tatra banka, a.s. in Slovakia recognized artists who made outstanding contributions in the past year to the development of Slovakian art in the categories of film, literature, music, theater and the fine arts. In addition to honoring artists for the contribution to Slovakian culture, the aim is to support them in creating even more first-class works of art. Since 2008, one up-and-coming artist in each of the listed categories has also received an award. Over the history of these awards, the Tatra banka foundation has awarded 85 art prizes to

established artists and 41 to young artists. In addition, six fashion designers have received the opportunity to demonstrate their skills by designing an item of clothing for the presenter at the award ceremony.

Southeastern Europe (SEE)



© Raiffeisenbank (Bulgaria) EAD

Raiffeisenbank (Bulgaria) EAD has been supporting the performances of the “Austrian Music Weeks” in Bulgaria for seven years in a row as a way of presenting Austrian music culture. Every year in the spring, music concerts are played for an entire month. The events are organized by the Wiener Club in Sofia, together with the Austrian embassy in Bulgaria.



© Vlad Eftenie

Raiffeisen Bank S.A. in Romania, supported the “George Enescu International Festival” in 2015, which is held in the honor of the famous Romanian composer George Enescu. It is the largest festival of classical music in Romania and one of the largest in Europe. The festival also offers a platform for the largest international classics competition.



© social networks

Raiffeisen banka a.d. in Belgrade has supported the “JDP, Yugoslavian Drama Theater” since 2006, one of the most important theaters in Serbia. In order to appropriately celebrate the 10-year anniversary in 2015 it was decided to hold a joint campaign. Since the economic crisis, a majority of the Serbian population can no longer afford theater tickets. The campaign allowed all theater lovers, entirely regardless of their financial situation, to purchase tickets in the less frequented months of January and February for the symbolic price of a cup of coffee. This measure was supported by a joint TV campaign

with famous actors, who worked free of charge just like the production team. The tickets were sold out within two days. 4,000 people who normally could not have afforded it lined up for the performances and purchased 27,036 tickets.

Eastern Europe (EE)



© RB AVAL

The film festival “Open Night” was initiated in 1997 by Mykhailo Illienko, a famous Ukrainian film producer. From June 25 to 28, 2015, the 18th “Open Night” film festival was held, supported by the Ukrainian Raiffeisen Bank Aval JSC as main sponsor for the third time in a row. Alongside traditional film presentations, the best films of young film students from Europe as well as those of leading Ukrainian and European producers and actors were shown in 2015. At the same time, ideas for the production of new Ukrainian series were collected in the framework of a competition. The festival was held at

over 50 locations, twelve of them outside the country.

Corporate volunteering in the RZB Group

The various corporate volunteering initiatives have helped to make the group feel part of a bigger picture, to support the Friedrich Wilhelm Raiffeisen’s idea of helping others to help themselves and to proactively live up to our social responsibility together and within society. Each individual project deserves a special mention due to its investment in the community as the lives of those people who receive support are most definitely being enriched.



The involvement during 2015 of the employees of RZB AG and RBI AG with "Haus Roshan" takes place within the framework of corporate volunteering but also to a large extent during the employees' free time. Another focus also lies on the H. Stepic CEE Charity, in which employees have worked tirelessly to improve the livelihoods of people in the CEE region. In order to prove the success of their initiatives in figures, two network banks have already tracked their corporate volunteering measures in accordance with the London Benchmarking Group Standard: Raiffeisen Bank S.A. in Romania and Raiffeisenbank a.s. in the Czech Republic.

Feedback on involvement in the community

In the current online survey 2016 on materiality, the topic of "investments in the community" was ranked in second place under the category of commitment.

"I am truly touched by what I have seen here today. I can't say what moved me more: the children, the teachers or the poverty in which they live." *Nicoleta Lungu*

"We enjoy the visits by the BANK PEOPLE". The residents of "Haus Roshan"

"Thank you very much for these urgently necessary and helpful activities in cooperation with 'Joy of Being Old'. These visits mean a great deal not only to the people who we visit but to us as well." *Irina Korshunova*

"I am very proud that the bank takes an active role in the community and enables the personal involvement and participation of our large, close-knit team in the lives of those members of society who do not live in security and who feel pushed to the side for various reasons. I consider myself lucky to be part of this loving, warm and responsible team." *Tamta Chiteishvili*



Corporate volunteering at the Vienna sites

Due to the continued flow of refugees in autumn of 2015, RZB AG and RBI AG decided in an initial step to establish a donation account for purchasing "welcome packages" to aid newly arrived refugees at the Austrian Red Cross. For all those who provided ad hoc assistance and donations in kind, rooms were available at the locations Am Stadtpark and Muthgasse. Information on what materials were currently most urgently needed by the NGOs could be found in the continuously updated intranet.

The dramatic refugee situation also served as impetus for further promoting the social commitment of RZB AG and RBI AG with a comprehensive corporate volunteering policy. This should ensure that the company philosophy is more clearly apparent to employees while also encouraging employees to apply their own skills and time in the tradition of the company founder. The sense of meaning fostered in this way among individuals strengthens society as a whole over the long term. Since the publication of the Corporate Volunteering Guidelines, the employees can use up to two special vacation days per year for social commitment within the framework of the offered projects.

The importance of an investment in the community is also confirmed by the current stakeholder survey of the RZB Group, which reflects corresponding expectations on the part of those surveyed (see page 28).

While developing the corporate volunteering approach, both activities and competence projects were included in the program and the underlying conditions were defined. A multi-level approach was chosen here, and the current offerings in the area of migration/integration in Austria as well as for a commitment to the H. Stepic CEE Charity were designated.



© RBI AG

In the area of integration, close cooperation is maintained with Caritas at "Haus Roshan" in Breitenfurt (Lower Austria), which is home to 48 refugees, including 24 unaccompanied minors. The financing of the living containers for the minors was initially

provided via donations by RZB AG and RBI AG as well as their management board members and employees. In addition, it was possible to obtain the support of major customers for the project through donations in kind. In October 2015, the furniture was assembled: More than 80 employees of RZB AG, RBI AG, the Raiffeisen Service Center and Raiffeisen-Leasing International as well as representatives of the management board of RBI AG came together to complete the interior furnishing of the winterized lodgings so that the opening celebration could take place in November. Since then, activities for up to 36 refugees have been regularly offered by the employees. These include learning assistance in German, sports (running, soccer, volleyball, swimming, workouts), events and museum visits, cooking, painting and social gaming evenings.

In February 2016, the minors were invited to become better acquainted with RZB AG and RBI AG and what they do. During their visit to the Am Stadtpark location, they were welcomed by both management board chairpersons, who were also available to the minors for questions at this get-together.



Assembling the furniture, © RBI AG



The minors visiting the Am Stadtpark Location, © RBI AG



© Caritas

Simone Modelhart, MSc,
Company Volunteering
Coordinator/CV Caritas of the
Archdiocese of Vienna

"Corporate volunteering at Caritas Haus Roshan - what a sustainable project can look like: The longstanding partnership of the RZB Group with the Caritas organization of the Archdiocese of Vienna has been expanded with a new focus. The cooperation with Haus Roshan, where 24 unaccompanied minors live, among other refugees, is an enriching experience for all involved. With their extensive corporate volunteering program, the employees of the RZB Group make a valuable contribution to the arrival of the children in Austria and to their integration. The focus lies on numerous joint projects, such as regular tutoring, a cooking group, weekly running meet-ups, game nights, art groups, outings and museum visits. The regularity of these meetings breaks down barriers, allowing the children to become increasingly comfortable approaching the volunteers and opening themselves up to their environment. The entire project is enormously enriching for the young residents of Haus Roshan. On one hand, the children profit from these recreational activities by learning and improving their German; on the other hand, it is valuable for the young refugees to get to know people in Austria, establish relationships here and experience role models."

QUOTE



The goal of supporting the asylum-seekers in their integration is achieved through assistance in learning the language, diverse activities and the communication of values. In addition to enabling encounters to foster mutual understanding and engagement, the primary goal is lasting integration of the refugees in Austria. Many employees have participated in this project by donating their free time.



© RZB AG

In November and December 2015, the “Surprise in a Box” activities were held within the framework of the corporate volunteering program to prepare some Christmas joy for deserving children of asylum seekers and those already entitled to asylum. This now traditional Christmas initiative took place at RZB AG and RBI AG for the eighth time. Employees donated numerous used or new toys, books or stuffed animals at the Am Stadtpark and Muthgasse locations, which were then packed festively into shoe boxes. Cinema coupons were also collected in order to offer suitable gifts to older children as well.

This opportunity was also used to collect used children’s clothing. It was particularly nice to see that some affiliated companies at Muthgasse, such as Raiffeisen-Informatik, also participated in this charity event for the first time. The success of this corporate volunteering campaign speaks for itself: Over 370 Christmas packages were assembled and 100 cinema coupons were collected. The employees of Caritas distributed the gifts in December to deserving children of asylum-seekers and people already entitled to asylum in Vienna and Lower Austria. In addition, under-age mothers and their children also received gifts collected in this campaign for the second time within the framework of the project “Sure Beginning” of the H. Stepic CEE Charity in Hungary.

Valida Vorsorge Management supported the joint corporate volunteering program of RZB AG and RBI AG, “Haus Roshan” and the Christmas action “Surprise in a Box”.

H. Stepic CEE Charity



The H. Stepic CEE Charity, founded in 2006, now numbers among the most important organizations for supporting people in need within Central and Eastern Europe (CEE). Its projects focus primarily on social and health aspects and are implemented in cooperation with renowned international organizations such as Caritas and Diakonie as well as local NGOs.

The charity is an independent association. All projects are managed by employees of Raiffeisen Bank International in Vienna and the Raiffeisen network in CEE on a voluntary basis. This ensures that the donations reach the projects with almost no administrative expenses and therefore fully benefit the beneficiaries. In project selection, the charity is extremely careful to provide help where it is needed most. Its excellent contacts with local partner organizations are of great value here. These often small NGOs enable very flexible cooperation that is adapted to the specific needs of the respective project. At the same time, they are especially dependent on support in order to implement their own initiatives sustainably. This is where the charity comes in, particularly with expertise in project management, budgeting and solving legal problems.

The charity sets a high priority on educational initiatives. The inclusion of school education and work trainings as part of the projects is intended to empower the aided people to sustainably live an independent lifestyle.

So far, a total of 58 projects have been implemented or initiated in 14 Central and Eastern European countries. In the year 2015, twelve new projects were started, two of them in Croatia and Kosovo for the first time. The total volume of project investments was € 452,000.

Since autumn 2015, the activity of the employees of RZB AG and RBI AG in Vienna within charity projects has been part of the newly established corporate volunteering program in the area of migration/integration.

In addition to monetary donations by RBI AG, RBI management board member Andreas Gschwenter took over patronage of the project “A Chance for Education” in Costești, Romania. Previously, his colleague Johann Strobl has already taken over patronage of the project “Sure Beginning” in Hungary.

Focus on Ukraine

Due to the conflict in east Ukraine, the charity decided in 2015 to place a special focus on the country. In addition to projects already under way, a series of immediate aid measures were implemented to quickly and unbureaucratically relieve the emergency situation in the crisis region.



© Caritas Spes

Two of these immediate aid projects were implemented in Fastiv. The daycare center "St. Martin de Porres", which offers street children a place of refuge, was supported with additional funds in order to cover the costs for three warm meals per day for the increased number of visitors. In addition, the center's offering was expanded thanks to the charity with a medical station where families, street children, single mothers and homeless persons can obtain free medical care.



© Caritas

In Luhansk, Slowjansk, Kramatorsk and Popasna, the charity joined with Caritas and a local partner organization to launch emergency renovation projects in order to winterize and make livable again the partially destroyed houses of single mothers, disabled persons, large families and elderly persons. In total, approx. 500 people have been helped in this way.



