



SUSTAINABILITY

REPORT 2020

RESPONSIBLE BANKING
FOR A SUSTAINABLE FUTURE

RBI Sustainability Report 2020

(corresponds to the non-financial report pursuant to sections 267a and 243b of the Austrian Commercial Code)

Key milestones at a glance:

- ✓ First Austrian bank to sign up to the UNEP Finance Initiative's "**Principles for Responsible Banking**"
- ✓ Publication of a **Group anti-money laundering declaration** including adjusted risk appetite with respect to offshore customers and customers with high reputational risk, as well as our relationships with correspondence banks
- ✓ Achievement of **positive sustainability rating results** once again, including with ISS ESG, Sustainalytics, MSCI ESG and CDP
- ✓ At around € 1.3 billion to date, RBI is the **largest issuer of green bonds** among Austrian banks
- ✓ According to Bloomberg, RBI is **the number two arranger of green or sustainable bonds** in Austria and Central and Eastern Europe at the end of 2020. By number of transactions it is even in first place.
- ✓ **Publication of CO₂ emissions** of corporate loans and sustainable funds **for the first time**
- ✓ Further development of the existing **Group policy on thermal coal**
- ✓ 13 per cent **reduction in Group-wide CO₂ emissions** in inhouse ecology compared with 2019
- ✓ Publication of an **index** in line with the recommendations of the **Task Force on Climate-related Financial Disclosures** (TCFD) for the first time
- ✓ Measures to **improve diversity**, including signing up to the global inclusion movement "The Valuable 500" and flying the rainbow flag at RBI's head office in Vienna during Pride Month in June 2020
- ✓ Group-wide **investments in society** totaling € 4.6 million, including € 1.6 million in COVID-19 donations

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Exclusion of liability:

We have taken the utmost care in gathering the data and other information contained in this Report. Nevertheless, we cannot completely rule out the possibility of errors. Statements on future developments are based on information and forecasts which were available to us at the time this Report was published. The latter were also written with care. Notwithstanding the above, there are many factors and developments that can lead to discrepancies. We therefore ask for your understanding that we do not assume liability for data and other information contained in this Report. This Report is based on RBI's current business policy. Changes to this business policy are reserved. If this Report contains rules, these shall apply solely to companies of RBI and their board members and employees. Other parties are not addressed by these rules and are neither authorized nor obligated by them. Nobody may derive or assert any type of claims or other rights arising from or relating to this Report against RBI companies or their board members and employees; any liability of these companies, board members and employees arising from or relating to this Report shall be excluded.

This Report is subject to substantive Austrian law. The Bezirksgericht Innere Stadt (Local Court Vienna - Innere Stadt, Austria) is solely responsible for reaching a decision on all possible disputes arising from or relating to this Report.

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Foreword by the Supervisory Board

Dear readers,

Sustainability has long been a deep-rooted part of Raiffeisen's DNA. We view this as entailing responsible corporate activity aimed at a sustainable and economically positive result in consideration of key societal and environmental aspects. This understanding also guides the expectations of RBI and its subsidiaries.

In the time of the coronavirus and the serious consequences it is having on society and the economy, it is all the more important for us not to lose sight of our long-term focus on comprehensive sustainability management. With regard to the pandemic, the progress made in terms of the development and official approval of vaccines give grounds for cautious optimism, insofar as it is becoming increasingly likely that the crisis will be overcome and the economy will recover in the coming months.

The Supervisory Board of RBI AG considers addressing sustainability-related physical and transitional risks and adopting corresponding risk controlling targets to be an important strategic pillar of the banking group's corporate activity. In this respect, RBI sees itself as a reliable partner to the economy as it transforms for a more climate-friendly future.

At Management Board level, sustainability goals for 2021 and the following years were anchored in RBI's remuneration policy with a view to responsible banking. These performance targets are intended to help increase the speed and the extent to which customers are offered adequate sustainable financing and investment products. At the same time, we are focusing on the further expansion of internal ESG (environmental, social, governance) expertise and examining the resilience of the business model with regard to sustainability risks. This requires the creation of a sufficiently extensive data pool as well as anticipative business continuity management in order to evaluate sustainability risks and the development of mitigation strategies.

RBI's holistic approach also includes innovations in the sense of product digitalization and services that take into account environmental and social impacts and that are made available throughout the Group in the form of a "product as a service". We see sustainable banking as a key factor in the generation of future business growth and the sustainable development of the banking group in line with RBI's Vision 2025 of being the most recommended financial service provider in the markets of Central and Eastern Europe in which it is active.

RBI has been committed to the principles of the UN Global Compact since 2010 and is also a longstanding member of the UNEP Finance Initiative. Furthermore, it seeks to ensure that its activities contribute to the attainment of the global Sustainable Development Goals. As the financial sector is a key player on the path to climate neutrality, RBI is also involved in the Green Finance Agenda Austria, which will play an important role in the green economic recovery following the coronavirus crisis.

In addition to monitoring business development, the Supervisory Board is responsible for examining this consolidated Non-Financial Report in its role as RBI's highest governance body. In doing so, the Supervisory Board continuously addresses the achievement of sustainability and climate-related targets and the associated strategic and operational measures.

As Chairman of the Supervisory Board of RBI AG, I am personally committed to making risk controlling even more focused in future with a view to the sustainable orientation of business policy and the corresponding development of the key performance indicators, as well as ensuring that ESG developments are specifically discussed at Supervisory Board meetings and as part of fit and proper training.

On behalf of the Supervisory Board, I would like to conclude by thanking all our employees for their important and valuable work and to express our absolute support for their commitment to systematically pressing ahead with RBI's efforts in the field of sustainability.

Many of the developments and milestones we have achieved – such as the signature of the UNEP Finance Initiative's Principles for Responsible Banking, the publication of the anti-money laundering declaration, the positive rating results, the measures to improve diversity and in particular to increase the proportion of women in senior management, the reduction in Group-wide greenhouse gas emissions, and the investments we have made in society – are documented transparently and comprehensively in the pages of this report.

For the Supervisory Board

Erwin Hameseder
Chairman of the Supervisory Board
Raiffeisen Bank International AG



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Foreword by the Management Board

Dear readers,

The COVID-19 pandemic meant that 2020 was a year full of exceptional challenges with global consequences for society. The restrictions on economic activity during the lockdowns and the resulting recession along with interest rate cuts and currency depreciation in CEE all left their mark. It is anticipated that it will not only delay the economic recovery but also have a continued financial impact on companies and public finances alike. At the same time, the pandemic represents a considerable burden at a personal level. Many people have lost their lives or become seriously ill. During this time in particular, we have demonstrated absolute commitment to protecting the health of our employees and our customers, including implementing and ensuring compliance with the required safety measures at our business premises in line with the respective epidemiological situation. For many colleagues, working from home became the new normal. We took this as an opportunity to press ahead with digitalization at RBI and make optimizations for the future. Thanks to these digital opportunities, our intensive customer contact proved to be extremely successful – all while observing the applicable rules on distancing and protective measures, of course.

Despite these difficult circumstances, RBI generated a consolidated profit of € 804 million in the 2020 financial year. This represents a reduction of 35 per cent compared with the previous year. The restrictions resulting from the pandemic led to an increase in our risk costs. Our costs declined slightly overall as a result of exchange rate developments as well as the lower level of expenditure during the lockdowns. We entered this crisis in a position of strength, and we came through the year well on the whole.

The motto of this Sustainability Report is “Responsible banking for a sustainable future”, which is a continuous theme across all chapters. The report constitutes RBI’s “non-financial report” pursuant to the Austrian Sustainability and Diversity Improvement Act. It has been prepared in accordance with the international reporting standard “GRI Standards” issued by the Global Reporting Initiative. The report was approved by the full Management Board and its online version again has a high degree of accessibility. It has also been audited by KPMG and examined by our Supervisory Board.

Our sustainability strategy is founded on our roles as a “responsible banker”, “fair partner” and “engaged citizen”. Our aspiration as a responsible banker is reflected in our products, services and processes. This begins with sustainable corporate governance and also includes financial security, protection of customer data, corresponding risk processes and responsible lending, to name just a few examples. Our responsibility is to use sustainable financial products and services in a way that has a positive impact on the environment and society and to support our customers in their transformation toward a sustainable future. For example, issuing green bonds opens up various possibilities for contributing to the attainment of the climate targets defined by the EU. Our position as Austria’s largest banking provider of green bonds serves to underline the relevance of this topic for us. RBI has issued green bonds with a total volume of around € 1.3 billion since 2018, resulting in savings of more than 60,000 tons of CO₂ every year. This corresponds to the greenhouse gas emissions of almost 7,000 households.

In 2020, RBI further intensified its efforts to strengthen its strategic orientation as a responsible banker. In analyzing the market opportunities in the areas of retail, corporate, markets and investment banking, we therefore adopted a holistic approach that we intend to use to become the most important point of contact for responsible banking and a pioneer in our CEE markets. Signing the “Principles for Responsible Banking” of the UNEP Finance Initiative, of which we are a long-standing member, is something we consider an important milestone in this process. As a result, we became the first Austrian bank to commit to implementing the six UNEP FI principles systematically within the Group. The principles form the basis for a sustainable banking system and anchor sustainability at a strategic, portfolio and transaction level as well as in all areas of business. As the consideration of sustainability risks is also playing an increasingly important role, we intend to integrate physical and transitional risks into our risk processes and policies to an even greater extent in the future.

To this end and with a view to the global climate targets, RBI extensively revised the content of its Group policy on thermal coal that has been in place for some years.

Our aim is not only to comply with the law, but to take compliance measures above and beyond this. As such, RBI has created a comprehensive anti-money laundering framework in order to ensure that the associated risks are properly identified and evaluated. The transparent implementation of this framework is illustrated in our Group anti-money laundering declaration including adjusted risk appetite with respect to offshore customers and customers with high reputational risk, as well as our relationships with correspondence banks.

We see the following rating results as confirmation of our many years of commitment to sustainability: RBI was again awarded Prime status and an assessment level of "C+" in the ISS ESG sustainability rating. RBI was awarded a rating of "A" in the MSCI ESG Ratings for the first time. It was also listed in the FTSE4Good Index Series, the STOXX® Global ESG Leaders group of indices, and the VÖNIX sustainability index on the Vienna Stock Exchange. For the sixth year in succession, the global non-profit organization CDP rated RBI as the best company in the Austrian financial sector for the management of climate risks. This shows that we are on the right path to making an appropriate contribution to the attainment of the climate targets in our role as a fair partner.



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We successfully pressed ahead with RBI's "Diversity 2020" initiative in Austria, focusing on the empowerment of women with a view to increasing the proportion of women in senior management roles, the inclusion of people with disabilities, and LGBTI topics. We recently demonstrated our aspiration to be an inclusive employer by signing up to the global inclusion movement "The Valuable 500".

In its role as an engaged corporate citizen, RBI actively champions sustainable development in society. 2020 was a particularly challenging year with investments in society totaling around € 4.6 million, including around € 1.6 million in COVID-19 donations. The significant increase in the contribution compared with 2019 serves as an expression of RBI's connection with the communities in which it operates. As well as the planned initiatives, various donation projects were supported spontaneously with a particular focus on healthcare.

On behalf of the Management Board, I would like to thank all our employees for their commitment to implementing our plans for a sustainable future. The inclusion of our stakeholders, e.g. in the form of our online survey to help us prioritize our key topics, represents a central element of our sustainability management. In the spirit of maintaining and promoting a constructive exchange, I would like to invite you to continue this dialog with us.

On behalf of the Management Board

Johann Strobl
Chief Executive Officer
Raiffeisen Bank International AG

Information on the Sustainability Report (Non-financial report pursuant to sections 267a and 243b of the Austrian Commercial Code)



Overview

About the Report

In this Sustainability Report, we describe the economic, environmental, and social impact of our business activities in the 2020 financial year (1 January to 31 December) and present our current activities in the area of sustainability. The aim of the Report is to give a comprehensive account of how Raiffeisen Bank International (RBI) has fulfilled its sustainability mission during the reporting period and how it plans to implement and improve its sustainability performance in the future. Similarly, our sustainability guiding principles are included in this report as excerpts only. This year's motto is "Responsible banking for a sustainable future", which is a continuous theme across all chapters.

The full version can be found on our website at www.rbinternational.com/sustainability-management

This Report represents RBI's summarized and consolidated "non-financial report" (pursuant to sections 267a and 243b of the Austrian Commercial Code). It includes the content that is necessary for an understanding of the course of business, business results and position of RBI as well as the impacts of its activities as derived from the materiality analysis and at least refers to environmental matters, social matters and employee matters, the respect of human rights and the fight against corruption and bribery. The Report is not structured according to these specific matters. Instead, the corresponding information is actually included in the relevant chapters. RBI pursues a group-wide approach to sustainability management that applies to both RBI AG and the RBI Group. Raiffeisen Bank International (RBI) is used to designate the RBI Group in this Report. On the other hand, the term RBI AG is used to designate Raiffeisenbank International AG. More information on the structure of RBI as a whole can be found on page 13. In accordance with the requirements of section 243b of the Austrian Commercial Code, the key figures are also reported separately for RBI AG where this is reasonable.

The Report lays out the impacts, risks and opportunities of our business activity/business relationships, the sustainability strategy together with corresponding management approaches (concepts) and measures and it describes specific sustainability activities carried out during and prior to the reporting period. In addition, we present our sustainability program for the next reporting period and the progress made in the activities already initiated. The current reporting period follows on seamlessly from the RBI Sustainability Report for 2019, and the Report is published annually.

As shown in our stakeholder universe (see page 38), the Sustainability Report is addressed to all stakeholders of RBI. Many stakeholders were involved in selecting the most important topics for this Report. We particularly refer readers to the "Materiality Analysis" chapter (starting on page 30) and the "Stakeholder Inclusion" chapter (starting on page 38).

Group Sustainability Management at RBI is your point of contact concerning this Report. Comments, ideas and suggestions for improvements can be sent to sustainabilitymanagement@rbinternational.com.

GRI Standards

This report has been prepared in accordance with the GRI Standards: Core option. The GRI standards are internationally recognized standards for sustainability reporting promulgated by the Global Reporting Initiative. In addition, selected indicators relating to the information related to the financial services sector are included.