© Teenager

For people who are forced to leave their homes, the charity built a camp in Vinniky in the vicinity of Lviv – far from the contested regions. Approximately 200 refugees from the regions of Lugansk, Donetsk and Mariupol have found a new place to live here. Help was also provided for the "Green Grove" orphanage in Visokyi, which cares for over 100 children who suffer from physical or mental disabilities or severe illnesses such as AIDS. The H. Stepic CEE Charity provided urgently needed medical equipment in order to enable adequate treatment of these children. In addition, the

charity took over the replacement of the heating system at a school in Uzhgorod because the cold temperatures in the classrooms were increasingly hazardous to the children's health and effective instruction had become impossible.

International Children's Day



© H. Stepic CEE Charity

In addition to the year-round focus on Ukraine, another special project was realized in the spring of 2015. On the occasion of International Children's Day, the charity worked closely with the local network banks to organize charitable events in order to offer their charges a special day. In Tirana, the street children from the Don-Bosco daycare center took part in the traditional city event "Dance for All"; in Budapest, an outing to the zoo was undertaken with the children from the Sure-Beginning house; and in Minks, the employees of Priorbank hired an illusionist, a clown and a make-up artist to cheer up the

young patients in the oncology clinic. In other countries, Raiffeisen employees donated their own labor. For example, employees of Raiffeisen Bank in Bosnia and Herzegovina did garden work at a children's playground under the motto "We create sustainable values", while in Serbia and Ukraine, the employees of the respective bank assisted in the renovation work on a school and an orphanage.

Projects 2015

Education for a fair start to life, Bulgaria



© Caritas

In Banya, Kuklen, Malko Tarnovo and Sofia, the charity supports four Caritas daycare centers to look after approx. 200 children from difficult family circumstances, mostly Roma, with respect to their social, health, psychological and educational needs. Most of the Roma children speak insufficient Bulgarian and for that reason alone face considerable difficulties integrating both within the education system and within society. The daycare centers work to close the children's education gaps and other shortcomings by providing Bulgarian lessons and teaching social skills. The support and

education provided at the daycare center gives the children the opportunity to break out of the vicious cycle of need and illiteracy.

Making Change for Children, Fushe Kosove/Kosovo Polje, Kosovo



© The Ideas Partnership

Together with its project partner "The Ideas Partnership", the H. Stepic CEE Charity has launched its first project in Fushe Kosove/Kosovo Polje. The city's Roma have to battle diverse problems, including inadequate healthcare, illegal child labor, refused access to education, institutionalized racism or social exclusion. "Making Change for Children" intervenes on various levels and helps both the children and their parents to make improvements for the long term. At the heart of this approach is the weekend coaching, which benefits a total of 130 children. There is also a kindergarten, physiotherapy,

literacy courses for children and parents as well as a support program for talented schoolchildren. Schoolbags and shoes for 200 children were also provided, and the transport to and from school during the cold winter months also makes life easier for them.

A Chance for Education, Costești, Romania



© Hercules Center, Alina Baisan

The Hercules Center looks after approx. 40 children aged between six and 14 years living in and around Costești, a small town in the south of Romania. In order to improve success at school and to reduce the number of dropouts, the center offers a wide range of social and educational activities to the children, who grow up in extremely poor conditions. The Charity covers a portion of the center's running costs to ensure it keeps its doors open. In December 2015, RBI board member Andreas Gschwenter took on patronage for the project.

Coaching for sustainable learning, Valea Crisului, Romania



© Diakonie

In co-operation with the local organization Fundacia Crestiana Diakonia in Valea Crisului, the Charity founded an after-school care facility and learning center. Benefiting from this are socially weak children, mostly Roma, whose parents are sick or unemployed and who would otherwise have to be housed in social institutions. The top priority of the center is to cover the children's considerable need to catch up in many areas. Recreation and leisure pursuits are also on the program in order to promote the children's creativity and give them space to develop their talents.

My family, my hope!, Vorontsovo, Russia



© kleine herzen

In collaboration with the aid organization “kleine herzen” (little hearts), the charity undertook the renovation of the orphanage in Vorontsovo, a small town about 700 kilometers from Moscow. Based on the principle of the SOS-Kinderdörfer, the home was converted into apartments supervised by families. Up to eight children now live with two “mothers” and thus receive the opportunity to grow up in a loving, family environment.

Sure Beginning, Bódvalenke, Hungary



© Caritas

The “Sure Beginning” house opened by the H. Stepic CEE Charity and Caritas in the north of Hungary offers professional support for underage mothers and their children. The young women are taught how to raise children, cook, run a home and the right way to deal with hygiene and money. In this way, they learn how to make do on a small budget and permanently avoid the need to seek financial assistance. The top priority is to support the mothers to independently look after their children. At the moment, approx. 15 women and 30 children make regular use of the offer, with the house essentially being available to all villagers. RBI board member Johann Strobl acts as patron for the project.

Corporate volunteering at the network banks

Central Europe (CE)



© Dobré srdce TB

The employee program of Tatra banka, a.s., “Dobré srdce TB” (The Good Heart), in Slovakia attempts through diverse measures to improve the quality of life in society as well as the environment. The foundation for assistance is established via the Tatra banka foundation, providing support for organizations that are proposed by the employees. Those employees who would like to actively help improve their environment can do this through volunteer work or donations or with a monetary donation in the amount of two per cent of their income tax. A total of 112 projects were realized in this manner in 2015.



© Raiffeisenbank a.s.

Raiffeisenbank a.s. in the Czech Republic is a partner to the organization “Dobry Andel” (Good Angels), which assists families with children suffering from cancer. The campaign “We will turn you at Raiffeisenbank into good angels” is supported by all employees of the Raiffeisenbank branches. In this campaign, employees strive to encourage customers to also take up the charitable cause.



© Raiffeisenbank a.s.

More than 200 employees of Raiffeisenbank a.s. took part in International Corporate Volunteering Day 2015, which was held on September 18 in the Czech Republic. The bank employees received the opportunity on this day to donate their time, knowledge and energy at the NGOs that take on social problems on a daily basis. A total of 8,000 hours valued at CZK 1.3 million (€ 47,610) were worked on this day.



© Raiffeisen Bank Zrt.

Since 2008, Raiffeisen Bank Zrt. offers its employees in Hungary the opportunity to do volunteer work at various non-profit companies that are focused on the protection of children. This includes activities such as renovation, painting and cleaning. Corporate volunteering is part of the corporate social responsibility program and should promote the social commitment of the employees while also strengthening the sense of solidarity within the bank. The focus of the CSR strategy remains on supporting disadvantaged children. For this reason, the corporate volunteering measures

primarily involve kindergartens and orphanages. Initially, the employees can also nominate charitable organizations, ensuring that everyone is able to help out where they want to the most. In 2015, a total of twelve projects were organized for the various departments. 207 employees took part in the corporate volunteering program, working 1,656 hours.

Südosteuropa (SEE)



© Raiffeisen Bank Sh.a.

Within the framework of the Albanian corporate volunteering initiative "Surprise in a Box", employees of Raiffeisen Bank Sh.a. distributed Christmas gifts to socially disadvantaged children in rural areas in the vicinity of Tirana. All employees of the headquarters donated new or used toys, which were wrapped and affixed with tags. In this way, it was possible to surprise more than 300 children with a gift at Christmas.



© Raiffeisen Bank Kosovo J.S.C.

In May 2015, the employees of Raiffeisen Bank Kosovo J.S.C. supported the campaign "Make Kosovo Clean" as part of a corporate volunteering program. This campaign was organized already for the fourth time in cooperation with the NGO "Liria", state institutions, communities and local companies.



© Raiffeisen Bank S.A.

In its diverse corporate volunteering campaigns, Raiffeisen Bank S.A. in Romania has worked together with various charitable organizations for many years. Once again in 2015, Raiffeisen Bank S.A. encouraged its employees to give back to society in accordance with the bank's corporate volunteering guidelines and to spend one paid day per year doing corporate volunteering. An internal micro-site called "Voluntarii Raiffeisen. Impreuna pentru mai bine!" ("Raiffeisen volunteers. Together for a better society!") is used for the internal coordination of the corporate volunteering projects in

the area of social projects, (financial) education and environmental projects. Here employees find descriptions of the activities in which they can help out as well as extensive photos. In addition, the employees register for the individual projects via the website and upload photos of activities in which they have participated. The website also serves for recording the hours spent by the employees on their voluntary commitment.



Symbolfoto, © Fotolia

Employees of Raiffeisenbank Austria d.d. in Croatia participated in special social projects within the framework of corporate volunteering. In 2015, for instance, they supported a single mother and her child with special needs who found themselves in a difficult financial and health situation. A suitable lodging was found, painted and furnished with essentials with the help of local companies.



© Raiffeisenbank Austria d.d.

In what is already a tradition, the employees of Raiffeisenbank Austria d.d. in Croatia visited children at the St. Joseph orphanage in Leskovac in December 2015. In addition to a large number of gifts, the employees of Raiffeisenbank also took time to play with the children.



© Raiffeisenbank Austria d.d.

Also in December, on the occasion of International Volunteer Day in Croatia, employees of Raiffeisenbank Austria d.d. visited children of the association for abandoned children "Perfect Circle", bringing them toys, clothing and useful materials and also spending the entire day with the children. Employees with their own children organized games and social activities. In return, a young DJ of the association taught them the basics of how to mix music.



© Nicoleta Lungu

The support of the Romanian Raiffeisen Bank S.A. for the association "OvidiuRo", which enables children born into poverty to escape the cycle of poverty through early education, is not limited solely to financial assistance but also includes a corporate volunteering component. 54 employees of Raiffeisen Bank S.A. in Brasov and Covasna had the chance to help out with the project "Kindergarten Teacher for a Day" in autumn of 2015. In addition to the Raiffeisen employees, another 30 people (writers, actors and journalists) accepted the invitation of the association. For one day each, they

read stories to the children, showed them how to paint animals, guided them into the world of classical music, transformed them into little television stars or occupied them with other previously planned creative ideas. Not only the children profited from this interaction; the visitors also received a new understanding for the daily routine of the children in the poorest regions of the country. Of all the corporate volunteering projects of Raiffeisen Bank S.A., this one made some of the strongest impressions as a result. More details can be found at: <http://www.ovid.ro/en/profesor-pentru-o-zi/>.

Eastern Europe (EE)



© AO Raiffeisenbank

In May and July 2015, AO Raiffeisenbank in Russia organized outings to nursing homes located approx. 200 km from Moscow. One such outing was a visit to the nursing home in the Dubna region, where over 300 elderly people live, while another took employees to a nursing home in Rzhev with approx. 600 residents. More than fifty employees took part in total, spending their time cleaning the grounds, painting fences or going for walks and conversing with the home residents.



© Raiffeisen Bank Aval JSC

Since 2009, the Ukrainian Raiffeisen Bank Aval JSC has been active at the Babanka boarding school in the Cherkassy region. In 2015, the bank employees instructed the children in various subjects and skills (English, embroidery, whittling, baking, drawing, etc.) during their visits in February, June and December. In addition, the employees at the headquarters supplied gifts to the children at their own expense and organized performances of the theater group "The Sun Town". Thanks to the participation by approx. 40 people (bank employees and actors), a performance with a large interactive program, outdoor games and all kinds of gifts for the children and the boarding school was held in mid-October.

Social initiatives

The largest number of projects were conducted in the social sector during the reporting period. In conjunction with various national and international cooperation partners (such as Caritas and Red Cross), socially disadvantaged children and young people along with women without family attachments were primarily offered aid.

Social initiatives at the Vienna sites

RZB AG is a longstanding partner of the Austrian Red Cross (ÖRK). The ÖRK carried out a nationwide first aid campaign in Austria from June to September 2015. The aim was to get as many people as possible to take a first aid course. Most emergencies occur within a private setting, making it important to know how to act correctly in emergency situations. Regularly training and repeating the required actions and measures is essential for being well prepared for an emergency. The target groups were Red Cross employees as campaign ambassadors, 30- to 59-year-olds, who were addressed via TV and radio spots and large poster ads, as well as 18- to 30-year-olds, who were addressed via online ads and social media activities.

The benefit evening at the Stadtpalais Liechtenstein (City Palace Liechtenstein) for the World Red Cross Day 2015, was also supported by RZB AG. The net proceeds from the event went to the international catastrophe fund of the Liechtenstein and Austrian Red Cross, supporting people around the world who need urgent help after catastrophes and in crisis regions.



© Volker Tenta

RZB AG has been a sponsor of the "I Dance company" for many years. "Freedom for art, art for people with Down syndrome" – under this motto, the idea of forming a dance company operating according to the principle of social exclusion was brought to life in 2008. The goal is to give members the opportunity to make dancing a career. In the meantime, the "I Dance company" has brought together numerous artists with and without Down syndrome and regularly holds dance and art events that now figure as fixed events among Austrian art initiatives.



Symbolfoto © Fotolia

In 2015, as part of the project "Stopp der Kälte" (Stop the Cold), Raiffeisen Bausparkasse Gesellschaft m.b.H. collected 58 winter jackets for children, women and men and held a Christmas benefit event. In this event, the Board of Directors supplied its Christmas presents, which could then be purchased at a small Christmas market for a good cause, specifically "Haus Roshan" (see page 144).



© Raiffeisen KAG

Raiffeisen Kapitalanlage-Gesellschaft m.b.H. has supported the "Österreichische Kinder-Krebs-Hilfe" (Austrian Children's Cancer Aid) and numerous smaller projects for many years.



© Concordia

CONCORDIA is an internationally active, independent aid organization for children, adolescents and families in need. RBI AG supports the organization's project "Casa Comunitara" in Tudora, Republic of Moldova. As of September 2016, children with special care needs should find a home here within the framework of supervised living groups in a "Casa Comunitara". CONCORDIA provides supervised living groups to optimally help these especially at-risk children in developing critical life skills. The planned Casa Comunitara is directed at boys aged ten to eighteen, whose integration into a family would be difficult and who require particularly close supervision by specially trained personnel. The living group will offer space for a total of six boys, who will be accompanied 24 hours a day by one to two caregivers (as well as specialists, when needed).

require particularly close supervision by specially trained personnel. The living group will offer space for a total of six boys, who will be accompanied 24 hours a day by one to two caregivers (as well as specialists, when needed).



© RBI

Employees of the department of Finance & Controlling at RBI AG decided to demonstrate their social commitment. They organized foods and met twice in December to cook at the Wiener Gruf facility for the homeless. In total, approx. 200 meals were served each time.

Social initiatives at the network banks

Central Europe (CE)



© Raiffeisen Bank Zrt.

As part of the corporate social responsibility program "Raiffeisen Közösen" (Raiffeisen Together), Raiffeisen Bank Zrt. in Hungary once again supported the project "Lunch for Everyone" in 2015. A total of HUF 40.4 million (€ 130,394) was collected for the "Child Feeding Foundation – GYEA", whose goal is to provide healthy meals to children in need. This amount was used for 930 children at 31 different locations (16 cities/villages with 480 children in the spring and 15 cities/villages with 450 children in December). Twice a year, GYEA chooses which entries submitted by the communities will

be placed on the Facebook page of Raiffeisen Bank Zrt. for voting. This vote finally decides which Hungarian communities/cities will be supported this time. In the last seven years, Raiffeisen Bank Zrt. has donated more than HUF 240 million (€ 774,082) for meals for the children, meaning that they have enabled a regular meal for more than 10,100 children throughout the country.

Southeastern Europe (SEE)



© Raiffeisen Bank d.d. Bosna i Hercegovina

In order to achieve a positive environmental impact in the area in which the bank operates, the team building measures of the Board of Directors of Raiffeisen Bank d.d. Bosna i Hercegovina supported the kindergarten "Sarenivoz" in the landscaping of its front garden. Two years ago, the kindergarten already received a "Raffe the Giraffe" playground as part of a donation campaign for kindergartens and schools throughout Bosnia and Herzegovina. In 2015, the management of the bank along with children from the kindergarten planted several trees and painted the fence. International

Children's Day fell on the weekend selected for the team-building action. This date was intentionally selected in order to also bring attention to the need to protect children from violence and discrimination.



© Raiffeisen Bank d.d. Bosna i Hercegovina

Raiffeisen Bank d.d. Bosna i Hercegovina has also supported for several years the association "A Heart for Children with Cancer", and has donated approx. € 60,000 to the organization in total. The association was founded in 2003 at the initiative of parents whose children suffering from cancer were treated at the pediatric clinic in Sarajevo.

In the year 2014, a "Parent House" was built on the clinic grounds in order to offer lodging for families from outside of the Canton of Sarajevo while their children are receiving treatment for cancer. Part of the concept for the house is to create a family atmosphere, which has proved to be important for the healing process of the children. Other advantages include the fact that children only need to spend a short time in the hospital and the availability of space for sharing experiences, holding workshops and providing advice as well as the support of psychologists.

Cancer treatments take a long time and are stressful, both for the child patient and for the entire family. The child is separated from their closest family members, such as brothers and sisters, as well as from friends at Kindergarten or school. To make the atmosphere at the "Parent House" cozy and comfortable, the Raiffeisen employees started an initiative. Through their involvement, considerable quantities of useful furnishings for the house were collected – bed linens, blankets, toys and books. Since 2013, the bank employees have generated additional income for

ongoing activities by collecting paper for recycling and donating it to the association, which sells it to a recycling company. It is not only the money earned in this way – so far approx. € 700 – that counts; the main intent of this initiative is rather to encourage other companies to emulate these efforts.



© Raiffeisenbank (Bulgaria) EAD

In 2015, die Raiffeisenbank (Bulgaria) EAD supported the “Choose to Help” donation campaign, now for the seventh time. This all-year initiative collects funds for the support of sustainable social projects in the areas of health and environmental protection as well as culture and education. It has already received 14 corporate social responsibility awards for these efforts. Within the framework of the initiative, employees of Raiffeisenbank are actively integrated into the charity initiatives. Donations are possible via various channels: via the websites www.izberi.rbb.bg and www.pay.dir.bg or with a text message. The fundraising campaign will begin again for the eighth time in autumn of 2016.



© Nicoleta Lungu

In the social area, Raiffeisen Bank S.A. in Romania decided to support the association “OvidiuRo”. The goal of this association is to give children born into poverty a chance to break out of the cycle of poverty. Currently, 2,500 children in twelve districts at high risk of leaving school before the fifth grade are being offered the opportunity to take advantage of the education program called “Fiecare copil in gradinita” (“Every Child in Kindergarten”) already at an early age. Raiffeisen Bank S.A. financed the program in 2015 for 980 children from 18 kindergartens in ten different villages in two districts.

At the start of October 2015, the efforts of “OvidiuRo” led to an important first political step: The parliament passed a law seeking to give every child the right to attend a kindergarten. The support for the association is not limited to financial assistance; it also includes a corporate volunteering component. More details can be found at <http://www.ovid.ro/en/profesor-pentru-o-zi/>.

Eastern Europe (EE)



© Priorbank JSC

With the support of its employees, Priorbank JSC in Belarus organized a party on June 1, 2015, International Children’s Day, at the Clinical Research Center for Pediatric Oncology, Hematology and Immunology of the Republic of Belarus. The employees greeted the children with balloons, organized a circus show and gave out finger food. Before the party came to an end, all the children fastened strips with their dreams to a large balloon that floated up into the sky.

Sports initiatives

We don’t just consider sports to be part of the brand self image. It is also about taking on social responsibility. We have therefore been promoting sports for many decades – from young talents to the stars.

Sports initiatives at the Vienna sites



© GEPA

Sports initiatives at the Vienna sites As “the Austrian Bank”, Raiffeisen sees itself as the optimal sponsoring partner for Austrian skiing stars and the national soccer team. During the 2015/2016 World Cup season, the Gable Cross decorated the helmets of Austrian skiing stars, such as the four-time world champion and four-time overall and slalom World Cup victor Marcel Hirscher as well as speed specialist Max Franz. Since 2003, Raiffeisen has been the main sponsor of the Austrian national soccer team, which succeeded in qualifying for the Euro 2016 in France. Bernd Wiesberger, Austria’s top golfer for many years and Raiffeisen sponsoring partner since 2007, took part in many international and national tournaments in 2015 while bearing the Gable Cross. The partnership was also extended for the year 2016.

Sports initiatives at the network banks

Central Europe (CE)



© Raiffeisenbank a.s.

RBI AG already has a tradition of sponsoring the IIHF ice hockey world championships as an official partner. In 2015, the championship was held in the Czech capital of Prague and in Ostrava. Ice hockey is of central importance in the Czech Republic and enjoys great popularity throughout the entire country. This can also be seen in a visitor record of over 741,000 visitors. As part of the sponsoring, Raiffeisenbank a.s. hosts numerous competitions and other attractions for fans. More information at www.rbhokej.cz.

Southeastern Europe (SEE)



© Laurentiu Mihai

The "Raiffeisen Bank Bukarest International Marathon" is the largest running event in Romania and has been organized since 2008 by the "Bucharest Running Club Association". The marathon is the first marathon recognized by AIMS (Association of International Marathons and Distance Races").

In 2015, races were held in the following categories:

- Wheelchair racing (in the distances: 42.195 km, 21.097 km, 10.548 km and 2.9 km)
- Marathon – 42.195 km
- Half marathon – 21.097 km
- Relay race (four-person teams, 10.54 km/runner)
- Public race – 2.9 km
- Children's race

Numbers and facts for the eight marathon for a good cause: Over 11,000 runners, over 15,000 spectators, 3,000 children, twelve street bands and musicians, twelve beverage stations, 500 volunteers from the NGOs, over 1,000 police officers and fire fighters. 15 NGOs received financial support from the runners.

Environmental / urban ecological initiatives

Environmental / urban ecological initiatives at the network banks

Central Europe (CE)



© Raiffeisen Banka Slovensko

Raiffeisen Banka Slovensko in Slovakia, another brand of Tatra banka, a.s., financially supported the creation of a flower garden in the front courtyard of the musical secondary school "Karol Pádivý" in Trenčín.



© Green Revolution

"I'Velo" ("I Love Cycling"), as the most important bike sharing project in Romania, has counted approximately one million users since 2010. The project is a cooperation of the "Green Revolution" and Raiffeisen Bank S.A. in Bucharest. This initiative is intended to enable the gradual integration of cycling into everyday city life. In 2015, a total of 160,000 people in seven cities used the yellow bicycles of the project on 225 days. "I'Velo" won the National Energy Globe at the Energy Globe Awards Gala in Austria in 2011 as well as the Romanian CSR Award in April 2016.



© Raiffeisen Bank Sh.a.

Raiffeisen Bank Sh.a. in Albania supported an initiative of the city of Tirana to renovate the main road as an entrance into the city. Specifically, it sponsored the construction of bicycle paths on both sides of the new road. With this measure, the Raiffeisen bank sought to encourage the city's inhabitants to use their bicycles for daily activities, thereby contributing to the social and economic development of the community.



© Fotolia

Raiffeisen Bank Kosovo J.S.C. awarded a monetary prize to the three start-up companies with the best ideas in the competition "FIQ – Green and Innovative 2015". The competition invited young entrepreneurs in Kosovo to accept the support of donors and philanthropists for initial assistance in implementing their business idea.