Verification of the report's contents

The contents of this Sustainability Report have been audited by KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft (KPMG) in the context of a limited assurance engagement (see pages 164-166).

This Report has been examined by the Supervisory Board pursuant to section 96 (1) of the Austrian Stock Corporation Act.

Materiality, impacts, risks, opportunities, and determination of the Report contents

In the Report, we address the subjects that have been identified within RBI as material, that reflect the expectations of our stakeholders, and that represented the focus of our commitment in the past year.

This Report contains information – including non-financial performance indicators – describing the specific impact of RBI on the economy, society and the environment. The contents of the Report were selected using the principle of materiality. A materiality analysis provides the basis for selecting the relevant topics. The internal and external sustainability requirements and expectations of RBI and RBI's impact on the economy, the environment and society have been analyzed in detail and summarized in a materiality matrix.

The materiality analysis is based on an online survey carried out in 2020, as well as an expert workshop held in 2018 with regard to impacts and an online survey with regard to two material topics added in 2020 (see page 31 onward). It is intended to ensure that the contents of the Report cover all topics and indicators that have the greatest impact on business activities, products and services. This includes both the impacts that RBI has, which occurs inside the organization, as well as impacts to which RBI contributes, i.e. that have arisen based on business relationships with other entities. The risks and opportunities that are relevant to RBI in connection with the aforementioned matters or for which there are risks or opportunities for RBI on account of its business activities or its business relationships are also presented.

In order to assess the materiality of the various topics and determine the contents of the Report, RBI considered the following matters:

- Relevance to strategy and management
- Results from stakeholder dialogs, focus groups and online surveys, which we have combined in the materiality matrix
- Disclosure requirements on financial analysts, sustainability rating agencies, institutional investors, etc.
- The principles of the UN Global Compact and the Sustainable Development Goals
- International standards and guidelines (see page 29)

Report scope and data collection

The report includes Raiffeisen Bank International AG (RBI AG) and 13 network banks in Central and Eastern Europe. The core business of Raiffeisen Bank Polska S.A. was sold by way of a spin-off effective October 31, 2018. In all of the tables relating to the income statement for 2018, the figures for Raiffeisen Bank Polska S.A. are included until October 31, 2018. The environmental figures have been extrapolated on the basis of historical data. The key participations of RBI AG in Austria are also included in the report. These are Raiffeisen Bausparkasse Gesellschaft m.b.H., Raiffeisen Kapitalanlage Gesellschaft m.b.H. Raiffeisen-Leasing GmbH, the Valida Group, Kathrein Privatbank AG, and Raiffeisen Centrobank AG.

The structure of the chapters and summaries of figures in this Report correspond with the segments of RBI's Annual Report. RBI is divided into Austria (AT), Central Europe (CE), Southeast Europe (SEE), and Eastern Europe (EE). RBI AG is presented separately.

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.

Data collection was largely performed using the "mona" sustainability reporting software. Since 2020, this has involved not only quantitative but also a wide range of qualitative data and information. To ensure high data quality, the principle of dual control was applied for the first time in the 2020 financial year as an integrated part of the new workflow process in the software.

As previously, the online version of the report also has a high degree of accessibility. To ensure optimal accessibility for people with disabilities, a particular focus was placed on readability and comprehensibility using assistive technologies (e.g. screen readers, contrast programs). Adjustments were made for metadata, alternative text, and syntactic and structural elements. The international standard ISO 32000-1 (PDF/UA-1) and the Web Content Accessibility Guidelines (WCAG) served as the basis for these optimizations.

Responsible banker

The information on economic circumstances contained in this Sustainability Report is based primarily on the information from RBI's 2020 Annual Report. The information and data contained therein was examined by external auditors, and some of that information and data was used for this report. Further information can be found in the 2020 Annual Report.

The additional data in the "Responsible banker" chapter was gathered using the "mona" sustainability monitoring software, standardized questionnaires, specific requests and discussions with individuals.

Inhouse ecology

Quantitative data relating to inhouse ecology is collected using the "mona" sustainability monitoring software. Additional data published in the report was gathered by means of specific requests and discussions with individuals. Since the 2019 financial year, the environmental figures have included the data for the head offices as well as the branches of the network banks, thus covering over 90 per cent of all employees. The data for the branches has been calculated retroactively in order to improve comparability with the prior-year figures and the base year. Extrapolation is also performed when a network bank enters key figures for the first time that it was not possible to collect in previous years due to insufficient data quality. This means the figures shown are not comparable with last year's report. This is stated in corresponding footnotes.

The key figures of the network banks are also published on our website (www.rbinternational.com/sustainabilitymanagement). Data acquisition of the in-house ecology figures indicators is time-delayed on account of early reporting requirements (as a result of the Austrian Sustainability and Diversity Improvement Act and with the exception of the base year 2011, which corresponds to the calendar year). Full-year values are published. The figures for the fourth quarter of the previous year are added to the figures for the first three quarters of the current year.

Employees

Data and information relating to employees is recorded on a Group-wide basis either directly in the "mona" sustainability monitoring software or using the "Tagetik" software, after which it is imported into the "mona" software via an interface. Additional data published in the report was gathered by means of specific requests and discussions with individuals.

Engaged citizen

Data and information relating to the "Engaged citizen" chapter is recorded on a Group-wide basis either directly in the "mona" sustainability monitoring software or by means of standardized questionnaires, specific requests and discussions with individuals.

Comparability of the information

The 2020 Report is fully comparable with the 2019 Report in terms of content.

The tables cover a period of three years for RBI. The in-house ecology figures include 2011 as reference year in addition. This is the reference year for the objectives set in the environmental area and is therefore more relevant. Further details regarding the areas of paper, water and waste from the "Inhouse ecology" chapter are available on our website (www.rbinternational.com/sustainabilitymanagement).

Interesting facts about RBI

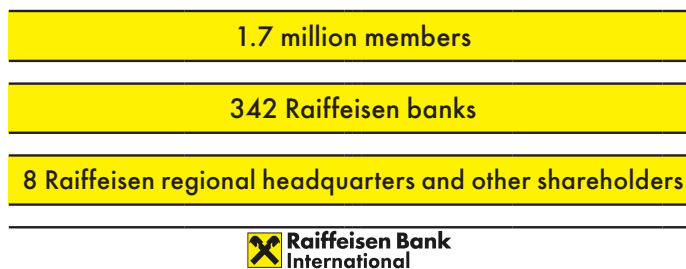
Ownership relationships and structure

The Raiffeisen Banking Group in Austria (RBG) is the largest banking group in the country and has the densest network of bank branches in Austria. There are three levels to the RBG: it is made up of 342 independent and locally active Raiffeisen banks (level one), the eight Raiffeisen "regional banks", which are also independent (level two) and RBI AG (level three).

The 342 Raiffeisen banks and their branches, together with the regional Raiffeisen banks and specialist companies, form an extensive and wide-ranging banking network. The Raiffeisen banks are universal banks offering a full range of banking services, and at the same time are owners of their respective Raiffeisen regional banks.

The Raiffeisen regional banks (Raiffeisen Landesbanken or Raiffeisenverband) are responsible for balancing liquidity and provide other central services for the Raiffeisen banks within their area of operation. In turn, the Raiffeisen regional banks are connected to RBI AG as the central institute of the RBG.

Structure of the Raiffeisen Banking Group



Credit-/Financial institutions/Insurance		Other participations	
Austria: Card Complete Hobex Kathrein Privatbank Notartreuhandbank ÖHT OeKB Posojilnica Bank eGen Raiffeisen Bausparkasse Raiffeisen Centrobank Raiffeisen Factor Bank Raiffeisen KAG Raiffeisen-Leasing Raiffeisen Wohnbaubank UNIQA Valida	Foreign countries: 13 RBI subsidiaries in CEE <ul style="list-style-type: none"> • Raiffeisen Bank Sh. A., Albanien • Raiffeisen Bank d.d., Bosnien & Herzegowina • Raiffeisenbank (Bulgaria) EAD, Bulgarien • Raiffeisen Bank Zrt., Ungarn • Raiffeisen Bank Kosovo J.S.C, Kosovo • Raiffeisenbank Austria d.d., Kroatien • Raiffeisen Bank S.A., Rumänien • AO Raiffeisen Bank, Russland • Raiffeisen banka a.d., Serbien • Raiffeisenbank a.s., Tschechische Republik • Raiffeisen Bank Aval JSC, Ukraine • Priorbank JSC, Belarus • Tatra banka a.s., Slowakei Raiffeisen-Bausparkasse International/ Bauspar-Einheiten Raiffeisen-Leasing International/Leasing units Investment firms/Pension fund companies	Austria: Elevator Ventures Leipnik-Lundenburger Invest Medicur-Holding Raiffeisen Informatik Raiffeisen Property International RSC Raiffeisen Service Center Raiffeisen Informatik GmbH & Co KG Wiener Börse ZHS	Foreign countries: Centralised Raiffeisen International Services & Payments, Rumänien Regional Card Processing Center, Slowakei Ukrainian Processing Center, Ukraine

About RBI

RBI regards both Austria, where it is a leading corporate and investment bank, as well as Central and Eastern Europe (CEE) as its home market. 13 markets in the region are covered by subsidiary banks. In addition, the group comprises numerous other financial service providers in areas such as leasing, asset management as well as M&A.

All in all, around 45,000 RBI employees manage 17.2 million customers at more than 1,800 business outlets, most of them in CEE. RBI AG shares have been listed on the Vienna Stock Exchange since 2005.

RBI's total assets as of the end of 2020 amounted to € 166 billion. The Raiffeisen regional headquarters hold around 58.8 per cent of the shares in RBI AG, while the remaining quantity of around 41.2 per cent is in free float.

Sustainability strategy, Impacts, Risks and Opportunities

Governance and Compliance, Materiality, Sustainable Development Goals, Stakeholder engagement, Ratings and Awards



Sustainability management and corporate responsibility

Sustainability concept and strategy

Our understanding of sustainability

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

- We understand sustainability to mean responsible corporate activities for a long-term, economically positive result in consideration of key societal and environmental aspects.
- We 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 strategic sustainability areas of responsibility, "Responsible banker", "Fair partner", and "Engaged citizen", which are closely linked to our business activities, we endeavor to professionally and effectively apply our values and competences to fostering sustainable development both in our companies and in society.

In our sustainability guiding principles entitled "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 serve as a guide for all transactions, activities and services offered by RBI or on its behalf.

Our stated aim is to concentrate on those areas with a significant potential impact. 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.

Find more at:
www.raiffeisen.com/sustainability-management

The historical values of RBI

In the 19th century, Friedrich Wilhelm Raiffeisen simplified the idea of a cooperative down to one basic principle: In unity lies strength. RBI is part of a cooperative organization. This can be seen in the key strategies and decisions.

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.

Mission & Vision 2025

With the Vision 2025 that it presented in 2019 – “We are the most recommended financial services group” – RBI is clearly showing that it wants to be more than just a bank for its customers. RBI is committed to an outstanding service culture which regularly seeks to exceed the expectations of customers with regard to quality. Its various initiatives as an engaged citizen help to ensure that its activities go far beyond its core business. To make this vision a reality, RBI’s mission is formulated as follows: “We transform continuous innovation into superior customer experience.” This is tied to the promise to the general public to “act in a socially responsible manner, fostering the long-term welfare of the people and businesses in our markets”. This is consistent with RBI’s sustainability strategy, the aim of which is to generate sustainable value.

A “Strategic Roadmap” was developed in order to put RBI’s strategy into action. This is intended to function as a standardized implementation instrument for RBI and the individual network banks, as well as an orientation tool for all employees.

Find more at:
www.raiffeisen.com/en/who-we-are/facts-figures/vision-mission

Vision 2025:

We are the most recommended financial services group.

Mission 2025:

We transform continuous innovation into superior customer experience:

- Customers: We constantly strive to improve customer experience and enable our clients to achieve more in their lives and businesses.
- Employees: We value expertise and create a working environment which promotes collaboration, creativity, and entrepreneurial spirit.
- Shareholders: We aim to generate solid and sustainable shareholder value.
- General public: We act in a socially responsible manner, fostering the long-term welfare of people and businesses in our markets.

RBI’s values:

- Collaboration – We work together.
- Learning – We are eager to learn.
- Proactivity – We act proactively.
- Responsibility – We act responsibly.

Our values and principles implemented in established rules

RBI 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 globally responsible approach associated with this is expected of all employees and managers as well as partners and suppliers of RBI.

The ten principles of the UN Global Compact

Human rights

Principle 1: We support and respect the protection of international human rights within our sphere of influence.

Principle 2: We make sure that we are not complicit in human rights abuses.

Labor

Principle 3: We uphold the freedom of association and the effective recognition of the right to negotiations about the Collective Bargaining Agreement.

Principle 4: We support the elimination of all forms of forced and compulsory labor.

Principle 5: We support the abolition of child labor.

Principle 6: We support the elimination of discrimination in employment and occupation.

Environmental protection

Principle 7: We support a precautionary approach to environmental challenges.

Principle 8: We undertake initiatives to promote greater environmental responsibility.

Principle 9: We encourage the development and diffusion of environmentally friendly technologies.

Anti-corruption

Principle 10: We work against corruption in all its forms, including extortion and bribery.

As a long-standing member of the UNEP Finance Initiative, RBI also signed up to the “Principles for Responsible Banking” in early 2021, thereby committing to implement the six principles within the Group. These principles provide the framework for sustainable banking and help the industry to show how it can make a positive contribution to society. They anchor sustainability at a strategic, portfolio and transaction level and in all areas of business. More information can be found on page 49.

The Principles for Responsible Banking of UNEP Finance Initiative

Alignment

Principle 1: We will align our business strategy to be consistent with and contribute to individuals’ needs and society’s goals, as expressed in the Sustainable Development Goals, the Paris Climate Agreement and relevant national and regional frameworks.

Impact & target setting

Principle 2: We will continuously increase our positive impacts while reducing the negative impacts on, and managing the risks to, people and environment resulting from our activities, products and services. To this end, we will set and publish targets where we can have the most significant impacts.

Clients & Customers

Principle 3: We will work responsibly with our clients and our customers to encourage sustainable practices and enable economic activities that create shared prosperity for current and future generations.

Stakeholders

Principle 4: We will proactively and responsibly consult, engage and partner with relevant stakeholders to achieve society’s goals.