© McCann Srbija & RBBS

In their television broadcast about cash loans in 2015, Raiffeisen banka a.d. in Serbia featured the figures of two cute little sparrows who quickly won over the hearts of the audience. A media report published during the campaign detailing the dramatic decline of the sparrows triggered the project "Sparrow City". According to expert estimates, the changed lifestyle in the city as well as the lack of food are the main reasons for the vanishing of the sparrows, which are a hallmark of the city of Belgrade. Raiffeisen banka a.d. looked for a solution to this ecological problem. The project was

implemented in cooperation with the city of Belgrade and with the creative support of a marketing agency. In September 2015, in a time when the sparrows suffer most from hunger, two "sparrow cities" were founded in well-known nature parks in Belgrade: in "Mali Tašmajdan", a park in the center of the city, where many city residents and families with children spend their free time, as well as in "Banjica Forest", a conservation area with natural habitat and great ornithological diversity. The continuous monitoring of the "sparrow cities" has demonstrated the success of the project.

Sustainable entrepreneurship

Commitment to sustainable framework conditions by cooperating and lobbying

We maintain a culture of open dialog and focus on the future issues of a sustainable financial sector. In so doing, we are taking a stance against corruption and economic crime. The RZB Group would like to contribute to stabilizing the banking sector using its cooperative approach, its knowledge and its experience throughout Europe. It is also seeking active dialog with political and administrative representatives (see page 157).

For example: Vienna University of Economics and Business has built its own research institute for cooperations and cooperative societies (RiCC). The institute is a research and university teaching institute in the field of Austrian cooperative societies. It is also involved in national and international scientific debate relating to cooperative societies. As part of the RiCC, management staff and employees of the RZB Group actively support a teaching event which gives students an insight into the cooperative society sectors with their special characteristics and economic relevance. Our public image stands for the promotion of sustainable thinking and action. We are strengthening the drive for sustainable development in our own sphere of influence by lobbying and exercising influence where topics such as sustainability and safeguarding the future are concerned. The RZB Group gets involved through selected memberships and activities in organizations that promote sustainable business and the relevant framework conditions for this.

In addition, beyond our Group, we also specifically seek to exchange knowledge and experiences in order to implement innovative ideas in the field of sustainable design for the financial sector and sustainable development of our companies. A further component of our commitment is the cooperation with governmental and non-governmental organizations, for example in the form of public-private partnership models.

Sustainable entrepreneurship and sustainable innovations

To us, sustainable entrepreneurship means the awareness of responsibilities on one hand and support for sustainable innovations among our customers and in society on the other:

- We promote this awareness within the RZB Group and among our customers. We provide information and give advice on which opportunities companies can embrace in order to become economically successful and to make their contribution to protecting the environment and taking social responsibility.
- We promote companies and organizations that act in a sustainable manner. This comes in the form of cooperations and events, amongst other things.
- We are constantly developing financing options for sustainable companies and innovations.
- We encourage long-term success, competitiveness and innovativeness in companies, which in turn boosts the regional economy.

Excerpt from the list of memberships

| National | |
|---|--|
| Agenda Austria | www.agenda-austria.at |
| Akademikerhilfe | www.akademikerhilfe.at |
| BWG Österreichische Bankwissenschaftliche Gesellschaft | www.bwg.at |
| FOG Forschungsverein für Genossenschaftswesen | genos.univie.ac.at |
| Gesellschaft der Freunde der Österreichischen Nationalbibliothek | www.onb.ac.at |
| Kuratorium Sicheres Österreich | https://kuratorium-sicheres-oesterreich.at |
| Kuratorium zur Förderung der Wirtschaftsuniversität Wien | www.wu.ac.at/research/support/sponsors/board |
| Ökosoziales Forum Österreich | www.oekosozial.at |
| Österreichische Gesellschaft der Denkmalfreunde | denkmalfreunde.com |
| Österreichische Liga für Menschenrechte | www.liga.or.at |
| Pro Scientia | www.proscientia.at |
| RespACT | www.respect.at |
| RiCC Forschungsinstitut für Kooperationen und Genossenschaften | www.wu.ac.at/ricc |
| Raiffeisen Klimaschutz-Initiative | www.raiffeisen-klimaschutz.at |
| Verein zur Förderung der Österreichischen Universitätenkonferenz (uniko) | www.uniko.ac.at |
| International | |
| ACFE Association of Certified Fraud Examiners | www.acfe-austria.at |
| CDP Carbon Disclosure Project | www.cdp.net |
| CIRA Circle Investor Relations Austria | www.cira.at |
| ECLF Executive Corporate Learning Forum | www.eclf.org |
| EBA European Banking Association | www.abe-eba.eu |
| EACB European Association of Co-operative Banks | www.eacb.coop |
| IPFA International Payments Framework Association | www.ipf-a.org |
| IRU Internationale Raiffeisen-Union | www.iru.de |
| Transparency International | www.ti-austria.at |
| UNEP FI United Nations Environment Programme Finance Initiative | www.unepfi.org |
| UNGC United Nations Global Compact | www.unglobalcompact.at |
| Unico Banking Group | www.unicobankinggroup.eu |
| VfU Verein für Umweltmanagement und Nachhaltigkeit in Finanzinstituten e.V. | www.vfu.de |
| International – Network banks | |
| Aspen Institute Romania (Romania) | http://www.aspeninstitute.ro |
| Bulgarian Business Leaders Forum (Bulgaria) | www.bblf.bg |
| Bulgarian Donors Forum (Bulgaria) | www.dfbulgaria.org |
| Business for Society (Czech Republic) | http://www.byznysprospolecnost.cz |
| Business Leaders Forum (Slovakia) | www.blf.sk |
| Coalition for Transparent Business (Czech Republic) | http://www.transparentnipodnikani.cz |
| Renewable Energy Association (Belarus) | www.energy-aven.org |
| Romanian Business Leaders (Romania) | http://rbls.ro |

You can find the overview of other memberships on our website: www.rzb.at or www.rbinternational.com.

Raiffeisen Klimaschutz-Initiative

The former Raiffeisen Chairman Christian Konrad initiated the “Raiffeisen Klimaschutz-Initiative” (Raiffeisen Climate Protection Initiative, RKI) back in 2007. The RKI advises and supports its current 24 member organizations (including RZB AG and RBI AG) when it comes to developing, implementing and communicating climate-related measures. It is dedicated specifically to the fields of action of “sustainable financial products”, “sustainable management” and “communications”. Selected projects are also being promoted that combine knowledge and experience and focus on raising greater awareness. The RKI supports responsible economic activity and a sustainable economic and social model.

The aim is ultimately to significantly enhance public awareness about sustainability, climate protection, energy efficiency, renewable resources and corporate responsibility. It is only possible to successfully combat climate change if everybody helps out. The RKI does not just pursue external measures and enter into cooperations. Its members have also set ambitious goals for the coming years. Examples of measures and projects implemented in 2015 are as follows:

“Raiffeisen Sustainability Award”



© aws, Voglhuber (VOGUS)

Since the RKI was founded, the Austrian “Jugend Innovativ” (Innovative Youth) competition has been actively supported. Apprentices and students between the ages of 15 and 20 can submit their ideas each year. The special category “Raiffeisen Sustainability Award” is sponsored by the RKI. The RKI aims to strengthen young people’s awareness of sustainability as early as possible. Young people should be encouraged not only to talk about sustainability but also to do something about it. The award is given out by representatives of the Federal Ministry for Science, Research and Industry and the Federal Ministry for Education and Women’s Affairs at the end of the school year. The Raiffeisen Sustainability Award is presented by the RKI. The winner in 2015 was the project “I CHARGE U” by grade school students Florian Lederer and Paul Stichaller (HTL Mössingerstraße in Carinthia).

RKI Networking Event



@wdw

The annual RKI Networking Event has been held since 2012 and has made an important contribution towards raising awareness about climate protection. This event gives RKI members the chance to exchange ideas, create stronger links, enhance their cooperation and gain new impetus from external speakers – e.g. on issues such as resource efficiency, social justice, sustainability reporting and climate change. The event was held in the year 2015 under the motto “Thinking about the future – Will our children have it better than us?”. At the podium, Wolfgang Lutz (demographer and recipient of the Wittgenstein Award) and Franz Fischler (Chairman of RKI) held a discussion under the moderation of Edith Unger (Editor-in-Chief, Raiffeisenzeitung).

Cooperation with the “Genuss-Festival” (Good Food Festival) 2015



© Christian Jobst

The “Raiffeisen Klimaschutz-Initiative” (Raiffeisen Climate Protection Initiative, RKI) awarded the “RKI-Kulinarik-Preis” (RKI Culinary Award) at the “Genuss-Festival” (Good Food Festival) 2015 for the first time. The requirement for participation in the award was a specific relationship between the product or business of the participating exhibitor and the issues of sustainability or climate protection. The opportunity was used extensively to submit diverse projects by the end of March 2015 that were then evaluated by an expert jury. The three winning Austrian companies demonstrated great commitment to sustainability as well as exceptional creativity. The awards went to “Biohof Rohrauer” (Rohrauer Organic Farm), the “Verein zur Erhaltung der Traditionellen Europäischen Heilkunde” (Association for Preservation of Traditional European Healing Arts) and “Gut Bergmühle” (Bergmühle Manor).

Cooperation with “Daphne Umwelttechnologiepreis 2015” (Daphne Environment Technology Award)



© Pepo Schuster

The Austrian “Daphne Umwelttechnologiepreis 2015” (Daphne Environment Technology Award) has been supported by the service magazine “Umweltschutz” since 1985 and is given out by the cooperation partner WKO (Austrian Economic Chambers). It is one of the most prestigious environmental technology awards in Austria and just celebrated its 30-year anniversary. RKI presented this renowned award, which recognizes outstanding environmentally friendly projects, for the second time in 2015. The winner in the special RKI category was Saubermacher founder Hans Roth. He was unanimously selected in a two-stage process by the 20-person expert jury for his life’s work.

Cooperation with the student platform “oikos Vienna”



RKI © Barth, oikos Vienna

The cooperation with the student organization “oikos Vienna” continued for the third time during the summer semester of 2015. A joint event with the focus on “Sustainable Finance Day” was held on April 20 at the Vienna University of Economics and Business Administration. The speakers were Tanja Daumann (RZB AG), Karin Kunrath (Valida) and Wolfgang Pinner (R-KAG). The goal was to give the students insights into the challenges of a sustainable finance industry. After listening to the speakers, the students participated in workshops in which they worked on solving three assigned tasks. The results were then presented to all attendees.

Cooperation with “ANRICA”



© Mike Ranz

As one of the first Asian countries to sign the United Nations Framework Convention on Climate Change, the government of Singapore has set ambitious goals for greenhouse gas monitoring. By 2020, an extensive system should be developed for the land use sector that corresponds to the requirements of the Intergovernmental Panel on Climate Change (IPCC). ANRICA, the “Bundesforschungszentrum für Wald” (Austrian Research Centre for Forests), Joanneum Research and the “Umweltbundesamt” (Environment Agency Austria), together with the National Park Service of Singapore should develop and put into operation a system for measuring

greenhouse gas emissions and uptake in the landscapes of Singapore within five years. The establishment and monitoring of a sampling point network is a very important component of this system. The initial surveying of the sampling points was begun in January 2015 and completed in August 2015. The "Bundeskammer der Architekten und Ingenieurkonsulenten" (BAIK, Austrian Chamber of Architects and Engineering Consultants) and the "Raiffeisen Klimaschutz-Initiative" (Raiffeisen Climate Protection Initiative, RKI) covered the costs for four BOKU forestry students to participate in the initial survey of the sampling points (field recordings) in Singapore.