Governance & culture

Principle 5: We will implement our commitment to these Principles through effective governance and a culture of responsible banking.

Transparency & accountability

Principle 6: We will periodically review our individual and collective implementation of these Principles and be transparent about and accountable for our positive and negative impacts and our contribution to society’s goals.

Find more at:
www.rbi-international.com/en/who-we-are/facts-figures/code-of-conduct.html

The Code of Conduct (CoC) for dealing with customers, business partners and employees, which is applicable Group-wide, is a binding regulatory framework for all employees and, accordingly, is available on the RBI websites 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 chapter on "Governance and Compliance" starting on page 22.

Our diversity vision and mission and the guidelines for day-to-day implementation set out the principles for realizing diversity at RBI (see page 98). Our value "Collaboration" states that RBI encourages diversity and creates an environment that is characterized by mutual understanding, respect, and trust.

Our sustainability strategy



Our approach as designers of a sustainable company and society

In order to improve the effectiveness and scope of our sustainability management across the whole of RBI, 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 on our group perspective as well as 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 adjustments to our sustainability strategy, we place great value on maintaining a dialog with our stakeholders.

Central core areas of our sustainability strategy

RBI sustainability matrix	Economy	Society	Environment
Responsible banker	Value creation Successful business through responsible management and business strategies, sustainable responsibility in the real economy and the regional economy and the integration of sustainability aspects into the core business	Social product responsibility 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 product responsibility 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 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	Employees and stakeholders Continuous 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	Inhouse ecology A responsible approach to resources and the environment by reducing our environmental impact and implementing selected measures in order to achieve the defined Group-wide climate targets
Engaged citizen	Sustainable entrepreneurship 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	Active civil society Commitment to a sustainable civil society and responsible political cooperation by promoting public interest and knowledge of financial topics and voluntary work	Environmentally friendly society Working for the environment and the climate through climate protection, protection of species diversity and conservation of the various ecosystem functions and services

Sustainable corporate management

The anchoring of sustainability within the organizational structure looked as follows as of December 31, 2020:

TCFD

Organizational anchoring of sustainability in RBI

Control level					
Supervisory Board of RBI AG Supervisory Board and various committees					
Management Board level					
Chief Executive Officer of RBI AG Johann Strobl and members of the Management Board					
Management and program level					
Sustainability Council Internal and external stakeholders with expertise in the areas of business, the environment and society		Group Sustainability Management Focus on management and strategic development of sustainability agenda as well as Implementation of operational measures		Sustainability Working Groups With representatives of the relevant board areas of RBI AG (e.g. Sustainable Finance Task Force)	
Local implementation level					
Employees Implementation of measures to achieve the sustainability goals at all companies		Special issues working groups With internal specialists		Sustainability officers in the RBI network banks Establishing the sustainability agenda at the individual network banks	
Level of initiatives and memberships relevant to sustainability					
Raiffeisen Sustainability Initiative (RNI) Platform for sustainable business management and social responsibility	EACB Working Group for CSR European Association of Co-operative Banks	UNEP FI United Nations Environment Programme Finance Initiative	UNGC United Nations Global Compact	respACT Austrian business council for sustainable development	VfU Association for Environmental Management and Sustainability

As at: December 31, 2020

TCFD The Group-wide management and continued strategic development of the sustainability agendas and coordination of operational implementation is the responsibility of Group Sustainability Management. This department is supported by representatives of specialized units and business areas as well as the Sustainability Officers at the network banks and the Austrian subsidiaries. They act as an interface between the Group Sustainability Management department of the head office in Vienna and the relevant departments at the network banks and the Austrian subsidiaries.

The Sustainability Council has been firmly established as a core organizational component of sustainability management. The task of this council is to advise on the development of sustainability agendas and to evaluate their performance. It assists in defining important action areas and focal points (materiality approach), identifies targets and measures, and makes recommendations on the development and implementation of the annual sustainability program.

As at 31 December 2020, the following internal and external persons were members of the Sustainability Council:

- Johann Strobl, CEO of RBI AG (Chair)
- Dieter Aigner, Managing Director of Raiffeisen Kapitalanlage GmbH
- Rudolf Bretschneider, Consultant at GfK Austria GmbH
- Ralf Cymanek, Member of the Management Board of Raiffeisen Bank Zrt. in Hungary
- Barbara Coudenhove-Calergi, Expert for social innovation at the Federation of Austrian Industries
- Eva Eberhartinger, Head of the Tax Management Group at the Institute of Accounting & Auditing, Vienna University of Economics and Business Administration
- Martin Essl, Founder of the Essl Foundation
- Franz Fischler, Chair of the Raiffeisen Sustainability Initiative
- Gregor Höpler, Head of the Group Executive Office of RBI AG
- Hannes Mösenbacher, CRO of RBI AG
- Andreas Pangl, General Secretary of the Austrian Raiffeisen Association
- Georg Schöppl, Member of the Management Board of Österreichische Bundesforste AG
- Andrea Sihn-Weber, Head of RBI Group Sustainability Management and Managing Director of the Raiffeisen Sustainability Initiative
- Karin Steppan, CMC, Special Representative for Sustainability & CSR at Raiffeisenlandesbank NÖ-Wien AG
- Alfred Strigl, Managing Director of plenum gesellschaft für ganzheitlich nachhaltige entwicklung gmbh



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Barbara Coudenhove-Kalergi
Expert for “social innovation”
at the Federation of Austrian Industries

“What do we want to leave behind? For me, this is one of the key questions a forward-looking company should be asking itself. And it is all the more relevant in a time when various crises are amplifying each other. It means rapidly developing new solutions for existing and new challenges while also taking a holistic view of multiple crisis phenomena, making connections and tapping into complexities. Above all else, a company that wishes to leave a positive legacy also needs to step away from the linear and instead embrace systematic, interconnected thought and design – including distancing itself from what is tried and tested in some areas. After all, an effective legacy is no longer only about looking back on what you have achieved. It also means the things you did for the future of the many, the foundations you laid, the innovations you developed, and the value you created. To ensure that your business is fit for the future, these impacts must follow a “smart, green, caring” growth logic that combines technological, ecological and social criteria. For me, this is the next major step when it comes to holistic corporate responsibility that goes beyond the operational and technocratic routines of reporting. The RBI Sustainability Council is the place where responsibility and future viability are taken further and where the company’s legacy takes shape.”



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Eva Eberhartinger,
Head of the Tax Management Group at the
Institute of Accounting & Auditing, Vienna
University of Economics and Business
Administration, and member of the RBI
Supervisory Board

“A good sustainability strategy includes comprehensive and transparent reporting on sustainability.

There are many benefits to high-quality sustainability reporting. Firstly and most obviously, it serves to inform all the company’s stakeholders. The various measures taken by RBI are of interest not only to investors, but also to the public as a whole. Secondly, studies have found that there is a positive correlation between the quality of a company’s reporting and the quality of its sustainability strategy: Companies that act sustainably tend to report on their actions in a better quality. By the same token, exhaustive and informative sustainability reporting helps to improve and implement the individual measures that form part of a company’s – in this case, the bank’s – sustainability strategy. Moreover, various studies show that enterprise value increases not only because of sustainable business activity, but also as a result of good sustainability reporting.

I am pleased that RBI is making its mark once again this year with an extremely informative sustainability report that goes far beyond the minimum legal requirements and that illustrates the many and varied aspects of sustainability in detail.”



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Andreas Pangl,
General Secretary of the Austrian Raiffeisen
Association

“There is no doubt that the importance of sustainability in business has been growing significantly for many years and extending into more and more industries. While attention originally focused on agriculture followed by renewable energies, the wider public is increasingly also turning its eye to the financial sector. The keywords are responsible banking and sustainable finance. These terms have quickly moved from the footnotes of various sustainability reports to the very heart of strategic product development, acting as a potential USP and – when harnessed smartly – a not inconsiderable profit driver. What role is Raiffeisen playing in this process? “Our bank is not like the mushrooms and aquatic plants that shoot up overnight only to quickly die off; it is more like an oak, growing very slowly to begin with but becoming progressively stronger over time until it is ultimately capable of weathering every storm.” In 1881, Friedrich Wilhelm Raiffeisen used these words when addressing the annual general meeting of Deutsche Landwirtschaftliche Generalbank, which he co-founded. In other words, sustainability is in our blood – at every level and in every line of business in our sector. Continuously developing this DNA and interpreting it for the present day is one of the core tasks of the Austrian Raiffeisen Association. And the RBI Sustainability is a key partner in achieving this!”

QUOTE



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. The CoC and other guidelines are particularly important when it comes to helping our employees to make the right decisions in the course of their day-to-day work.

Since 2013, we have used a dedicated tool as the central instrument for controlling and monitoring material sustainability performance. Building on the Global Reporting Initiative (GRI) and based on scientific data, this innovative software, "mona", is used as an instrument for sustainability monitoring and reporting.

Impacts, risks and opportunities

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 sector itself has for years been confronted with many challenges and risks. In order to remain profitable over the long term, these challenges call for a strong culture of risk management and sustainability. Compliance with appropriate due diligence processes is therefore of particular importance.

We intensively address RBI's impacts on the economy, environment and society, and the risks and opportunities associated therewith. This includes the risks and opportunities for RBI and the risks and opportunities of RBI in respect of the economy, environment and society.

There is a separate sub-chapter in each of the "Responsible banker", "Fair partner/Employees" and "Fair partner/Inhouse ecology" chapters (see pages 46-48, 89, 118-119).

Governance and Compliance

RBI places great value on responsible and transparent business management to strengthen and maintain the understanding and trust of its stakeholders. This is a prerequisite for the performance of our banking group. The traditional Raiffeisen values provide the basis for this (see page 15) as does the Code of Conduct (CoC), which is applied across the group. Generating added value for the long term is our primary strategic objective.

Corporate Governance

TCFD Corporate governance (CG) refers to the framework of rules and practices for managing and monitoring a company and is determined by legislators and owners. In short, it describes the principles of leading a company. The specific structure is the responsibility of the Management Board and the Supervisory Board.

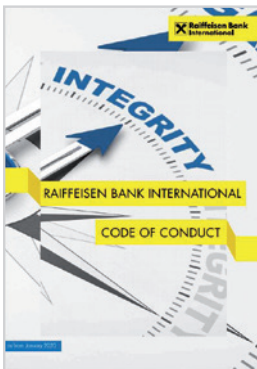
Management and inspection within a company that is aware of responsibility, is qualified, transparent and focused on the long-term increase in value are the goals of good corporate governance. Trust-based, efficient cooperation between the various company bodies, protection of shareholder interests as 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 of January 2015) and has pledged to comply with these principles. The compliance evaluation of the Corporate Governance Report according to § 243c 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. For more information on the composition of the Management Board and the Supervisory Board, including its committees, please refer to the annual report of RBI.

Openness and transparency in communication with shareholders and interested members of the public is of great importance to RBI AG. We provide and regularly update information on the following subjects on the internet: Annual reports and interim reports, company presentations, telephone conferences via webcasts, ad-hoc communications, press releases, investor relations releases, share price information and data on shares, information for foreign investors, the financial calendar with a large time lead for important dates, information on security transactions by the Management Board and the Supervisory Board (directors' dealings), the articles of association of RBI AG, the Corporate Governance Report, estimates of analysts, an ordering service for written information as well as a sign-up option for automatic delivery of the "Investor Relations News" by email.

Find more at:
www.raiffeisen-international.com/Investor-Relations/Corporate-Governance/

Code of Conduct



Our Code of Conduct forms the basis for our practices. Among other things, it is aimed at the avoidance of fraud, corruption, bribery, market abuses, money laundering and financing of 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 to the best of our knowledge and ability (see "Compliance" starting on page 24). The CoC and its effectiveness are reviewed regularly and approved and published by the RBI Management Board following extensive consultation with various stakeholders taking into account the "ethical bank" concept. The CoC was revised minimally in January 2020. 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 international standards based on the values of collaboration, proactivity, learning and responsibility.


The business model of RBI places people at its core. The Code of Conduct is a binding regulatory framework which is applicable Group-wide for all employees and can be found in the respective national language on all of the websites of RBI and the network banks. To ensure the necessary awareness, a mandatory e-learning campaign was initiated at RBI's head office in 2020 and will be rolled out to the entire Group in 2021. In addition, all persons acting for or providing services on behalf of RBI as well as all other business partners are expected to apply rules and standards that are identical or comparable to those set out in the Code. In 2020, a tailored document for suppliers was created on the basis of the Code of Conduct, setting out the expectations arising from the contractual relationship. The final roll-out will take place in 2021. The Code is based on the fundamental Raiffeisen values and is oriented towards the specific requirements of everyday business at home and abroad. This includes observing laws supporting the fight against money laundering and terrorism, implementing financial sanctions, prohibiting fraud, corruption and bribery and other forms of critical business practices, including respect for the fundamental rights of employees as well as environmental legislation to the best of our knowledge and ability. Position statements on customer relationships, lending and RBI's own investments in certain sectors (e.g. military equipment and technology, gambling, thermal coal and nuclear power) are also communicated proactively. These are forwarded to Compliance for a further evaluation to ensure that risks of this nature are managed adequately, reduced or avoided. The economic sectors to be addressed by policy-making are regularly evaluated and analyzed. Our processes and controls are aimed at identifying potential reputational risks resulting from such companies and policies in good time and revising them regularly in the event of changes in our risk appetite in particular. RBI has reinforced its position with regard to both military equipment and technology and thermal coal and has begun gradually reducing its existing business in these areas.

The Management Board of RBI AG has the ultimate responsibility for the CoC; the Chair is also the highest authority on issues of sustainability. Operational responsibility for implementing the CoC in all global group units lies with the respective competent management bodies. The division head 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.

TCFD


All employees are obliged to report serious violations of the CoC, such as market abuse, fraud, theft, embezzlement, bribery or corruption. RBI uses a software solution from an external service provider that enables anonymous electronic reporting and proactive communication to employees in various formats. Above and beyond this solution, there are other channels for reporting breaches of the Code of Conduct (e.g. telephone, email). All reports are processed in accordance with RBI's standard internal compliance investigation mechanism. All reports are treated as confidential.

Appropriate disciplinary action is carried out in accordance with group regulations, up to and including dismissal. We constantly analyze our rules and regulations in order to minimize the risks for the future as far as possible. 36 whistleblowing reports were received in 2020. 179 cases of breaches of the Code of Conduct were identified. All reports and cases were adequately followed up and the necessary consequences taken.

 Human rights violations may generate illicit profit, support slavery and human trafficking, promote the continuation of poor working conditions, and lead to other abuses. RBI strives to further improve the implemented controls concerning financed projects and corporate customers as well as existing and potential suppliers. RBI also does not directly or indirectly finance any businesses, projects or parties in which human rights violations are discernible. Our employees have been instructed to take information on forced or child labor into account and, in case of doubt, to involve Compliance.

 RBI is one of the signatory companies of the UN Global Compact (UNGC) and is therefore committed to proactively and 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 employees and managers as well as of partners and suppliers (see also page 17).

Compliance

 RBI places great value on compliance with relevant regulations. We do not tolerate any form of corruption, tax evasion, money laundering, financing of terrorism, evasion of sanctions, fraud or market abuse and work actively against such activities. A prerequisite 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 RBI operates through our CoC and clear, detailed regulations contained in the Compliance Policies, which are continuously adapted and improved in response to the latest regulatory requirements and global challenges. Compliance is monitored by way of a questionnaire that employees are required to complete annually. In addition, there are regular internal reports (ad hoc, quarterly, annually) discussing various aspects of the implementation of compliance guidelines and processes as well as data and statistics. The compliance area has an important managing and checking function in our company, particularly in the context of the development of group standards and their implementation. The Head of Compliance regularly reports directly to the Management Board and Supervisory Board on compliance matters. As part of the business efforts to ensure RBI's competitiveness, Compliance has also taken measures to continuously improve efficiency and effectiveness (e.g. organizational changes, digitalization, machine learning, improved data analysis, introduction of agile methodology).

All new RBI employees must complete training courses on the topic of compliance. In particular, these cover aspects of preventing economic crime (especially combating money laundering and the financing of terrorism, international sanctions and embargoes, and corruption and fraud prevention), market abuse and conflicts of interest as well as appropriate measures and rules concerning internal reporting obligations. 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.

A multi-channel campaign to improve awareness of compliance matters at RBI began in 2020.

The following table shows the number of anti-corruption training sessions held in the respective financial year, broken down by employee category and region in both absolute and percentage terms.

	RBI*			RBI AG		
	2020	2019	Change over previous year	2018	2020	2019
Anti-corruption training courses according to employee categories						
Board	57	43	33 %	36	1	1
B-1 (second level of management)	387	304	27 %	287	35	20
B-2 (third level of management)	1,211	800	51 %	827	122	67
Other managers	1,971	1,788	10 %	2,125	73	21
Other employees	29,358	24,870	18 %	29,273	2,651	1,496
Board	60 %	45 %	15 PP	38 %	17 %	14 %
B-1 (second level of management)	70 %	54 %	16 PP	52 %	73 %	41 %
B-2 (third level of management)	74 %	49 %	25 PP	52 %	74 %	44 %
Other managers	67 %	57 %	10 PP	63 %	81 %	18 %
Other employees	77 %	62 %	15 PP	73 %	91 %	54 %
by region						
Central Europe	8,564	4,059	111 %	4,250		
Southeastern Europe	9,970	9,831	1 %	11,424		
Eastern Europe	11,003	11,883	-7 %	13,508		
Austria	3,447	2,032	70 %	3,366	2,882	1,605
Central Europe	100 %	45 %	55 PP	48 %		
Southeastern Europe	72 %	70 %	2 PP	81 %		
Eastern Europe	65 %	66 %	-1 PP	73 %		
Austria	80 %	47 %	33 PP	83 %	89 %	52 %

* The values include the figures from the companies listed in the Overview chapter (reporting limits and data collection, page 11, 1st paragraph).

Measures and activities in the area of corruption prevention are guided by the principles of the Austrian criminal code, the UK Bribery Act and the US Foreign Corrupt Practices Act in the current applicable version. These include the obligation of the management staff of all units of RBI to shape a corporate culture in which each and every form of fraud 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 avoiding economic crime are communicated clearly and put into practice effectively. This also applies for intermediaries.

Monitoring and reviewing these procedures takes place on a regular basis. The group's internal Bribery and Anti-Corruption ("ABC") framework was revised in 2015 and is now even more strongly based on risk and prevention. To ensure the greatest possible level of plausibility with regard to invitations and gifts, relevant cost refunds have only been approved by Accounting since 2017 upon presentation of a compliance statement. In addition, not only customers but also suppliers and business partners are assessed in terms of integrity and reputation. The relevant data from these assessments is also published in the course of the MiFID II Inducement Register.

Our comprehensive anti-bribery and corruption framework is based on the following principles: proportionate, process-based annual risk assessment and scenario analysis; commitment of the Management Board; a rigorous disclosure regime for gifts, invitations, secondary employment, company participations and sponsoring; a continuous communication and training program including candidate testing; monitoring and review of company conduct (concentration risks, accounting checks to avoid reimbursements without Compliance approval).

One case of passive corruption was identified at RBI in 2020, resulting in the termination of the contractual relationship with a customer.

Money laundering is the act of concealing the existence, origin, movement, intended purpose or use of illegally obtained assets or funds in order to make them appear legitimate. This system typically involves three stages: the placement of funds in a financial system, the stratification of transactions in order to conceal the origin, ownership and location of the funds, and the integration of the funds into society in the form of investments that appear legitimate. We recognize that money laundering undermines confidence in the financial system.

Based on our mission of becoming the most recommended financial service provider in CEE, we are committed to combating money laundering by complying with all the applicable legislation on money laundering as well as international best practice standards, such as the recommendations of the Financial Action Task Force (FATF), in all countries and areas of responsibility in which we are active. In order to design the statutory preventive mechanisms in a targeted manner,

RBI supports legal initiatives wholeheartedly and has co-initiated and been regularly involved in a number of working groups in Austria (e.g. Compliance Package, Transaction Monitoring), as well as participating in several initiatives at a European level.

This commitment is made fully transparent in RBI's anti-money laundering (AML) declaration and our adjusted risk appetite with respect to offshore customers and customers with high reputational risk, as well as our relationships with correspondence banks.

RBI has created a comprehensive AML framework in order to ensure that AML risks are properly identified, evaluated and reduced appropriately. Our AML framework provides orientation for all employees and group units and obliges them to conduct transactions in accordance with the applicable laws and regulations. Among other things, it is based on the following components:

- Appointment of an anti-money laundering officer
- Risk identification and classification with regard to customers and products as well as risk-based due diligence obligations
- Systematic, continuous due diligence obligations with regard to customers (incl. politically exposed persons and identification of economic owners)
- Role-based training and awareness programs (classroom-based, e-learning, micro-learning)
- Customer data, transaction and account monitoring incl. coherence screening
- Reporting on suspicious activities

In addition, we continuously evaluate the effectiveness of our AML framework and the technologies used and update them as required in order to take into account changes in the environment (e.g. undesirable media screening, technological company dissolution, artificial intelligence, correspondent bank risk scoring). This is supported by functions such as Internal Audit/Group Audit and internal control systems. Employees are provided with corresponding training and development programs.

RBI participates in and uses the Know Your Customer (KYC) information exchange platform SWIFT KYC Registry, which aims to improve transparency through the simple and centralized exchange of KYC information. Because the fight against money laundering is a continuously evolving process, we recognize the importance of constant diligence and the capabilities of our employees and our banking group and are committed to keeping pace with the increasingly complex techniques used by criminals. As well as adopting a clear focus on compliance with laws and regulations, we concentrate on operational efficiency and effectiveness – a statement that is underlined by the Management Board's commitment to make further investments in RBI compliance.

RBI is committed to rigorously combating tax evasion and tax avoidance. In case of doubt, it obtains the necessary declarations, confirmations from authorities, and tax records. Along with the heightened know your customer and due diligence obligations that are already in place, RBI has defined additional requirements for companies domiciled in offshore territories and takes particular care to ensure that transactions are legitimate. In these cases, the nature and purpose of the business relationship with RBI and the source of funds of the respective companies are examined in greater detail. This involves a focus on the transparency of the business model, the legal and economic connections with operating onshore companies, and special verification mechanisms for payment transactions, assets and collateral. The ownership structure of high-risk customers is also examined extremely precisely and must be confirmed by credible external documents.

RBI has taken extensive Group-wide precautions and implemented IT-based verification processes to ensure that all banking transactions are consistent with EU sanctions and that applicable UK and US sanctions are taken into account. RBI complies with the highest standards and comprehensively meets its obligations with regard to international financial sanctions and trade restrictions.

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 ongoing efforts to provide in-depth training are implemented with the support of local Compliance departments or the Financial Crime Management departments. These also play a key role in avoiding corruption and in anti-corruption checks as well as in business activities in sensitive areas. Financial contributions or contributions in kind to political parties, politicians or related institutions are given only in accordance with strict rules and with the approval of RBI AG Management Board. Clear regulations in this regard are enshrined in the Code of Conduct and are monitored by Compliance. Sponsoring, (financial) support and contributions are also given only to recognized private organizations with impeccable reputations.

RBI has a well-established internal control system that entails documented controls and requirements in internal governance documents to enable transparency in roles and responsibilities, periodic validation of the adequacy and efficiency of the controls in place for managing the underlying risks and periodic assessment of the controls by means of various forms of tests to measure its effectiveness. The reporting procedures in the form of directives for strategically important topics are a central element and the basis for an effective internal control system. These directives constitute our "company law". They include the assignment of approval authority for group and company directives as well as department-specific directives and directives on separation, process descriptions for the creation, quality inspection, approval, publication, implementation and monitoring of directives as well as regulations for their revision and repeal.

The management of the respective group units is responsible for implementation of the directives. The "Confirmation of Compliance" process is carried out each year. As part of this process, 66 group units must confirm that they have followed the relevant policies. 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 audit departments.

All cases that are classified as operational risks, in particular penalties and legal actions, are monitored and controlled on a Group-wide basis within the scope of the operational risk management by the Operational Risk Controlling team as part of integrated risk management. Within the OpRisk strategy, scenarios and plans of action are analyzed and early warning indicators developed together with the OpRisk managers. Cases with overlapping effects/causes are treated exclusively in the results and allocated to the main driver.

With regard to non-compliance with laws and provisions in the social and economic sphere, RBI classified three cases totaling around € 500,000 as relevant in 2020. The significance threshold was defined at € 100,000, as this forms part of the OpRisk strategy and the risk appetite framework. Two of the cases relate to fines imposed by the Hungarian supervisory authority in connection with extensive reviews of banking processes. A fine of around € 270,000 was imposed on RBI's branch in Poland in connection with the winding-up of the Swiss franc portfolio. Further investigations into this matter are still ongoing. This indicator does not include penalties for late payment of taxes.

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 RBI are required to register lobbyists who are active for them in the national lobbying register. At RBI, lobbying work is carried out via RBI AG as well as the Fachverband der Raiffeisenbanken (Association of Raiffeisen Banks, part of the Austrian Economic Chambers [WKO]). Accordingly, RBI AG is registered in the Austrian lobbying register.

At EU level, RBI AG is registered in the transparency register of the European Commission and the European Parliament. This involves observing 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. deposit insurance fees, corporate governance). Since being included in the register, RBI 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 Commission website. At national level, our position enters into joint position statements by the Austrian Economic Chambers, banking and insurance section. (Membership of the Austrian Economic Chambers is mandatory.)

Corporate lobbyists of RBI are obliged 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 RBI, and declare that they are entered in the lobbying register.

Find more at:
www.raiffeisen.com/en/investors/corporate-governance

All lobbyists who work for RBI 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 Policies as well as the “Code of Conduct according to Article 7 of the Lobbying Act”.

The Management Board of RBI AG is solely authorized to approve contributions to political parties, election committees, party-affiliated organizations and political figures (politicians, candidates) for all of RBI, and such contributions 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 that have been in place since January 1, 2013 must be complied with and are implemented in the Group Executive Office of RBI AG. In 2020, RBI again did not make any financial contributions in kind to any politicians or parties.

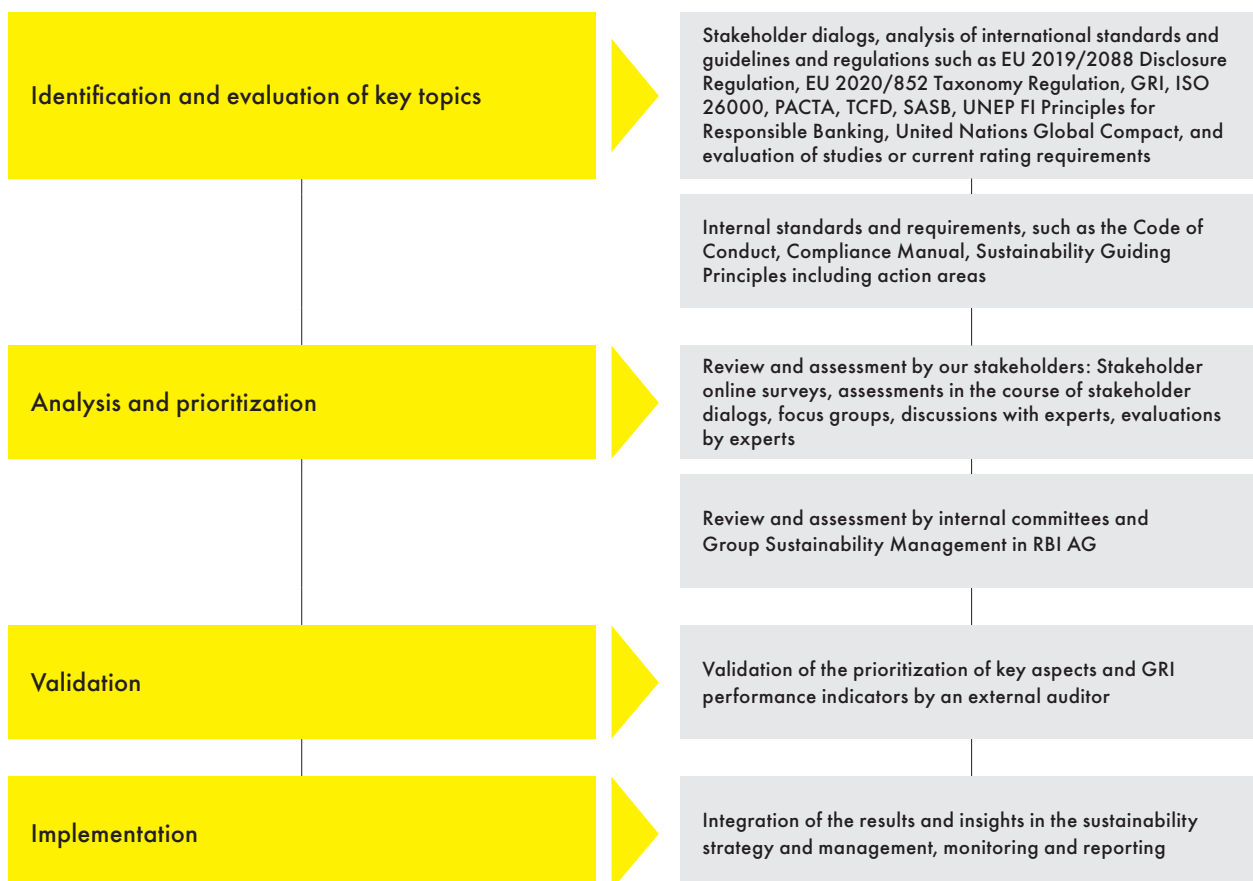
Material topics

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 hand, 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) and the GRI Standards, the principle of materiality has been placed at the center of reporting. In this way, the GRI emphasizes even more strongly than before that sustainability reports should be focused on the material topics of sustainability. The process of identifying and prioritizing the relevant topics and aspects must also be systematic and well documented.