Implementation of the Sustainability Weeks



© wdw

The Sustainability Weeks were held in the Raiffeisen employee restaurant in Vienna for the seventh time from in June 2015. The focus lay here on regional, vegetarian and – for the first time – vegan food. A competition on the topic of "regional food" was organized for employees. Three vouchers were raffled off at the event for a vegetarian restaurant in Vienna. The campaign will also be implemented in 2016 due to the outstanding feedback and the high level of involvement of the guests.

Vehicle fleet assessment

RKI members have assessed their own vehicle fleet every year in cooperation with Raiffeisen-Leasing GmbH. This gives the participating organizations an overview of their vehicle fleet's average CO₂ emissions as well as an appropriate benchmark. CO₂ emissions have been continuously lowered in recent years amount on average to 151 g CO₂/km.

Future outlook and Sustainability Program

Corporate citizenship initiatives

The RZB Group will also continue to make contributions to improving the living conditions of as many people as possible by supporting projects and initiatives. Our commitment is made in accordance with the Group values in the fields of (financial) education, culture and sport and social affairs. Projects in the framework of longstanding cooperations were continued, including at the network banks. The focus in the area of corporate volunteering for the coming year at the location of Vienna lies on the project "Haus Roshan", where the current extensive involvement of the employees should be maintained. In addition, another corporate volunteering program offering should be developed in the area of financial literacy. For example, Raiffeisen Bank Zrt. and its continuation of the Pénz7 project can be mentioned here (see page 136).

In general, the RZB Group will pay increased attention to observing the impacts of its projects in 2016. Additional monitoring details will be known by no later than the publication of the indicators for achievement of the Sustainable Development Goals (SDGS) of the United Nations.

Additional project examples: RZB AG will continue the international Raiffeisen youth competition with its quiz, drawing and painting competitions at the start of 2016. RZB AG will also be the sponsor of the exhibition "Pointillismus" (Pointillism) at the Albertina. The young ensemble of the Theater an der Wien will also be supported in its new production of "Carmen" by RZB AG in the Kammeroper in 2016. The "Choose to Help" donation campaign of Raiffeisenbank (Bulgaria) EAD will begin in autumn for the eighth time. Raiffeisen Bank Kosovo J.S.C. is planning a cooperation with ENCOMPASS, a center for psychological and social studies and services, within the framework of the ATOMI project. The goal is the identification of highly gifted students in the lower and upper secondary school grades, regardless of religion, ethics or race.

Raiffeisen Klimaschutz-Initiative

Cooperations in the form of long-standing partnerships, such as with "Jugend Innovativ" (Innovative Youth), will be established. It is also planned to continue our initiative in the area of financial education with "oikos Vienna".

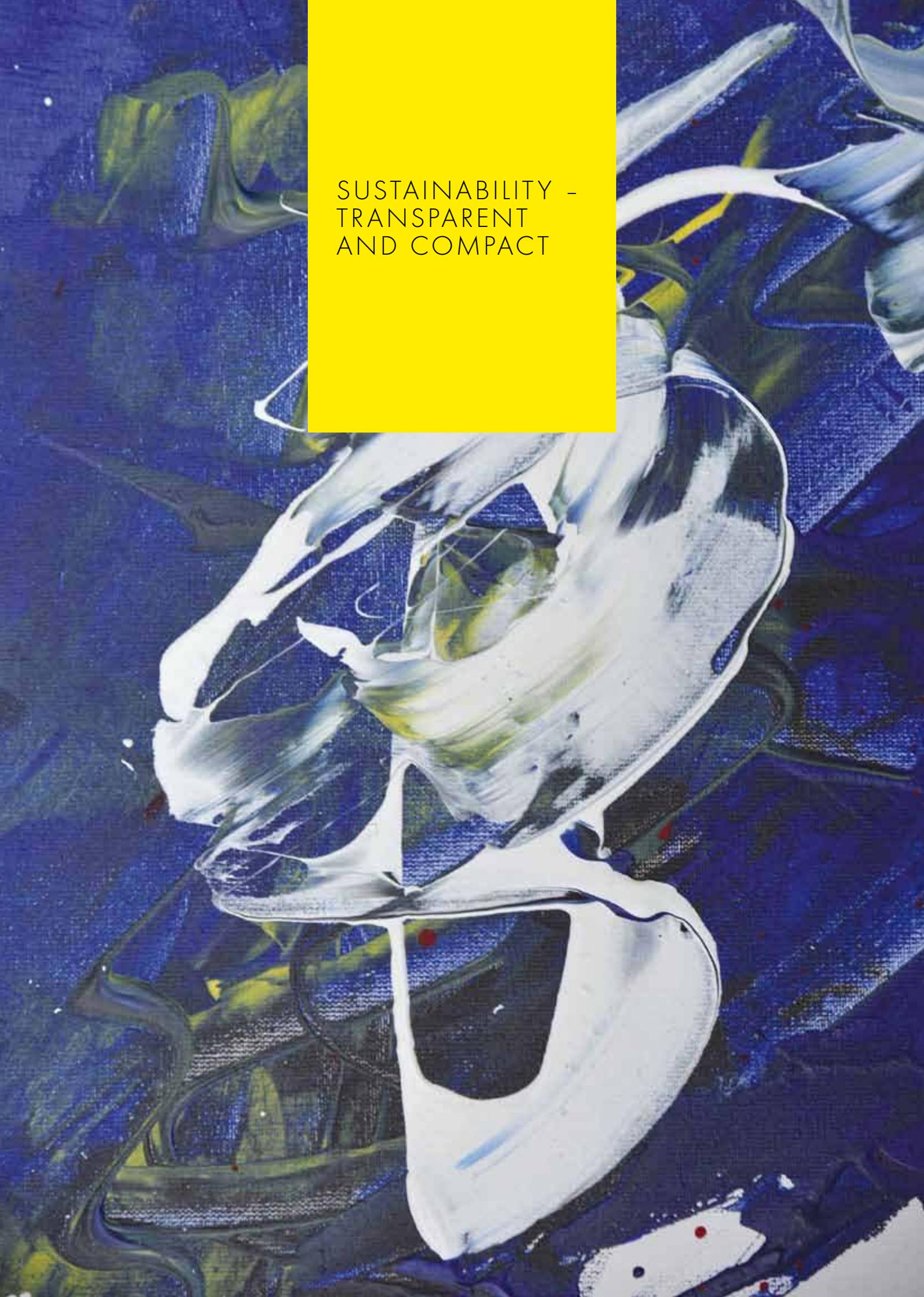
Examples of key projects for 2016 are listed below:

The "Sustainability Weeks" as well as the annual RKI Networking Event will be organized in the SV staff restaurants at the Raiffeisen institutions together with SV Group. The cooperation with the "Daphne Umwelt-technologiepreis" (Daphne environmental technology award) will also be continued. A vehicle fleet assessment will be conducted as in previous years and the personalized results will be sent to the members of the "Raiffeisen Klimaschutz-Initiative" (Raiffeisen Climate Protection Initiative, RKI).

Excerpt from the Sustainability Program

| Engaged citizen | | | | | |
|---|---|---|--|---|--|
| General objectives: Creating awareness for sustainability with a focus on climate protection and improving the financial expertise of the population with a focus on young people | | | | | |
| Strategy area | Objectives | Measures | Status | | |
| From the Sustainability Program 2016 | Engaged citizen (Active civil society and public interest) | Further development of the corporate volunteering program of RZB AG and RBI AG established at the end of 2015 | Obtaining the involvement of additional employees in one of the three pillars of the corporate volunteering program (migration/integration in Austria, H. Stepic CEE Charity, financial education) as well as offering additional projects | Ongoing | |
| | Engaged citizen (Active civil society and public interest) | H. Stepic CEE Charity: The focus lies on commitment to women especially in Bosnia and Herzegovina, Moldova, Croatia and Hungary | Strengthening the self-sufficiency of women, including with accompanying education measures | Ongoing | |
| | Engaged citizen (Active civil society and public interest) | Developing the collaboration with NGOs and scientific organizations | Hosting of the annual ICEP event in the third quarter, cooperation event with PILGRIM in the second quarter | In preparation | |
| | Engaged citizen | Generating awareness for sustainable nutrition for employees through Sustainability Weeks in the staff restaurants | The focus of the Sustainability Weeks is on regional, organic and vegan products, and this project will be implemented as part of the membership of the "Raiffeisen Klimaschutz-Initiative" | Implementation in the first half of 2016 | |
| | Engaged citizen | Promoting creative and innovative ideas from young people for sustainability through the support of the student competition "Jugend Innovativ" (Innovative Youth) | Sponsoring our own category ("Sustainability") as part of the Austrian student idea competition "Jugend Innovativ" (Innovative Youth) as well as being part of the jury (as part of the membership in the "Raiffeisen Klimaschutz-Initiative") | Implementation in the first half of 2016 | |
| | Engaged citizen | Cooperation with the student platform "oikos Vienna" | In winter semester 2016, the cooperation with the student organization "oikos Vienna" should be continued for the fifth time on the topic of "sustainable financing" | Implementation in the second half of 2016 | |
| | Engaged citizen | Support for the four topics of the eco-energy blog: Energy production & efficiency, mobility, environment & economics and sustainability | Articles should be composed regularly by both internal and external authors | Ongoing | |
| | From the Sustainability Program 2015 | Engaged citizen (Active civil society and public interest) | Enhancing the financial expertise of young people through measures in the area of "financial literacy" | Supporting the development of a training method for improving financial expertise (Cooperation with "Three Coins") | Final report received end of 2015 |
| | | Engaged citizen (Active civil society and public interest) | H. Stepic CEE Charity: Providing emergency aid for Ukraine | Establishing a portfolio for emergency aid projects due to the ongoing political conflict | Implemented throughout the entire year |
| | | Engaged citizen | Generating awareness of sustainable nutrition among employees through the Sustainability Weeks in the staff restaurants | The focus of the Sustainability Weeks is on regional, organic and vegan products, and this project will be implemented as part of the membership of the "Raiffeisen Klimaschutz-Initiative" | Implemented in the first half of 2015 |
| Engaged citizen | | Developing the collaboration with NGOs and scientific organizations | Hosting an ICEP event in the third quarter, holding of the cooperation event with PILGRIM | Implemented according to plan | |
| Engaged citizen | | Promoting creative and innovative ideas from young people for sustainability through the support of the student competition "Jugend Innovativ" (Innovative Youth) | Sponsoring our own category ("Sustainability") as part of the Austrian student idea competition "Jugend Innovativ" (Innovative Youth) as well as being part of the jury (as part of the membership in the "Raiffeisen Klimaschutz-Initiative") | Implemented in the first half of 2015 | |

| | | | | |
|--------------------------------------|--|---|--|---------------------------------------|
| From the Sustainability Program 2014 | Engaged citizen (Active civil society and public interest) | Establishing the H. Stepic CEE Charity as a group-wide corporate volunteering project | Increased integration of the charity in the entire group by RBI AG management board members taking over personal patronage of projects. | Implemented in 2014 and ongoing |
| | Engaged citizen | Developing the collaboration with NGOs and scientific organizations | Hosting of an ICEP event. | Implemented in the first half of 2014 |
| | Engaged citizen | Generating awareness for sustainable nutrition for employees through Sustainability Weeks in the staff restaurants | The focus of Sustainability Weeks lies on regional, organic and vegan products, and this project will be implemented as part of the membership in the "Raiffeisen Klimaschutz-Initiative". | Implemented in the first half of 2014 |

An abstract painting with a dark blue background and white, yellow, and green brushstrokes. A bright yellow rectangular box is positioned in the upper left quadrant, containing the text 'SUSTAINABILITY - TRANSPARENT AND COMPACT'. The painting features thick, expressive brushwork, with some areas showing a fine grid pattern, possibly from a stencil or a specific painting technique. The overall composition is dynamic and layered.