Materiality analysis

The materiality analysis process



Identification of relevant topics

The selection of material topics takes into account internationally recognized criteria and sustainability standards, such as those created by the GRI, the United Nations Global Compact or ISO 26000 and current laws and regulations (for details see paragraph 1.b. on page 30). In addition, we consider feedback about the Sustainability Reports and evaluate dialogs with individual stakeholders, such as within the framework of the annual Stakeholder Council 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, also served as important sources for RBI and its Sustainability Officers in identifying 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 RBI is in a position to influence them directly or indirectly.

Prioritization of the sustainability aspects and materiality analysis

As in the past, RBI applied a multi-stage approach in the new materiality analysis published in this Report in order to be able to better evaluate and subsequently prioritize the material topics and areas of activity.

A detailed analysis of the topics identified as material in the past was conducted in 2020 (details can be found in the Sustainability Reports for 2017, 2018, and 2019). The aim was to establish whether these topics are still material for RBI and whether there are additional topics requiring classification as material based on current circumstances.

1. The analysis was performed in a multi-stage process:

a. The topics identified as material for RBI in the past were recorded in a grid:

- Employee concerns
- Inhouse ecology and supply chain
- Commitment to society and the environment
- Sustainability in the core business
- Economic added value
- Organizational management
- Regulations and controll
- Transparency and disclosure

b. They were then analyzed in detail with regard to their current relevance, taking into account a wide range of current standards, policies and regulations. In particular, these include EU 2019/2088 Disclosure Regulation, EU 2020/852 Taxonomy Regulation, the Paris Agreement Capital Transition Assessment (PACTA), GRI, ISO 26000, SASB, the Task Force on Climate-related Financial Disclosures (TCFD), and the UNEP FI Principles for Responsible Banking. The requirements of the rating agencies were also taken into account and a comparison was made with other financial institutions.

The contents of the documents analyzed were broken down into the most important topics and allocated to the material topics.

c. Next, the number of times a given topic occurred with given content was counted and a ranking was performed.

d. Finally, the results were examined in order to identify any topics that are sufficiently relevant to be classified as a material topic in their own right rather than as a subordinate topic. Two new topics were identified as material:

- Stakeholder engagement
- Risk management

2. The current materiality matrix was created on the basis of the results of the online stakeholder materiality survey conducted in fall 2020.

3. In the "Material topics" table (see page 36), we present how the topics we identified as material are related to the associated key GRI topics.

4. Validation of the material aspects, including GRI compliance, was carried out by an external expert who has international experience as an auditor of sustainability reports produced by financial service providers. This expert examined the identified prioritization of topics and performance indicators.
5. A workshop was held in December 2017 with around 20 external and RBI-internal participants with the appropriate professional expertise and chaired by external experts, in order to arrive at an expert-based weighting and determination of the impacts of RBI's business activities on the economy, environment and society. The impacts on the material topics were identified in two discussion groups. All workshop participants then anonymously assessed the material topics, and particularly the extent of the impacts thereof. The results were then ranked and subjected to critical review.

In early 2021, an online survey of experts was conducted on the impact of the material topics of stakeholder engagement and risk management that were newly identified for 2020.

Stakeholder online survey

In September and October 2020, around 4,000 stakeholders were invited to participate in an online survey on sustainability at RBI. A total of 706 stakeholders took part in the survey, corresponding to a return rate of 17.6 per cent.

The stakeholders were asked to evaluate the topics identified by us (see point 1.a. on page 30). We also established which topics are material with regard to our stakeholders' core business. For both groups of topics, the participants were asked to assess the relevance of the topics to them, i.e. the extent to which they have a significant influence on their evaluations and decisions with regard to RBI.

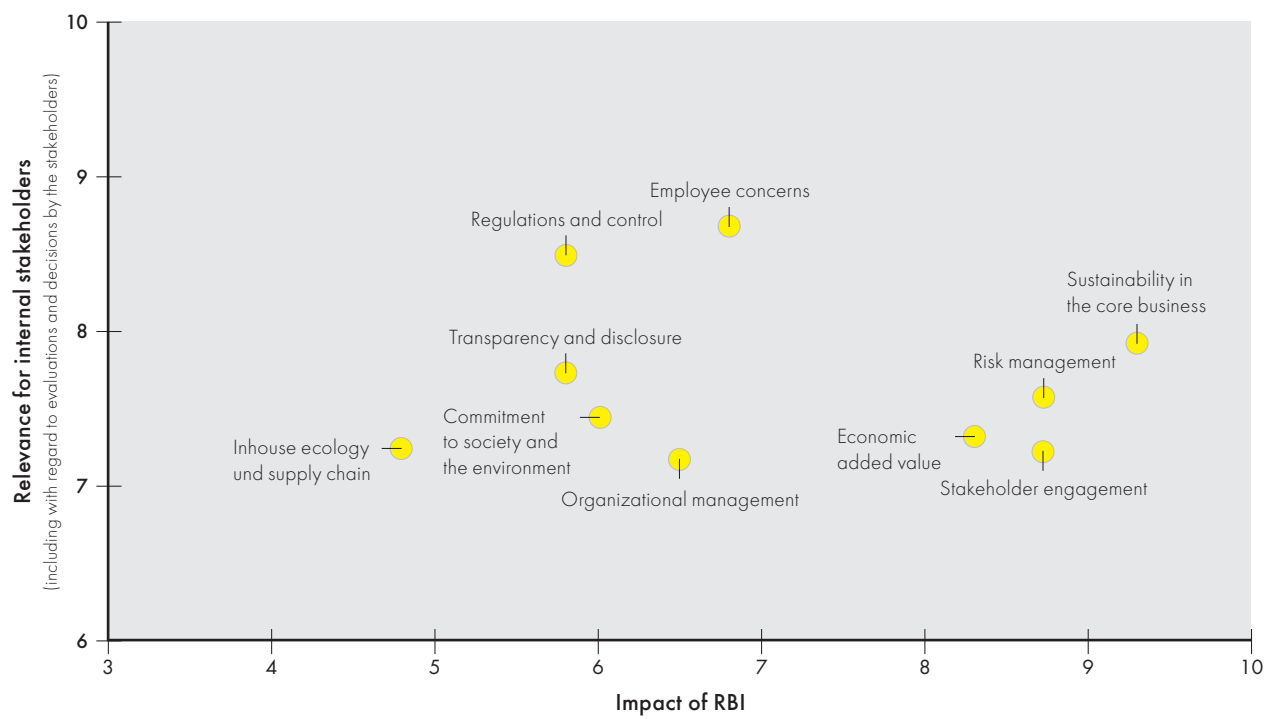
The survey recipients included employees from RBI AG, the Austrian subsidiaries and 13 network banks. As the owners, the Raiffeisen regional banks were also included as internal stakeholders. The following groups of external stakeholders were surveyed: customers, business partners, NGOs and NPOs, the capital markets (including investors and rating agencies), education and research, politics and administration, media and special interest groups.

We consider the survey to be representative in terms of evaluating and assessing materiality and deriving measures for the future.

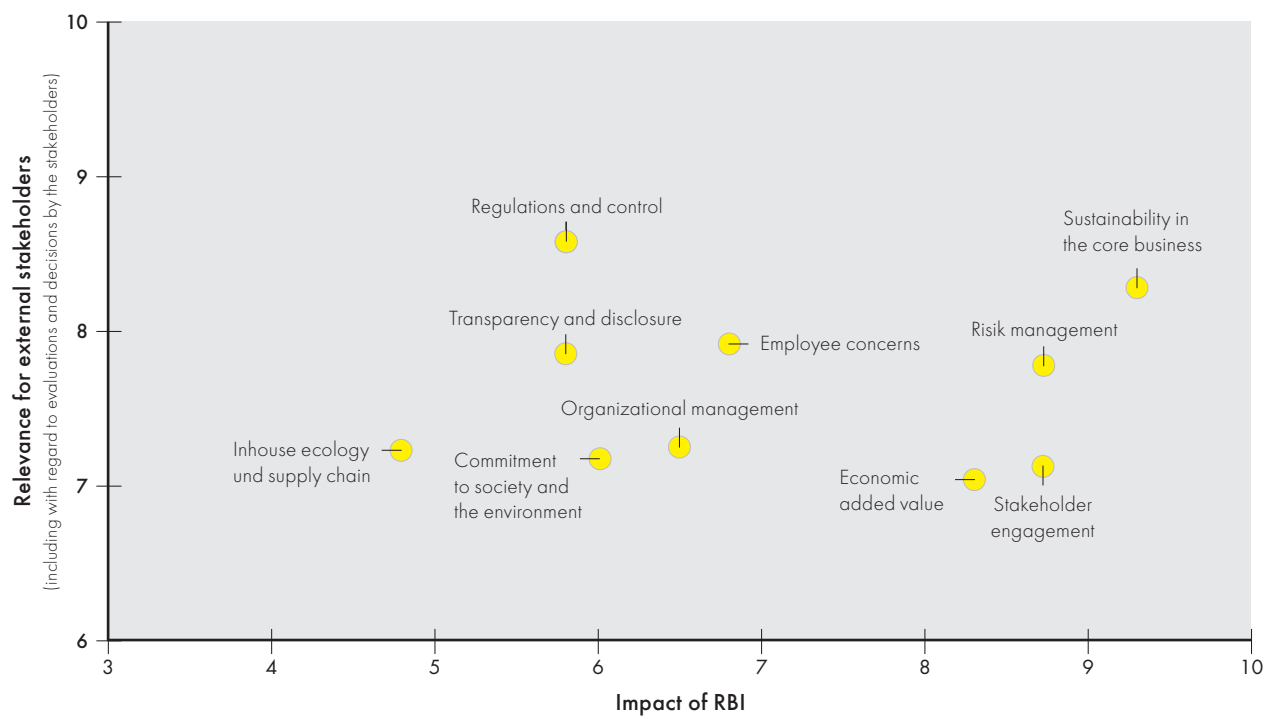
We deliberately prepared the adapted materiality matrix separately for internal and external stakeholders. We refrained from calculating an overall score, as each weighting involves the potential for distortion. The materiality matrices illustrate the significant economic, ecological and social impacts of RBI (x axis) and the evaluation of the topics by the internal and external stakeholders (y axis).

The results of the materiality survey show what our Sustainability Management needs to focus on in the future. Our sustainability program has been modified accordingly.

Materiality matrix – main topics (from the point of view of internal stakeholders)

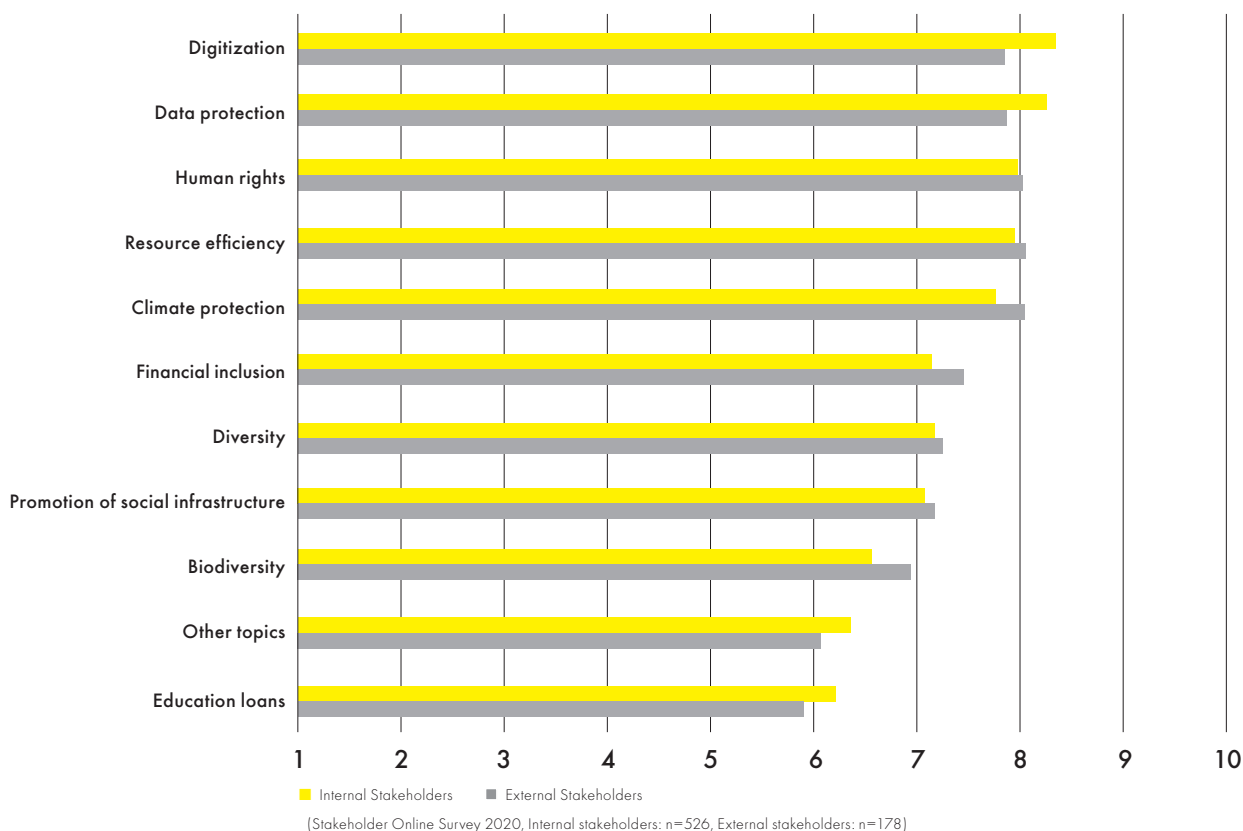


Materiality matrix – main topics (from the point of view of external stakeholders)



The following bar chart shows which topics RBI's stakeholders consider to be material for RBI in terms of core business. The perspective of internal and external stakeholders is shown separately and a weighted overall presentation is deliberately omitted.

Materiality chart of sustainability in the core business



Anonymous feedback and suggestions from stakeholders as part of the 2020 online survey

"Presentation of RBI's exposure broken down into particularly positive and negative industries and sectors, clear objective of discontinuing investments in unsustainable industries and sectors (e.g. fossil fuels) in the medium term, expansion of climate targets to include core business (impact assessment incl. calculation of stranded assets), etc."

"I believe RBI is making extremely good progress as a group when it comes to sustainability and that it is taking the matter very seriously. If we address all the topics referenced in this survey and give them the attention they deserve, I have no doubt that we can play a leading role in this area."

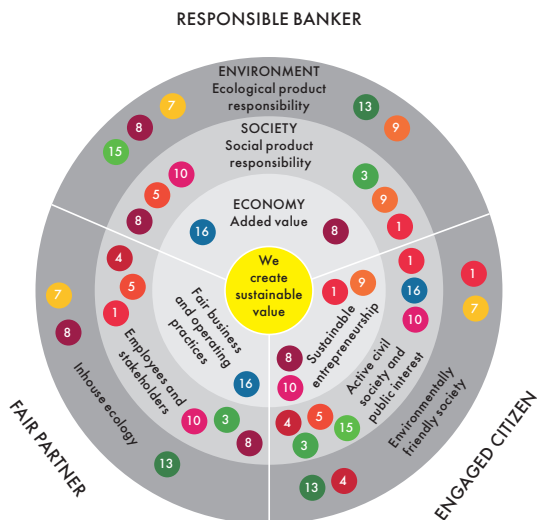
"I would suggest that we organize digital conferences for our network banks on specific topics relating to sustainability management so that we can share our experience, best practices, etc. This would promote ideas and improve cooperation in this area."

"It is important that we maintain a healthy balance between working from home and office-based work in the future. Social contact and teamwork are essential for the RBI Group's corporate culture, its creativity, and hence its innovative strength."

"A strong drive to support and finance methods of production that reduce CO₂ and methane, and strong efforts to prevent soil sealing or promote the recovery of sealed surfaces. One example is real estate projects with a high proportion of green space."

"Please continue with the well-founded and well-structured sustainability work. Sustainability can also be viewed as a form of risk prevention, especially at a time when we are facing multiple crisis areas."

Sustainable Development Goals



In order to help find solutions for global challenges, promote human welfare and protect the environment, the international community of states making up the UN adopted “Agenda 2030” in September 2015 in the interests of sustainable development – the Sustainable Development Goals (SDGs) and their 169 sub-goals. The SDGs encompass social and economic development as well as environmental sustainability. They also address aspects such as peace and security, justice and global partnerships, all of which are of great importance for sustainable development. The SDGs are globally applicable. In other words, all 193 UN member states, including Austria, are called upon to contribute to achieving the goals according to their means. Incentives should also be established to encourage non-state actors to increasingly make active contributions to sustainable development.

As an international banking group, we consider ourselves obliged to support these important international initiatives within the scope of our sustainability agenda. Our focus is on those SDGs that are most material and relevant to our business activities and that best complement our sustainability strategy.

To make this possible, we worked with an external consulting company in 2017 to create a structured process to identify the SDGs that are most material to our business. In 2020, experts from Risk Management examined which other SDGs could be potentially relevant for RBI from a risk perspective or are already being taken into account. A further three SDGs (SDG 3, SDG 10 and SDG 15) were identified.

The most important SDGs for RBI

The 11 SDGs listed below are the ones that RBI has identified as being particularly relevant – both for the Group as a whole and for the core business. These SDGs are already given priority and this will continue over the coming years. They directly expand upon the aspects and topics that have already been identified as material.

The topics and aspects addressed in this Report that have SDG relevance are specially indicated.

The eleven most important SDGs for RBI are:



- SDG 1: End all poverty in all its forms everywhere.
- SDG 3: Ensure healthy lives and promote well-being for all at all ages.
- SDG 4: Ensure inclusive and equitable quality education and lifelong learning opportunities for all.
- SDG 5: Achieve gender equality and empower all women and girls.

- SDG 7: Ensure access to affordable, reliable, sustainable and modern energy for all.
- SDG 8: Promote sustained, inclusive and sustainable economic growth and productive full employment and decent work for all.
- SDG 9: Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.

- SDG 10: Reduce inequality within and among countries.
- SDG 13: Take urgent action to combat climate change and its impacts.
- SDG 15: Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, halt and reverse land degradation and halt biodiversity loss.
- SDG 16: Promote peaceful and inclusive societies in order to foster sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.

The following table shows the relationship between the topics we have identified as material, the areas of responsibility (responsible banker, fair partner, engaged citizen), the GRI standards, the SDGs, and the concerns in line with the Austrian Sustainability and Diversity Improvement Act (NaDiVeG).

Material topics						
Areas of responsibility	Material topics	GRI standards Material topics	"Top" Sustainable Development Goals	NaDiVeG matters		
Responsible banker	Engagement to society and the environment	Human rights assessment				
	Organizational management	Active Ownership				
		Marketing and labeling				
		Product portfolio				
	Economic added value	Economic performance				
		Indirect economic impacts				
		Product portfolio				
	Sustainability in the core business	Product portfolio				
			Regulations and control			
			Fighting corruption			
Protection of customer data						
Labeling of products						
Risk management	Product portfolio					
	Audit					
Stakeholder engagement	Active ownership					
	Product portfolio					
Transparency and disclosures	Public policy					

Fair partner employees	Employee concerns	Training and development	1, 4, 5, 8	
		Employment	10	
		Freedom of association and right to collective agreement negotiations		
		Diversity and equal opportunity		
	Risk management	Occupational health and safety	1, 3, 4, 5	
		Diskriminierungsfreiheit	10	
Stakeholder engagement	Product portfolio		1, 3, 4, 5, 8, 10	
Fair partner Inhouse ecology	Inhouse ecology and supply chain	Water and waste water	7, 8, 13	
		Emissions, energy		
		Materials, water and waste water		
	Stakeholder engagement	Product portfolio	7, 8, 13, 16	
Engaged citizen	Engagement to society and the environment	Marketing and labeling	1, 8, 9, 16	
		Economic performance		
	Stakeholder engagement	Product portfolio	1, 4, 7, 8, 9, 13, 16	

SDGs

No poverty	Good health and well-being	High quality education	Gender Equality	Affordable and clean energy	Decent Work and Economic Growth
Industry, innovation and infrastructure	Reduced inequalities	Climate action	Life on land	Peace, justice and strong institutions	

NaDiVeG matters

Respect for human rights	Employee matters	Combat corruption and bribery	Environmental matters	Social matters
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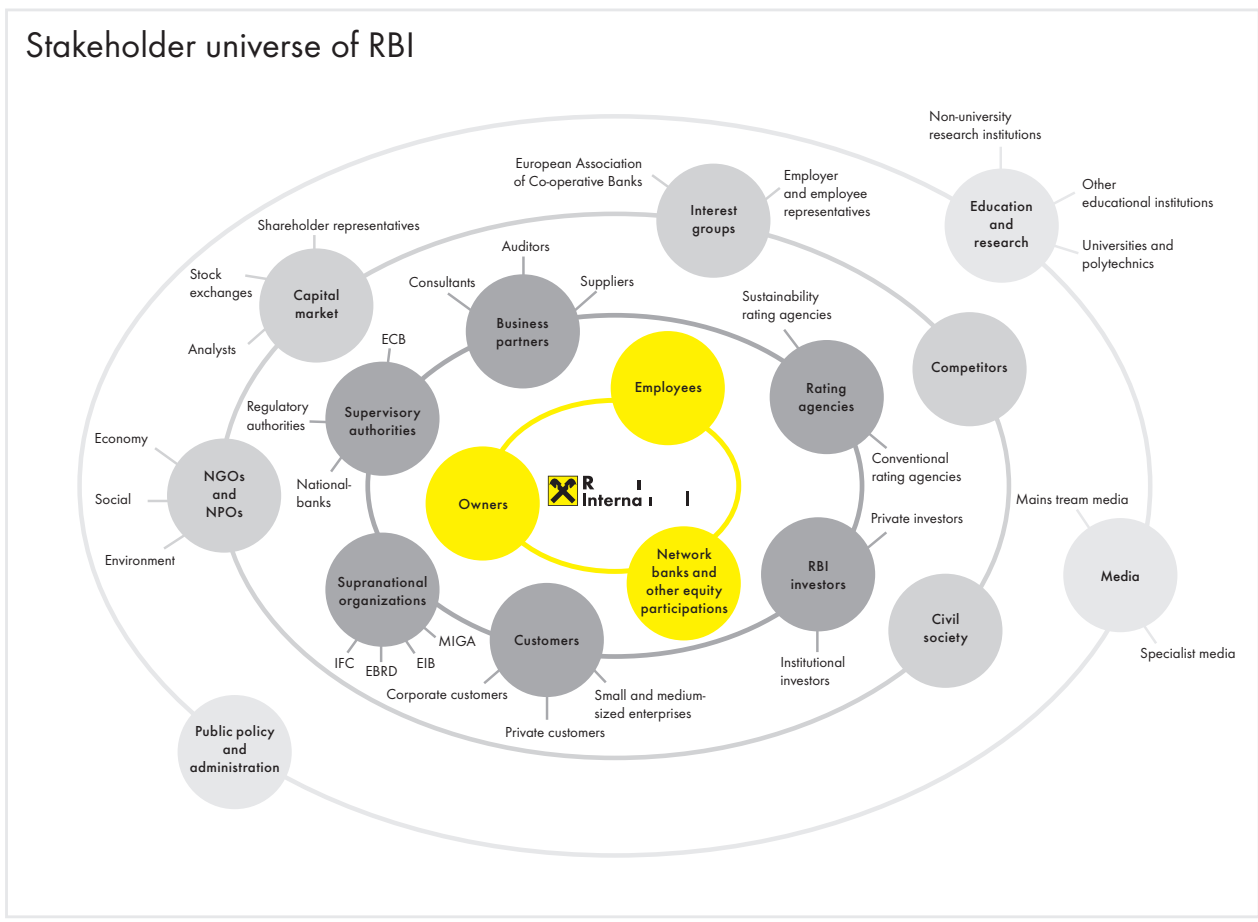
Stakeholder inclusion

Our business activities affect the interests of many stakeholder groups and people in different 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 out and find common solutions, even on 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 dialog with stakeholders. In various forms of communication with our stakeholder groups, we evaluate the relevance of sustainability topics. In our sustainability committees, we consider the results of the stakeholder dialogs, including controversial themes, and based on what we have learned, we develop concrete objectives and measures for further development of our sustainability management.

Our stakeholders

RBI defines its stakeholders as those people or groups of people that have a legitimate 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. There are also several other stakeholder groups with regular mutual relations.



Our stakeholder approach as a fair partner

RBI is a fair business and dialog partner to all stakeholders. In this role, we interact in an open and respectful manner with employees, customers, business partners, shareholders and other stakeholder groups. Transparency, i.e. the disclosure of measurable objectives and the reporting of measures taken and the success in meeting their targets, is our overarching central guiding principle.

We foster and promote constructive exchange with our stakeholders. We also endeavor to recognize the needs of our most important stakeholders, and to act within the scope of our powers.

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

The rules of fair competition clearly apply to RBI. We feel obliged to offer an outstanding service culture in which we strive to exceed the expectations of our customers wherever possible. We ensure that recommendations are given in an honest and fair manner and that customers are adequately informed about the risks. False or misleading advertising is something we feel is unacceptable. RBI 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 the statutory 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 our deep roots in the countries and our relationships with their people, and also on the efforts made by our employees every day to deepen this trust. We share a common goal with our customers: success. We have internalized this company principle and 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 RBI. Numbering almost 45,000, our employees represent the largest stakeholder group in terms of numbers, right after our 17.2 million 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. Additionally, 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 Program Finance Initiative (UNEP FI), Transparency International, the Global Reporting Initiative (GRI) and respACT – Austrian Business Council for Sustainable Development.

We view environmental and climate protection as part of our responsibility toward society, and we see ourselves as a fair partner to the environment. The direct environmental impacts of our operational activities are limited compared with those of production industries. Nevertheless, RBI has the goal of limiting negative environmental impacts at all of its sites to the greatest possible extent, and – where possible – going beyond basic compliance with statutory requirements and demands.

A prerequisite in our business and operational practices is the fair, ethical and legally compliant behavior of all members of our staff. More information can be found from page 23 onward.

A key part of our corporate culture is in-depth communication with our shareholders. This is why we ensure that their feedback and input is used in our strategies and operations. The result of this is a shared system for the creation of added value. The shareholders of RBI AG exercise their rights according to 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.

It goes without saying that we have a great responsibility toward our shareholders. This is why optimizing shareholder value is part of our corporate vision. We are not interested in short-term value growth. Good profitability, which we can use to build up equity from within, and the long-term profitable development of RBI are good not only for owners and shareholders but also for all other stakeholders. They safeguard our common existence.

Dialog and information

To ensure 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. These are supplemented by various publications, such as those on the topic of sustainable finance published by Raiffeisen RESEARCH, which are intended as a reference work.