SUSTAINABILITY -
TRANSPARENT
AND COMPACT

G4 Content Index

| I. General Standard specifications | | | |
|---|---|--|---|
| GRI-Code | Description | Reference | Explanation |
| Strategy and Analysis | | | |
| G4-1 | Statement from the most senior decision-maker of the organization | 4, 5 | |
| G4-2 | Description of key impacts, risks, and opportunities | 4, 5, 12, 15-17, 47-50, 54-56, 76, 77, 83, 127-129, 131, 161-163 AR (G) RZB Group: 4, 7, 46, 47, 121-149 AR (E) RZB Group: 26, 27, 93-120 AR RBI Group: 6-8, 32-36, 144-174 | |
| Organizational Profile | | | |
| G4-3 | Name of the organization | Imprint | |
| G4-4 | Primary brands, products, and/or services | 10, 11, 53 AR (G) RZB Group: 10-20 AR RBI Group: 12-15, 85, 86 | |
| G4-5 | Location of organization's headquarters | Imprint | |
| G4-6 | Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report | AR (G) RZB Group: 20 AR RBI Group: 12, 232, 233 | |
| G4-7 | Nature of ownership and legal form | 10 AR (G) RZB Group: 8, 9, 11, 162-164 AR (E) RZB Group: 133-135 AR RBI Group: 15-17, 50-52 | |
| G4-8 | Markets served (including geographic breakdown) | AR (G) RZB Group: 18-20, 24-41, AR (E) RZB Group: 4-21, 99-104, 110, 114-116, 123, 137-160 127-132, 138, 142-145, 151, 178-189 AR RBI Group: 12-14, 58-75 | |
| G4-9 | Scale of the reporting organization | 85 AR (G) RZB Group: 2, 9, 10, 29-40, 44, 159 AR (E) RZB Group: 9-20, 24, 130 AR RBI Group: 3, 12-14, 35-49, 78-104 | |
| G4-10 | Number of employees by gender, employment type and contract | 106, 107, Homepage RZB, Homepage RBI | |
| G4-11 | Percentage of employees covered by collective bargaining agreements | 92 | |
| G4-12 | Organization's supply chain | 111 | |
| G4-13 | Significant changes during the reporting period regarding size, structure, or ownership | AR (G) RZB Group: 4, 7, 38-40, 60 AR (E) RZB Group: 18, 19, 33 AR RBI Group: 6-11, 15, 16, 35, 36, 46 | RBI AG, the most important participation of RZB AG, amended its strategy at the beginning of 2015 with the "Ambition 2020" program - a range of measures intended to improve the risk profile, strengthen capitalization and ensure sustainable profitability. The relocation of specialized subsidiaries to the new site in Vienna's 19th district allowed for them to be bundled in 2015. As a result, participating companies are able to collaborate more intensively and consistently increase identified synergies. |
| G4-14 | Explanation of whether and how the precautionary approach or principle is addressed | 47, 54-56, 68, 69, 108, 109, 131 CoC | |
| G4-15 | Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses | 12, 18, 57, 60, 63-67, 69-71, 95, 96, 112, 157 | |
| G4-16 | Memberships in associations and/or national/international advocacy organizations in which the organization has positions in governance bodies, participates in projects or committees, provides substantive funding beyond routine membership dues or views membership as strategic | 12, 18, 51, 69, 155 | Only relates to organizations relevant for sustainability. |
| Identified Material Aspects and Boundaries | | | |
| G4-17 | All entities included in the organization's consolidated financial statements or equivalent documents | 8 AR (G) RZB Group: 48, 63, 166-191 AR (E) RZB Group: 36, 137-160 AR RBI Group: 188-203 | |
| G4-18 | Process for defining the report content | 7, 8, 19-29 | |
| G4-19 | Material aspects identified in the process for defining report content | 29 | |
| G4-20 | Aspect Boundary within the organization | 29 | |
| G4-21 | Aspect Boundary outside the organization | 29 | |
| G4-22 | Explanation of the effect of any restatements of information provided in earlier reports, and reasons for such restatements | 7-9 | |
| G4-23 | Significant changes from previous reporting periods in the Scope and Aspect Boundaries | 8, 9 | |
| Stakeholder Engagement | | | |
| G4-24 | List of stakeholder groups engaged by the organization | 30 | |
| G4-25 | Basis for identification and selection of stakeholders with whom to engage | 30 | |
| G4-26 | Organization's approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group, and an indication of whether any of the engagement was undertaken specifically as part of the report preparation process | 30-32 | |
| G4-27 | Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting | 32, 33, 77, 128, 129, 162, 163 | |
| Report Profile | | | |
| G4-28 | Reporting period for information provided | 7 | |
| G4-29 | Date of most recent previous report (if any) | 7 | |
| G4-30 | Reporting cycle | 7 | |
| G4-31 | Contact point for questions regarding the report or its contents | 7 | |
| G4-32 | GRI Content Index | 166-170 | |
| G4-33 | Policy and current practice with regard to seeking external assurance for the report | 7 | |

| GRI-Code | Description | Reference | Explanation |
|-----------------------------|---|--|---|
| Governance | | | |
| G4-34 | Governance structure of the organization, including committees of the highest governance body | 18, 48, 57 AR (G) RZB Group: 6, 162-164 AR (E) RZB Group: 133-135 AR RBI Group: 9, 18-28, 186-187 | |
| G4-35 | Process for delegating authority | 18 | |
| G4-36 | Responsibility of executive-level positions | 18 | |
| G4-37 | Consultation between stakeholders and the highest governance body | 18, 30, 31 | |
| G4-38 | Composition of the highest governance body | AR (G) RZB Group: 164 AR (E) RZB Group: 135 AR RBI Group: 187 | |
| G4-39 | Independence of highest governance body | AR (G) RZB Group: 162-164 AR (E) RZB Group: 133-135 AR RBI Group: 20, 21 | |
| G4-40 | Selection processes and for the highest governance body and its committees, and the criteria used for nominating and selecting highest governance body members | AR (G) RZB Group: 162, 163 AR (E) RZB Group: 133, 134 AR RBI Group: 21-23 Regulatory Disclosure Report RZB AG: 12, 13 Regulatory Disclosure Report RBI AG: 12, 13 | |
| G4-41 | Processes for the highest governance body to ensure conflicts of interest are avoided and managed | AR (G) RZB Group: 162, 163 AR (E) RZB Group: 133, 134 AR RBI Group: 18, 20, 21, 27 | |
| G4-42 | Highest governance body's and senior executives' roles in development, approval and updating of the value or mission statements, strategies, policies and goals related to economic, environmental and social impacts | 18, 19 AR (G) RZB Group: 162, 163 AR (E) RZB Group: 133, 134 AR RBI Group: 21-23 | |
| G4-43 | Measures taken to develop and enhance the highest governance body's collective knowledge | 18 | |
| G4-44 | Processes for evaluation of the highest governance body's performance with respect to governance of economics, environmental and social topics | | The assessment of the highest governance body's performance is not the responsibility of the reporting organization according to the Austrian Stock Corporation Act. |
| G4-45 | Highest governance body's role in the identification and management of economic, environmental and social impacts, risks and opportunities | 18, 19, 31 AR (G) RZB Group: 121-148, 162, 163 AR (E) RZB Group: 93-120, 133, 134 AR RBI Group: 21-23 Regulatory Disclosure Report RZB AG Regulatory Disclosure Report RBI AG | |
| G4-46 | Highest governance body's role in the reviewing the effectiveness of the organization's risk management processes for economic, environmental and social topics | AR (G) RZB Group: 121-148, 162, 163 AR (E) RZB Group: 93-120, 133, 134 AR RBI Group: 21-23 | |
| G4-47 | Frequency of the highest governance bodies review of economic, environmental and social impacts, risks and opportunities | AR (G) RZB Group: 121-149, 162, 163 AR (E) RZB Group: 93-20, 133, 134 AR RBI Group: 21-23 | |
| G4-48 | Highest committee or position that formally reviews and approves the organization's sustainability report and ensures that all material aspects are covered | | The sustainability report is approved by the Managing Board members of RZB AG and the Managing Board members of RBI AG. Fundamental points are discussed by the Sustainability Council. |
| G4-49 | Process for communicating critical concerns to the highest governance body | 18 AR (G) RZB Group: 162, 163 AR (E) RZB Group: 133, 134 AR RBI Group: 22, 23 | |
| G4-50 | The nature and total number of critical concerns that were communicated to the highest governance body and the mechanism(s) used to address and resolve them | | Is treated in a confidential manner. |
| G4-51 | Performance criteria in the remuneration policy related to the highest governance body's and senior executives' economic, environmental and social objectives | AR (G) RZB Group: 161, 162 AR (E) RZB Group: 132, 133 AR RBI Group: 23-25 Regulatory Disclosure Report RZB AG: 47-49 Regulatory Disclosure Report RBI AG: 46-48 | |
| G4-52 | Processes for determining remuneration | AR (G) RZB Group: 162 AR (E) RZB Group: 133 AR RBI Group: 22, 24, 25, 53, 185, 186 Regulatory Disclosure Report RZB AG: 47-49 Regulatory Disclosure Report RBI AG: 46-48 | |
| G4-53 | Considerations of stakeholders' views regarding remuneration, including the results of votes on remuneration policies and proposals | AR RBI Group: 23 | |
| G4-54 | Ratio of the annual total compensation for the organization's highest-paid individual in each country of significant operations to the median annual total compensation for all employees in the same country | | Is treated in a confidential manner. |
| G4-55 | Ratio of percentage increase in annual total compensation for the organization's highest-paid individual in each country of significant operations to the median percentage increase in annual total compensation for all employees in the same country | | Is treated in a confidential manner. |
| Ethics and Integrity | | | |
| G4-56 | Description the organization's values, principles, standards and norms of behavior | 11, 12, 15-17, 48-50, 54-56, 60, 83, 93, 109 Homepage RZB, Homepage RBI | |
| G4-57 | Internal and external mechanisms for seeking advice on ethical and lawful behavior, and matters related to organizational integrity, such as helplines or advice lines | 48-50, 93 | |
| G4-58 | Internal and external mechanisms for reporting concerns about unethical or unlawful behavior, and matters related to organizational integrity within and outside of the organization | 48-50, 91, 93 | |