In order to reach as many stakeholder groups as possible, we regularly carry out comprehensive stakeholder surveys. The most recent stakeholder survey was conducted in fall 2020. Over 700 stakeholders took the opportunity to work with us to reprioritize the material topics for RBI (see page 30 onward).

The results of the 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 for direct selection of the 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 too, we focus primarily on those topics and aspects that we and the stakeholder groups have identified as material.

Forms of stakeholder involvement through selected dialogue formats and participation

Information		
Goals: Creating transparency, sharing information	Sustainability Report according to GRI Standards	External and internal Communication (e.g. regular articles in the employee magazine INSIDE as well as the customer newsletter). Participation in sustainability ratings of agencies (e.g. ISS ESG, Sustainalytics) Articles in specialized publications
	UNGC report "Communication on Progress"	
	Participation in the CDP	
	Sustainability information on the company websites	
Dialog and consultation		
Goals: Open exchange and dialog on perspectives; expectations and possibilities for solutions; listening and learning	Stakeholder Council	Social media (internal Raiffeisen blog on sustainability and corporate responsibility) Ad hoc dialogs with policymakers and various specialized lectures (e.g. at universities) Organization of events (e.g. Green Finance Day)
	Focus groups	
	Surveys and opinion polls on sustainability topics (e.g. online surveys)	
	Internal "Sustainability Competence" eLearning	
Participation		
Goals: Active participation, cooperation, setting out initiatives, implementing projects	Active initiation of sustainability measures (e.g. via RNI)	Support of projects (e.g. cooperation with polytechnics and universities) Incorporation of external stakeholders in inhouse committees (e.g. on the Sustainability Council)
	Participation in national initiatives (e.g. respACT)	
	Participation in international initiatives (e.g. UNEP FI, UNGC, EACB, VfU)	

Stakeholder Council

The most important communication format for us is the annual Stakeholder Council, in which various stakeholder groups enter into dialog with representatives of our Management Board and management. The goals of the event are dialog and knowledge transfer, informing the participants about the progress achieved, discussing possible actions and jointly considering and dealing with current sustainability questions. The COVID-19 pandemic meant it was not possible to hold the Stakeholder Council in 2020.

Of the suggestions from the Stakeholder Councils in the two previous years, the following topics were prioritized and implemented in 2020:

- For all green bond issues, an annual sustainability impact measurement (carbon footprint) is conducted and published in order to increase transparency by measuring the footprint (see page 81).
- In 2020, the strategic sustainable finance core team that was established in 2019 was expanded as part of a holistic approach to include a sustainable finance decision-making body comprising the responsible division heads as well as an operational task force. The aim is to continuously increase the proportion of environmentally friendly products in the overall portfolio. This is also set out in the Sustainable Finance Roadmap. With this move, RBI is addressing the suggestion that sustainability be integrated into bank controlling to an even greater extent.
- Reflecting the desire to build up expertise and offer customers more consulting on ESG topics, a number of information events for employees from all business lines took place at head office. In addition, "ESG ambassadors" at the network banks were trained on corporate business.
- We have complied with the request to intensify the drive for sustainable financial products in various respects – details can be found from page 66 onwards.
- The implementation of strict lending criteria and policies has already been realized for some sectors and is continuing with the permanent enhancement of existing policies.
- Our numerous initiatives in the area of diversity management are helping our employees to take advantage of flexible working models and achieve a healthier work-life balance (see page 98-107) as well as enabling active inclusion. COVID-19 meant that working from home quickly became a matter of everyday reality throughout the Group, leading to the establishment of a "New World of Work" project (see page 95 onward).
- The numerous measures with regard to SDG5 on gender equality continued (see page 102 onwards). As recommended by the stakeholders, all of this is intended to establish structures that are geared toward having positive impact when it comes to gender equality.
- Our values, particularly the "Collaboration" value, and our efforts to be an adaptive company are directly linked to the aim of realizing an open corporate culture. For instance, this was achieved in 2020 through the "pulse surveys" that were conducted for the first time (see page 97).
- The quarterly Sustainability & Diversity newsletter has ensured greater transparency and improved communication at head office since 2019. Other examples include the pulse surveys that were introduced in 2020, the results of which are communicated transparently, and the update calls with the CEO that took place on a weekly basis in 2020 (see page 95).
- Inhouse ecology focused on initiatives that can be used as an example for the entire Group. RBI in Austria transparently presents climate targets, measures and success stories for employees via a dedicated website for environmental topics (see page 124). The contents are shared with the network banks.
- The climate strategy was pursued as recommended by the stakeholders.
- In 2020, we remained committed to communicating the environmental measures adopted and projects like CDP, both internally and externally.
- A dedicated supplier policy was developed and will be rolled out in 2021.
- As part of our commitment as a corporate citizen, which extends beyond our core business, we have entered into a partnership with "Impactory", the first mobile marketplace for donations to non-profit organizations. RBI uses this donation portal to invite people to help one of the selected projects.

Find more at:
[https://
impactory.
org/rbi](https://impactory.org/rbi)

Sustainability ratings, indices and awards

Sustainability ratings and sustainability indices

In addition to financial indicators, sustainability criteria are increasingly relevant to the investment decisions taken by investors. Guidance is offered by the analyses and ratings issued by agencies specializing in sustainability as well as index providers.

ISS ESG

ISS ESG evaluates a company's social and ecological performance in the context of corporate ratings by applying over 100 sector-specific social and environmental criteria. ISS ESG ensures that the ratings are kept up to date through regular update cycles. In order to make the evaluations transparent, ISS ESG publishes not only criteria and processes, but also important rating results.

RBI's sustainability rating was confirmed at level "C+" in June 2020, which corresponds to "Prime Status".



MSCI

In the MSCI ESG Ratings* in July 2020, RBI was awarded a rating of "A" (on a scale from AAA to CCC).

* The use by RBI of any MSCI ESG research LLC or its affiliates ("MSCI") data, and the use of MSCI logos, trademarks, service marks or index names herein, do not constitute a sponsorship, endorsement, recommendation or promotion of RBI by MSCI. MSCI services and data are the property of MSCI or its information providers, and are provided "as-is" and without warranty. MSCI names and logos are trademarks or service marks of MSCI.



Sustainalytics

Sustainalytics is a leading independent provider of environmental, social and corporate governance (ESG) research, ratings and analyses. It specializes in analyzing and evaluating the sustainability performance of companies and countries, and helps investors around the world to develop and implement responsible investment strategies.

In June 2020, RBI was rated as "low risk" with regard to the material financial impact of ESG factors. RBI placed 80th among the 947 banks included in the ranking.



FTSE4Good

RBI AG has been included in the FTSE4Good Index Series of FTSE Russell since 2015.

FTSE Russell has confirmed that RBI was assessed independently in accordance with the FTSE4Good criteria and meets the requirements for membership of the FTSE4Good Index (most recent index review: June 2020). The series was developed to measure the performance of companies that have effective environmental, social and management (ESG) practices. The FTSE4Good indices are used by a wide variety of market participants to create and assess responsible investment funds and other products.



STOXX ESG Leaders

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



The STOXX Global ESG Leaders Index offers a representation of the leading global companies in terms of environmental, social and governance criteria, based on ESG indicators provided by Sustainalytics.

VÖNIX

RBI AG is listed in the VBV-Österreichischer Nachhaltigkeitsindex (VÖNIX Index), the sustainability index of the Vienna Stock Exchange. It contains domestic companies listed on the Vienna Stock Exchange that are leaders in terms of environmental and social activities and performance.



Launched in June 2005, VÖNIX was one of the first national sustainability indices. It aims to demonstrate the long-term benefits of sustainable management and sustainable investment. VÖNIX is based on the measurement of entrepreneurial sustainability. This requires a complex model featuring extensive ecological and social exclusion criteria and positive criteria. As part of an annual sustainability analysis, information on the relevant sustainability criteria is collected for all domestic companies whose shares are listed in the Prime Market of the Vienna Stock Exchange. Publicly available company information, individual company sources and other materials such as press reports and databases serve as the sources of this information.

CDP

The annual environmental disclosure and evaluation process of CDP – a global non-profit organization – is recognized as the gold standard for the environmental transparency of listed companies. CDP uses a detailed and independent methodology to assess companies, assigning a score from A to F based on comprehensive disclosure, awareness and management of environmental risks and the demonstration of best practices relating to environmental leadership, such as setting ambitious and meaningful targets. Only 776 companies worldwide were able to gain a place on the CDP leadership list in 2020 (encompassing the A and A- scores).



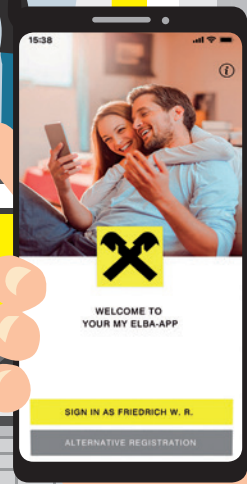
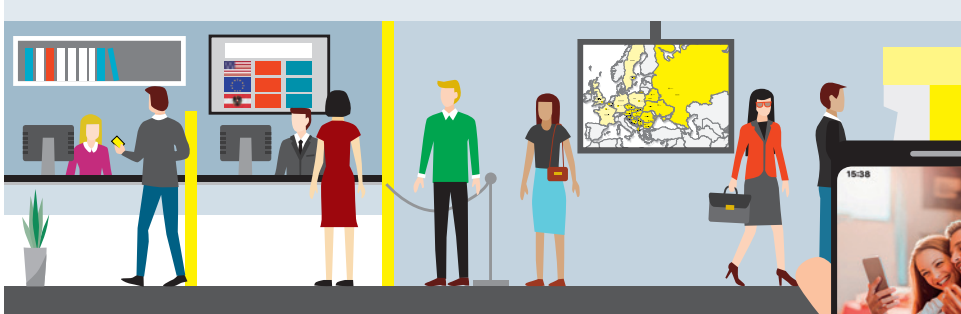
CLIMATE

With a score of A, RBI is one of the five best companies in Austria included in the ranking. It was also the best rated company in the Austrian financial sector for the management of climate risks for the sixth time. Thanks to its extensive climate protection measures, RBI is a leader when it comes to environmental ambition, the measures taken, and transparency. Once more the RBI was identified as leading in the cooperation with its suppliers in the climate protection area and was included to the CDP Supplier Engagement Leaderboard.

Field of action Responsible banker: For sustainability in the core business






**Raiffeisen Bank
International**

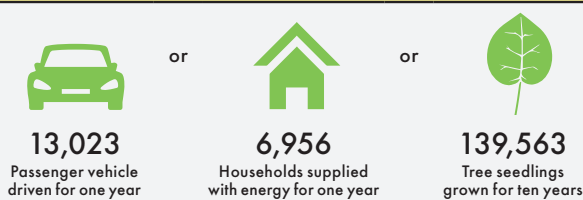


Interesting facts at a glance

Environmental effects of RBI green bond portfolio

CO ₂ SAVINGS BY ASSET CATEGORY			
Asset category		CO ₂ savings per year in metric tons	CO ₂ savings in per cent
Green buildings	Green buildings	26,671	44
	Clean transportation	31,139	52
Total		60,281	

EQUIVALENT TO ANNUAL GREENHOUSE GAS EMISSIONS ¹	
	13,023 Passenger vehicle driven for one year
	6,956 Households supplied with energy for one year
	139,563 Tree seedlings grown for ten years



¹ Source: <https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator>

€ 1,359 m
Portfolio saves

60,281
metric tons CO₂
per year

Annual CO₂ savings per € 1 m investment

44 tons

or

Annual CO₂ savings per € 500 m outstanding green bonds

22,187 tons



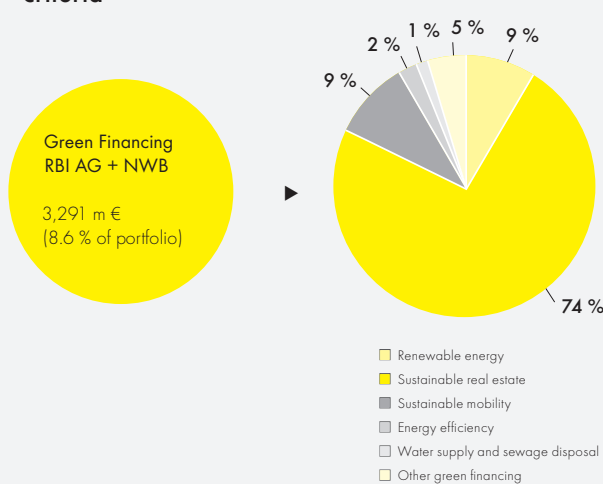
RCB has sustainability-oriented certificates with an outstanding volume of almost € 748 million, corresponding to around 18 per cent of the total volume of all RCB certificates.



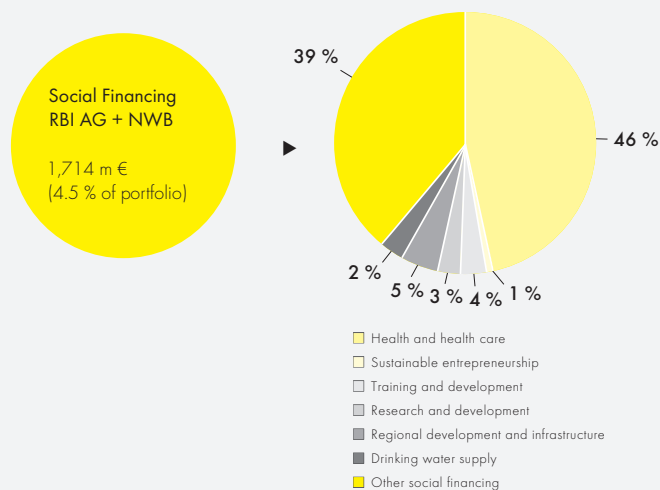
Kathrein already manages around 46 per cent of its total fund volume in accordance with sustainability criteria.

Nearly 100 per cent of the Valida staff provision fund's assets are invested in accordance with sustainable criteria.