II. Specific Standard Disclosures

| GRI-Code | Description | RZB AG | RBI AG | NWB* | Spec. Subs.** | Reference | Explanation |
|----------------------------------|---|--------|--------|------|---------------|---|--|
| DMA | Disclosure on management approach of material aspects | | | | | | 4, 5, 15-17 |
| Economic Performance | | | | | | | |
| DMA | Aspect-specific management approach | | | | | 47-50, 83 | |
| EC1 | Direct economic value generated and distributed | ■ | ■ | ■ | ■ | 52, 53, 132 | |
| EC2 | Financial implications and risks and opportunities to climate change | ■ | ■ | ■ | ■ | 54-58, 109, 127 | |
| EC3 | Coverage of the organization's defined benefit plan obligations | ■ | ■ | ■ | ■ | 86 | There are no Group-wide regulations for the organization's defined benefit plan obligations. Only individual regulations apply (depending on social circumstances and legal framework conditions in the host countries). |
| Indirect Economic Impacts | | | | | | | |
| DMA | Aspect-specific management approach | | | | | 47, 54-58, 76 | |
| EC7 | Development and impact of infrastructure investments and services provided primarily for public benefit | ■ | ■ | ■ | ■ | 61-65, 132-155 | |
| EC8 | Significant indirect economic impacts, including the extent of impacts | ■ | ■ | ■ | ■ | 61-74 | |
| DMA | Management approach of the category environmental | | | | | 108-111, 128, 129 | |
| Materials | | | | | | | |
| DMA | Managementansatz aspektspezifisch | | | | | 123, Homepage RZB, Homepage RBI | |
| EN1 | Materials used by weight or volume | ■ | ■ | ■ | ■ | 126, Homepage RZB, Homepage RBI | |
| EN2 | Percentage of materials used that are recycled input materials | ■ | ■ | ■ | ■ | 126, Homepage RZB, Homepage RBI | |
| Energy | | | | | | | |
| DMA | Aspect-specific management approach | | | | | 116-120, Homepage RZB, Homepage RBI | |
| EN3 | Energy consumption within the organisation | ■ | ■ | ■ | ■ | 116-123, 126, Homepage RZB, Homepage RBI | |
| EN5 | Energy intensity | ■ | ■ | ■ | ■ | 116, 126, Homepage RZB, Homepage RBI | |
| Water | | | | | | | |
| DMA | Aspect-specific management approach | | | | | 123, 124, Homepage RZB, Homepage RBI | |
| EN8 | Total water withdrawal by source | ■ | ■ | ■ | ■ | 126, Homepage RZB, Homepage RBI | |
| Emissions | | | | | | | |
| DMA | Aspect-specific management approach | | | | | 124, 125, Homepage RZB, Homepage RBI | |
| EN15 | Direct greenhouse gas emissions (scope 1) | ■ | ■ | ■ | ■ | 124-126, Homepage RZB, Homepage RBI | |
| EN16 | Energy indirect greenhouse gas emissions (scope 2) | ■ | ■ | ■ | ■ | 124-126, Homepage RZB, Homepage RBI | |
| EN17 | Other indirect greenhouse gas emissions | ■ | ■ | ■ | ■ | 124-126, Homepage RZB, Homepage RBI | |
| EN18 | Greenhouse gas emissions intensity | ■ | ■ | ■ | ■ | 124-126, Homepage RZB, Homepage RBI | |
| EN19 | Initiatives to reduce greenhouse gas emissions | ■ | ■ | ■ | ■ | 110, 126, Homepage RZB, Homepage RBI | |
| Effluents and Waste | | | | | | | |
| DMA | Aspect-specific management approach | | | | | 123, Homepage RZB, Homepage RBI | |
| EN23 | Total weight of waste by type and disposal method | ■ | ■ | ■ | ■ | 126, Homepage RZB, Homepage RBI | |
| Products and Services | | | | | | | |
| DMA | Aspect-specific management approach | | | | | 47-49, 54-58, 75 | |
| EN27 | Extent of impact mitigation of environmental impacts of products and services | ■ | ■ | ■ | ■ | 62-72, 75 | |
| Transport | | | | | | | |
| DMA | Aspect-specific management approach | | | | | 120-122, Homepage RZB, Homepage RBI | |
| EN30 | Significant environmental impacts of transporting products and other goods and materials and transporting members | ■ | ■ | ■ | ■ | 120, 124, 126, Homepage RZB, Homepage RBI | |

* Network banks: includes the 14 subsidiaries of RBI AG in CEE (without Raiffeisen Banka d.d. in Slovenia)

** Specialized subsidiaries: includes the figures for Raiffeisen Bausparkasse Gesellschaft m.b.H., Raiffeisen Kapitalanlage-Gesellschaft m.b.H. and Raiffeisen-Leasing GmbH and Valida Vorsorge Management

| GRI-Code | Description | RZB AG | RBI AG | NWB* | Spec. Subs.** | Reference | Explanation |
|---|---|--------|--------|------|---------------|--------------------------------------|--|
| Labor Practices and Decent Work | | | | | | | |
| Employment | | | | | | | |
| DMA | Aspect-specific management approach | | | | | 83, 90, 91 | |
| LA1 | Employee turnover by age group, gender and region | ■ | ■ | ■ | ■ | 106, Homepage RZB, Homepage RBI | |
| Occupational Health and Safety | | | | | | | |
| DMA | Aspect-specific management approach | | | | | 99-102 | |
| LA6 | Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities | ■ | ■ | ■ | ■ | 99 | |
| Training and Education | | | | | | | |
| DMA | Aspect-specific management approach | | | | | 87-91 | |
| LA9 | Average hours of training per year per employee by employee category | ■ | ■ | ■ | ■ | 106, 107, Homepage RZB, Homepage RBI | |
| LA11 | Percentage of employees receiving regular performance and career development reviews | ■ | ■ | ■ | ■ | 106, 107, Homepage RZB, Homepage RBI | |
| Diversity and Equal Opportunity | | | | | | | |
| DMA | Aspect-specific management approach | | | | | 93-99 | |
| LA12 | Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity | ■ | ■ | ■ | ■ | 106, 107, Homepage RZB, Homepage RBI | |
| Equal Remuneration for Women and Men | | | | | | | |
| DMA | Aspect-specific management approach | | | | | 93 | |
| LA13 | Ratio of basic salary of men to women by employee category | ■ | ■ | ■ | ■ | 93 AR RBI Group: 23 et seq. | There is no presentation of salaries differentiated by employee category and gender due to the complex job structures. To attempt to do so would not ensure sufficient comparability and therefore present a misleading picture of salaries. |
| Human Rights | | | | | | | |
| Investment | | | | | | | |
| DMA | Aspect-specific management approach | | | | | 49, 55, 57, 66-68 | |
| HR1 | Human rights aspects regarding investments | ■ | ■ | ■ | ■ | 49, 55, 57, 66-68 | Human rights aspects are regulated in our Code of Conduct; we are also a signatory of the UN Global Compact. |
| HR2 | Total hours of employee training on human rights and percentage of employees trained | ■ | ■ | ■ | ■ | | As part of the mandatory training courses on "Sanctions and sensitive business areas" nine trainings were held in 2015, at which 66 per cent of account managers and product managers were trained. |
| Non-Discrimination | | | | | | | |
| DMA | Aspect-specific management approach | | | | | 93 | |
| HR3 | Total number of incidents of discrimination and corrective actions taken | ■ | ■ | ■ | ■ | | No instances of discrimination were reported to the whistleblowing hotline in the financial year 2015. |
| Freedom of Association and Collective Bargaining | | | | | | | |
| DMA | Aspect-specific management approach | | | | | 91, 92 | |
| HR4 | Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights | ■ | ■ | ■ | ■ | | In Austria and countries where this is prescribed by law, the Staff Councils represent employees in all issues relating to employment and service law. All legal framework conditions are strictly observed in all countries. |

Social

* Network banks: includes the 14 subsidiaries of RBI AG in CEE (without Raiffeisen Banka d.d. in Slovenia)

** Specialized subsidiaries: includes the figures for Raiffeisen Bausparkasse Gesellschaft m.b.H., Raiffeisen Kapitalanlage-Gesellschaft m.b.H. and Raiffeisen-Leasing GmbH and Valida Vorsorge Management

| GRI-Code | Description | RZB AG | RBI AG | NWB* | Spec. Subs.** | Reference | Explanation |
|-------------------------------------|---|--------|--------|------|---------------|-------------------|---|
| Society | | | | | | | |
| Local Communities | | | | | | | |
| DMA | Aspect-specific management approach | | | | | 72-74 | |
| FS14 | Initiatives to improve access to financial services for disadvantaged people | ■ | ■ | ■ | □ | 73, 74 | The FS14 is for the most part not relevant for the specialized subsidiaries. |
| Anti-corruption | | | | | | | |
| DMA | Aspect-specific management approach | | | | | 48-50, 83 | |
| SO3 | Percentage and total number of business units analyzed for risks related to corruption | ■ | ■ | ■ | ■ | | Corruption risks are assessed during the annual fraud risk analysis (incl. fraud, breach of trust, corruption). The entire RZB Group (with the exception of Valida Vorsorge Management) was included. |
| SO4 | Percentage of employees trained in organization's anti-corruption policies and procedures | ■ | ■ | ■ | ■ | 49, 50 | |
| SO5 | Actions taken in response to incidents of corruption | ■ | ■ | ■ | ■ | | As part of the annual compliance testing in the period under review, there were no significant cases of non-compliance with global instructions on combating corruption. |
| Public Policy | | | | | | | |
| DMA | Aspect-specific management approach | | | | | 49, 51 | |
| SO6 | Total value of political contributions by country and recipient/beneficiary | ■ | ■ | ■ | ■ | 51 | |
| Anti-competitive Behavior | | | | | | | |
| DMA | Aspect-specific management approach | | | | | 60, 83 | |
| SO7 | Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes | ■ | ■ | ■ | ■ | 60 | |
| Compliance | | | | | | | |
| DMA | Aspect-specific management approach | | | | | 48, 49, 57, 83 | |
| SO8 | Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations | ■ | ■ | ■ | ■ | | In total five network banks have been fined. One case is currently still under appeal. For confidentiality reasons, the monetary value is not mentioned. |
| Product Responsibility | | | | | | | |
| Product and Service Labeling | | | | | | | |
| DMA | Aspect-specific management approach | | | | | 54-56, 58, 60, 83 | |
| DMA/FS15 | Policies for fair design and sale of financial products and services | | | | | | 58, 60 |
| DMA/FS16 | Initiatives to enhance financial literacy by type of beneficiary | | | | | 134-138 | |
| PR4 | Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information | ■ | ■ | ■ | ■ | 60 | |
| PR5 | Practices related to customer satisfaction, including results of surveys measuring customer satisfaction | □ | ■ | ■ | □ | 58, 59 | Of limited relevance for RZB AG (central institute function). |
| Marketing Communications | | | | | | | |
| DMA | Aspect-specific management approach | | | | | 60 | |
| PR6 | Sale of banned or distributed products | ■ | ■ | ■ | ■ | | No products of this kind were offered during the period under review. |
| Customer Privacy | | | | | | | |
| DMA | Aspect-specific management approach | | | | | 48, 49 | |
| PR8 | Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data | ■ | ■ | ■ | ■ | 55 | |

* Network banks: includes the 14 subsidiaries of RBI AG in CEE (without Raiffeisen Banka d.d. in Slovenia)

** Specialized subsidiaries: includes the figures for Raiffeisen Bausparkasse Gesellschaft m.b.H., Raiffeisen Kapitalanlage-Gesellschaft m.b.H. and Raiffeisen-Leasing GmbH and Valida Vorsorge Management

| GRI-Code | Description | RZB AG | RBI AG | NWB* | Spec. Subs.** | Reference | Explanation |
|--------------------------|--|--------|--------|------|---------------|-------------------------------|---|
| Product Portfolio | | | | | | | |
| DMA | Aspect-specific management approach | | | | | 47 | |
| DMA/FS1 | Policies with specific environmental and social components applied to core business | | | | | 47-50, 55-58, 75 | |
| DMA/FS2 | Procedures for assessing and screening environmental and social risks in business lines | | | | | 56-58, 66-68, 75 | |
| DMA/FS3 | Processes for monitoring clients' implementation of and compliance with environmental and social requirements included in agreements or transactions | | | | | 57, 58 | Monitoring of the agreed credit covenants is standard practice as part of the annual review of all risk-related transactions. |
| DMA/FS4 | Process(es) for improving staff competency to implement the environmental and social policies and procedures as applied to business lines | | | | | 34, 57, 77 | |
| DMA/FS5 | Interactions with clients, investees and business partners regarding environmental and social risks and opportunities | | | | | 30-33, 36, 57, 58, 67 | |
| FS6 | Percentage of the portfolio for business lines by specific region, size and by sector | ■ | ■ | ■ | ■ | AR (G) RZB Group: 127 et seq. | |
| FS7 | Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose | ■ | ■ | ■ | ■ | 61-65, 69 | |
| FS8 | Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose | ■ | ■ | ■ | ■ | 61-65, 69 | |
| Audit | | | | | | | |
| DMA/FS9 | Coverage and frequency of audits to assess implementation of environmental and social policies and risk assessment procedures | | | | | 50, 66, 71 | |
| Active Ownership | | | | | | | |
| DMA/FS12 | Voting policies applied to environmental or social issues for shares over which the reporting organization holds the right to vote shares or advises on voting | | | | | 67 | |
| FS11 | Percentage of assets subject to positive and negative environmental or social screening | ■ | ■ | ■ | ■ | 68, 69 | This indicator concerns only companies that operate in the field of asset management. |

Status/Indicator: RZB AG, RBI AG, NWB, Spec. subs.:

■ Reported in its entirety ■ Reported in part □ Not reported

| Key | | | |
|------------|--|-------------|--------------------------------------|
| AR | Annual report | HR | Human Rights |
| AR (E) | Extract of the Annual Report (in English language) | LA | Labor |
| AR (G) | Annual Report (in German language) | No. | Number |
| CoC | Code of Conduct | NWB | Network banks |
| DMA | Disclosures on Management Approach | PR | Product Responsibility |
| EC | Economic | RBI AG | Raiffeisen Bank International AG |
| EN | Environment | RZB AG | Raiffeisen Zentralbank Österreich AG |
| FS | Financial Sector | SO | Society |
| FSSS | Financial Services Sector Supplement | Spec. subs. | Specialized subsidiaries |
| GRI | Global Reporting Initiative | | |

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** Specialized subsidiaries: includes the figures for Raiffeisen Bausparkasse Gesellschaft m.b.H., Raiffeisen Kapitalanlage-Gesellschaft m.b.H. and Raiffeisen-Leasing GmbH and Valida Vorsorge Management

Assurance statement



Independent Assurance Report RZB Group Sustainability Report 2015

Introduction

We have been engaged to perform an independent limited assurance engagement on the information and key figures pertaining to the sustainability activities in the Sustainability Report 2015 of the RZB Group (hereinafter referred to as: "Report").

The material inspection of product-related or service-related information in the Report as well as the referencing of external documentation sources or expert opinions as well as statements related to the future were not the object of our assignment. The chapter "Environmental balance sheet of the RZB Group in Austria in 2014" was also not the object of our assignment.

Management's Responsibility for the Report

The legal representatives of the RZB Group are responsible for issuing the report in accordance with the reporting criteria. The RZB Group applies the principles and standards named as reporting criteria in the G4 Guidelines for Sustainability Reporting of the Global Reporting Initiative.

The responsibility of the legal representatives of the company comprises, on the one hand, the selection and application of reasonable methods for sustainability reporting as well as the making of assumptions and the conducting of estimations regarding individual sustainability issues that are reasonable under the given circumstances. On the other hand, the responsibility comprises the conception, implementation and maintenance of systems and processes that allow the conducting of sustainability reporting that is free of materially false information – whether intentional or unintentional.

Independence and Quality Assurance of the Auditing Company

During the conducting of this assignment, we have complied with the requirements for independence as well as the additional professional guidelines of the IESBA Code of Ethics for Professional Accountants based on the fundamental principles of integrity, objectivity, professional competence and reasonable care, confidentiality and conduct becoming of the profession.

The quality assurance system of KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft is based on the International Standard on Quality Control 1 "Quality Control for Audit, Assurance and Related Service Practices" (ISQC 1) published by the International Auditing and Assurance Standards Board (IAASB) as well as supplemental on the national legal regulations and professional agreements.

Responsibility of the Auditor

Our task is to provide an evaluation of the information and key figures within the object of our assignment on the basis of the activities we have conducted.

We generate this certification on the basis of the agreement concluded with the RZB Group. The limitation of our liability is specified in the "Allgemeine Auftragsbedingungen für Wirtschaftstreuhänder" (General Order Conditions for Auditors) (article 8, AAB 2011) of February 21, 2011, published by the Austrian Chamber of Auditors.

Type and Scope of the Audit

We conducted our work in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised): "Assurance Engagements other than Audits or Reviews of Historical Financial Information", published by the International Auditing and Assurance Standards Board (IAASB). Accordingly, it is our duty to plan and conduct the assignment in such a manner that it is possible through critical evaluation to rule out, with limited assurance, that the information named above fails to materially comply with the reporting criteria. In an audit aimed at limited assurance, the auditing actions conducted are less comprehensive in comparison to an audit aimed at reasonable assurance, meaning that a lesser degree of assurance is achieved. The selection of the audit actions is left to the judgment of the auditor in accordance with his or her obligations. This includes the assessment of the risks of materially false information in the report in consideration of the reporting criteria.

Over the course of our assignment, we conducted the following activities, amongst others:

- Questioning of employees at the Group level responsible for the materiality analysis in order to achieve an understanding of the procedure for identifying material sustainability topics and the corresponding reporting limits of the RZB Group.
- A risk estimation, including a media analysis, of relevant information about the sustainability activities of the RZB Group during the reporting period.
- Estimation of the conception and implementation of systems and processes for the determination, processing and checking of the information and key figures on sustainability activities included in the scope of the audit, including the consolidation of the data.
- Questioning of employees at the Group level who are responsible for the determination and consolidation as well as the implementation of the internal auditing with regard to the data.
- Evaluation of internal and external documents in order to determine whether qualitative and quantitative information has been provided with sufficient verification and whether it is presented in a relevant and balanced manner.
- Analytic assessment of the data and trends that were reported by all locations for consolidation at the Group level.
- Evaluation of the consistency of the GRI G4 "Core" option given by the RZB Group with the information and key figures in the report.
- Evaluation of the overall presentation of the information and key figures on sustainability activities in the report.

Results

Based on our limited assurance engagement, nothing has come to our attention that causes us to believe that the information and key figures continued in the scope of this engagement and published in the report for the fiscal year 2015 are in material respects not prepared in accordance with the Reporting Criteria.

Vienna, May 24, 2016

KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft



Peter Ertl

Austrian Chartered Accountant



iA Katharina Schönauer

Assistant Manager Climate Change & Sustainability

Abbreviations

| | |
|------------------------|--|
| AA | AccountAbility |
| AR | Annual Report |
| ASRA | Austrian Sustainability Reporting Award |
| AVAL | Raiffeisen Bank Aval JSC, Ukraine |
| B-1 | "Board minus 1" - direct management level (or first management level) under the Managing Board |
| B-2 | "Board minus 2" - second management level under the Managing Board |
| CDLI | Carbon Disclosure Leadership Index |
| CDP | Carbon Disclosure Project |
| CE | Central Europe |
| CEE | Central and Eastern Europe |
| CEO | Chief Executive Officer |
| CO₂e | CO ₂ equivalent |
| CoC | Code of Conduct |
| CPLI | Carbon Performance Leadership Index |
| CSR | Corporate Social Responsibility |
| DACH | Germany, Austria, Switzerland (Deutschland, Österreich, Schweiz) |
| DMA | Disclosures on Management Approach |
| EACB | European Association of Co-Operative Banks |
| EBR | European Works Council |
| EBRD | European Bank for Reconstruction and Development |
| EIB | European Investment Bank |
| EIF | European Investment Funds |
| EN | Environment |
| ERP | European Recovery Program |
| ESC | Energy Service Company |
| ESG | Environment Social Governance |
| E&S | Environmental & Social |
| ESMS | Environmental and Social Management System |
| EU | European Union |
| FFG | Austrian Research Promotion Society (Österreichische Forschungsförderungsgesellschaft mbH) |
| FNG | Sustainable Investment Forum (Forum Nachhaltige Geldanlagen) |
| FS | Financial Sector |
| FSSS | Financial Services Sector Supplements |
| GRI | Global Reporting Initiative |
| HR | Human Resources |
| HR | Human Rights (in GRI Content Index) |
| ICC | International Chamber of Commerce |
| ICEP | Institute of Cooperation on Development Projects |
| IFC | International Finance Corporation |
| ILO | International Labour Organization |
| IMAS | Institut für Markt-Sozialanalysen Ges.m.b.H. |
| KfW | Kreditanstalt für Wiederaufbau (Reconstruction Loan Institution) |
| km | Kilometer |
| kWh | Kilowatt hour |
| LA | Labor |
| LEED | Leadership in Energy and Environmental Design |
| MBA | Master of Business |
| MiFID | Markets in Financial Instruments Directive |
| MIGA | Multilateral Investment Guarantee Agency |
| mona | Sustainability Monitoring Tool |
| MSME | Micro, small and medium enterprises |
| MW | Megawatt |
| MWh | Megawatt hour |
| NGO | Non-governmental Organization |
| NPO | Non-profit Organization |
| NWB | Network banks |

| | |
|----------------|--|
| OeKB | Österreichische Kontrollbank AG |
| ÖGNI | Austrian Society for Sustainable Real Estate (Österreichische Gesellschaft für Nachhaltige Immobilienwirtschaft) |
| ÖGUT | Austrian Society for Environment und Technology (Österreichische Gesellschaft für Umwelt und Technik) |
| ÖRK | Austrian Red Cross (Österreichisches Rotes Kreuz) |
| OTC | Over-the-counter |
| pkm | Passenger kilometers |
| PR | Product Responsibility |
| R&D | Research & Development |
| RBAL | Raiffeisen Bank Sh.a., Albania |
| RBBG | Raiffeisenbank (Bulgaria) EAD |
| RBBH | Raiffeisen BANK d.d. Bosna i Hercegovina |
| RBBY | Priorbank JSC, Belarus |
| RBCZ | Raiffeisenbank a.s., Czech Republic |
| RBG | Raiffeisen Banking Group Austria (Raiffeisen Bankengruppe Österreich) |
| RBHR | Raiffeisenbank Austria d.d., Croatia |
| RBHU | Raiffeisen Bank Zrt., Hungary |
| RBI AG | Raiffeisen Bank International AG |
| RBKO | Raiffeisen Bank Kosovo J.S.C. |
| RBPL | Raiffeisen Bank Polska S.A., Poland |
| RBRO | Raiffeisen Bank S.A., Romania |
| RBRS | Raiffeisen banka a.d., Serbia |
| RBRU AO | Raiffeisenbank, Russia |
| RBSK | Raiffeisen Bausparkasse Gesellschaft m.b.H. |
| respACT | Austrian Business Council for Sustainable Development |
| RiCC | Research Institute for Cooperations and Cooperative Societies |
| RKAG | Raiffeisen Kapitalanlage-Gesellschaft m.b.H. |
| RKI | Raiffeisen Klimaschutz-Initiative (Raiffeisen Climate Protection Initiative) |
| RL | Raiffeisen-Leasing GmbH |
| ROCS | Risk Optimized Compensation Structure |
| RZB AG | Raiffeisen Zentralbank Österreich AG |
| SASB | Sustainability Accounting Standards Board |
| SCR | Selective catalytic reduction |
| SDGs | Sustainable Development Goals |
| SEE | Southeastern Europe (South Eastern Europe) |
| SERI | Sustainable Europe Research Institute |
| SME | Small and medium enterprises |
| SO | Society |
| TBE | Tick-Borne Encephalitis |
| TBSK | Tatra banka, a.s., Slovakia |
| tkm | Ton kilometer |
| TU | Technical University |
| UN | United Nations |
| UN PRI | United Nations Principles for Responsible Investment |
| UNEP FI | United Nations Environment Programme Finance Initiative |
| UNGC | United Nations Global Compact |
| UNO | United Nations Organization |
| VfU | Association for Environmental Management and Sustainability (Verein für Umweltmanagement und Nachhaltigkeit in Finanzinstituten e.V.) |
| WBCSD | World Business Council for Sustainable Development |
| WRI | World Resources Institute |
| WU | Vienna University of Economics and Business Administration |
| ZBP | Career Planning Center, Society for Promoting Career Planning at Vienna University of Economics and Business Administration (Zentrum für Berufsplanung) |
| ZHS | Office- & Facilitymanagement GmbH |

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