Breakdown of RBI* green financing by sustainability criteria

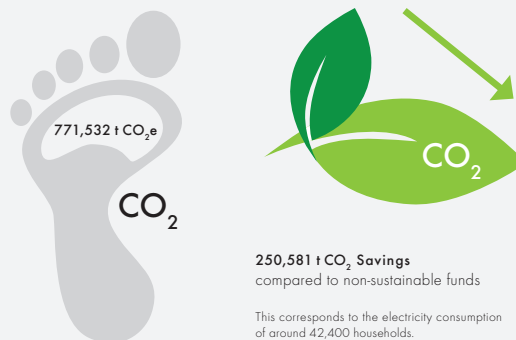


Breakdown of RBI* social financing by sustainability criteria



* Excluding the subsidiaries RBSK, RKAG, RL, Valida, RCB, Kathrein

Environmental impact of Sustainable Funds 2020



Source: <https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator>

The volume of sustainable investments at Raiffeisen KAG is € 9.4 billion, accounting for 24 per cent of the total volume.

Responsible banker

As a “responsible banker”, long-term added value is our primary objective. Therefore, our business strategy as well as our products, services and processes are aligned with this goal. To achieve this, we take a holistic approach. Rather than limiting ourselves purely to generating economic value, we always consider the environmental and social impacts of our business activities as well. Effective and sustainable performance can be achieved only if these aspects are also taken into account.

Being a responsible banker means taking responsibility in our core business, as this is where the most effective leverage is found. RBI therefore believes that granting loans and investing funds represent the primary and most important fields of action for achieving sustainable success. In all business areas and products, RBI takes great care and responsibility to structure its business and business relationships for long-term resilience, to avoid social and environmental risks and to take advantage of opportunities to improve environmental protection and social standards.

As a logical consequence, RBI therefore signed the Principles for Responsible Banking of the UNEP Finance Initiative at the start of 2021. This means we have undertaken to systematically pursue the path we have adopted, anchoring sustainability topics even more strongly in all business areas and leveraging our potential even further so that we can make the greatest possible contribution to a sustainable world.

Impacts, risks and opportunities

Only by knowing the impacts of our business activities on the environment and society can we pursue a serious policy of sustainability and align the company strategy accordingly with this goal. However, the sustainability impact of the core business of a bank is felt across a wide range of aspects consisting of many opportunities as well as risks. For instance, when considering the economic added value from the business activities, we make an indisputable contribution to the stability, resilience and productivity of the economic system. In our role as a financing and service provider, we have the opportunity to help reduce inequality between different sections of society. Driving innovation and digitalization plays a key role in this process (see also “Innovation and digitalization” starting on page 54).

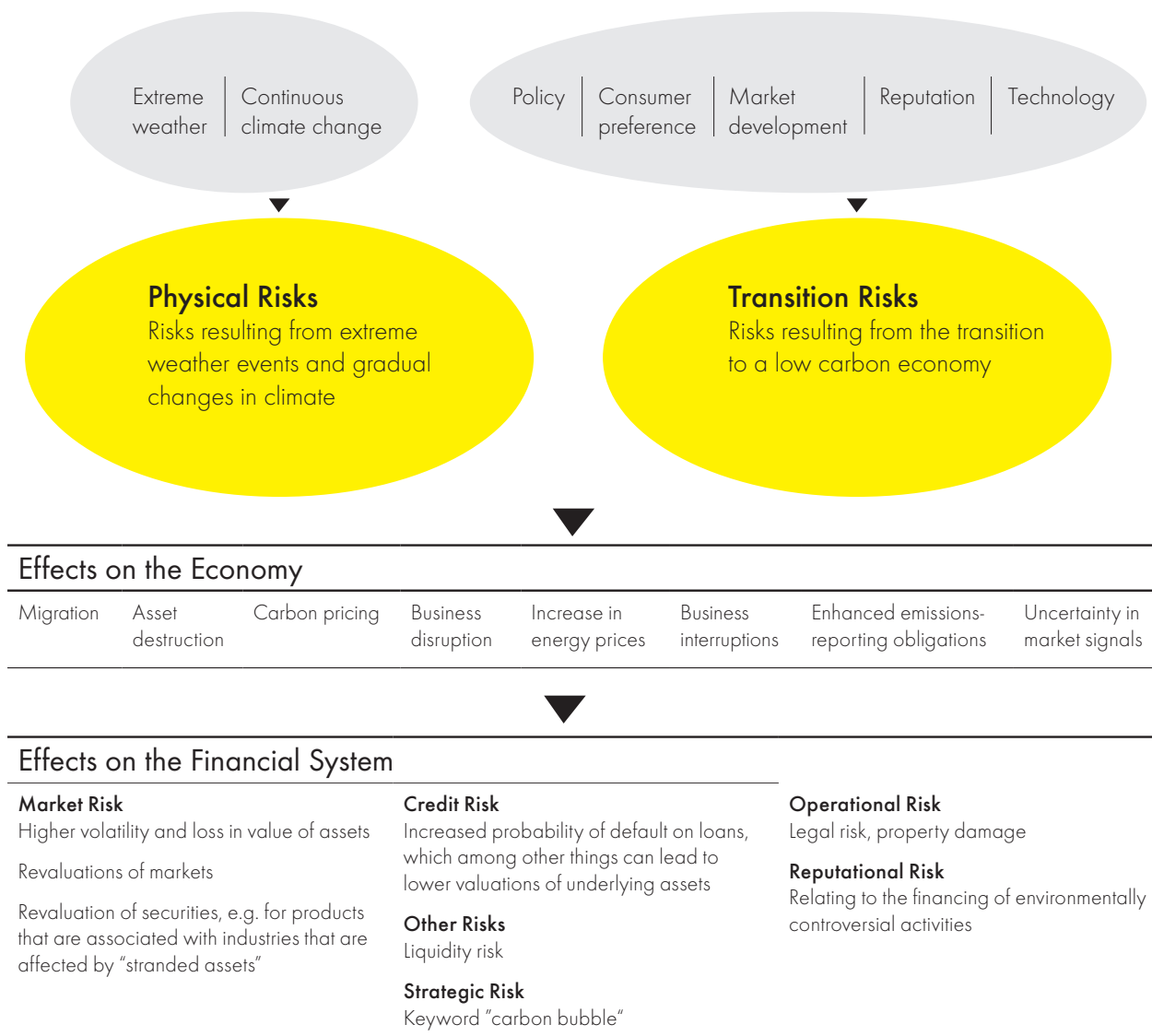
The structuring and sustainability of the products and services we offer plays an important role in respect of economic, societal and environmental risks and opportunities. As a bank, it is up to us to make funding available for the implementation of sustainable projects or to refrain from supporting the realization of projects that are not sustainable. In deciding to whom and for what purpose we provide loans, we have an impact on the environment and the climate as well as social issues like health and upholding human rights. By considering environmental and social aspects (including human rights) or stipulating requirements in our financing decisions, we also motivate our customers to change their perspective. This also applies to our own investments and the funds managed by our asset management company (“active ownership”).

We believe that possessing a certain market power is a great responsibility, one we wish to exercise in accordance with our principles for the good of society. A similar approach applies to the collection and processing of customer data (big data). We have an impact on the transformation of business and consumption in the direction of greater sustainability and we are in a position to incentivize or support such innovations. We also make a contribution to supporting the Sustainable Development Goals (see “Lending policy and lending decision process” starting on page 56 and “Sustainable financing” starting on page 68). For example, disadvantaged groups of the population can attain greater equality in socio-economic respects through purposefully designed products and information offers (see “Initiatives to improve access to financial products for disadvantaged groups of the population” on page 84). We also have an obligation to ensure that we do not contribute to the overindebtedness of customers by granting loans irresponsibly and hence endangering their existence. Another worthy goal is achieving and maintaining a foundational awareness of the concepts of saving, preparing for the future and economic responsibility as well as an associated product base, which we support with our investment products (see “Sustainable investment” starting on page 72). In turn, all of this has an influence on the prosperity and quality of life of the population.

With regard to social and societal risks, factors such as poor working conditions, endangerment of health and a failure to uphold human rights can play a very significant role in connection with financing and investments we carry out. We strive never to be involved in or associated with human rights violations. We also endeavor to prevent such violations within the scope of our influence and our capabilities. In addition to our intrinsic interest in avoiding human rights violations, it is also in our economic interest to decrease the risk of strikes, loss of personnel, regulatory fines or compensation payments on the part of our customers. Inevitably, our business activities leave behind not only an environmental footprint, but also a social footprint.

Looking at climate risks, the rise in the global temperature and greenhouse gas emissions has significant consequences for the environment and people’s lives. For many years now, the Global Risk Report of the World Economic Forum has counted environmental risks among the most likely threats over the next ten years. Climate risks can be broadly divided into two risk categories, although there are some interdependencies. They include the physical risks of changes in climate conditions and the transition risks arising in connection with the development of a low-carbon economy and society. Although the consequences of global warming are only negative, they can be positively influenced by financing renewable energies and energy efficiency, for example.

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The risks to society and the economy include the effects of a rise in greenhouse gas emissions on tourism, agriculture, forestry and health due to long-term changes in climate conditions, as well as the damage caused by increasingly frequent natural disasters. The impact on the economy can lead directly to the destruction or depreciation of our assets

or the assets we finance due to natural disasters. However, the known risk types for the economy also include higher energy prices and carbon pricing as well as migration away from certain areas.

As a financial service provider, we cause direct emissions through our office locations as well as indirect CO₂ emissions through our business activities, for example. This leads to different levels of greenhouse gas emissions with the familiar consequences for the environment, including more frequent extreme weather events and long-term changes in the climate. We are aware of the environmental risks that are influenced by our business activities and we work to largely counteract these. This is exacerbated by the fact that climate protection and sustainability are still a long way down the political agenda in some of the countries in our core market of Central and Eastern Europe. Stricter environmental protection laws and regulations can make existing investments less profitable or even unprofitable altogether. The market can also be expected to anticipate various future developments. The withdrawal of many investors from the area of fossil energy, especially thermal coal and carbon-dependent industries, is an indication that such assets of our customers or investees can be expected to fall in value over the medium term ("carbon bubble").

Accordingly, dependence on fossil fuels represents a challenge. We have always been and remain committed to actively supporting the transformation process in these countries in an economic, environmental and social respect. The main reasons for the financial sector addressing environmental risk are the financial consequences of credit, market, operational, reputational and other risks.

We can only reduce the environmental risk of financially supporting projects that contribute to the pollution of land, air or water or the destruction of the rainforest or even trigger environmental disasters by examining every single financing arrangement with great care and by applying clear and strict rules for sensitive business areas, such as carbon-intensive industries.

The timely identification of all of the aforementioned environmental and social risks together with the traditional risks using appropriate care and, where necessary, extensive due diligence is a fundamental requirement for proactive countermeasures and effective risk minimization (see also "Lending policy and lending decision process", particularly "ESG evaluation process", starting on page 59). We also continuously analyze our development opportunities. RBI views sustainability itself as an opportunity - for our own business activities and for our stakeholders alike. As is well known, the EU has set itself the target of becoming climate-neutral by 2050, which it intends to achieve by implementing its "Green Deal". This contains packages of measures for sustainable ecological change, including dramatic reductions in emissions and significant investments in green technologies, research, and innovation. As described above, this will open up new opportunities for additional business and attracting new customers.

Business strategy

RBI is a leading universal banking group in CEE and corporate and investment bank in Austria. It provides financial services to retail and corporate customers, as well as to banks and other institutional clients. RBI continues to focus on the CEE region, which offers structurally higher growth rates than Western Europe and therefore more attractive potential returns. With the specialist institutions it owns in Austria, each with a strong market position, RBI is broadly diversified and also benefits from the opportunities in the Austrian market.

In response to the profound and rapid developments within the industry and changing customer expectations, RBI defined a new strategic direction in 2019, which it set out in its Mission & Vision 2025. Although the financial sector is currently faced with an extremely challenging market environment, RBI is convinced all the more that the focus areas identified in the determination of the strategic direction in 2019 are the right ones.

RBI's Vision is based on growth through customer centricity and digital transformation, with the goal of becoming the most recommended financial services group by 2025. This is to be achieved by making customers' lives easier through continuous innovation and a superior customer experience (RBI's Mission) and providing a stress-free, effortless banking experience, as well as excellent products and services. In addition to leveraging RBI's established competitive strengths (customer focus and long-term relationships, extensive local presence in the CEE region, strong brand, as well as a comprehensive product and service offering across all channels), efforts are being intensified in the following strategic areas:

- Sales and service model: Transformation of branches and expansion of digital acquisition of retail and small business customers, redesign of sales and service models for large corporate and institutional clients, development of dedicated customer experience management across business lines
- Digital operational excellence: Improved efficiency and effectiveness through digitalization and automation; fundamental re-design of important customer touchpoints and processes
- Group-wide innovation and scalable product solutions: Pooling of Group-wide development resources to strengthen the digital product offering
- Data and analytics capabilities: Utilization of artificial intelligence and advanced analytics to develop new business opportunities and optimize processes
- IT architecture: Transformation of core IT into a modular and scalable architecture, evaluation of new infrastructure options, especially for digital retail banking
- Adaptive organizational structure: Transformation of culture, organization and processes to enable faster responsiveness, improved collaboration and new methods of working

Aside from the strong focus on digital transformation and scalability, cost efficiency constitutes another important aspect of RBI's strategy. It is planned to sustainably improve the cost structure and profitability by means of standardization, automation and process optimization, as well as the centralization and further optimization of the business model.

Based on the overall Group strategy, each client segment is following its own individual business strategy aimed at differentiating RBI in terms of customer experience, in order to contribute step by step towards RBI's goal of being the most recommended financial services group. In the context of its Vision, RBI aims to already be the most recommended bank in the majority of its markets by the end of 2021, in retail and corporate banking business and in servicing institutional clients, as measured by the number of recommendations (Net Promoter Score (NPS)).

As sustainability and sustainable finance have become so important in the global economy, RBI further intensified its efforts in 2020 to strengthen its strategic focus as a responsible banker. When investigating the market opportunities across Retail, Corporate, Markets and Investment Banking we have adopted a holistic approach with which RBI aims to become the "go-to" Bank for Responsible Banking and the pioneer in our CEE markets. Our goal is to originate, develop and distribute sustainable finance products and services that support our clients and customers to make their transition to a sustainable future – as businesses and as individuals.

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After a careful analysis, in which all internal stakeholders were included, RBI has become a signatory to the UNEP FI Principle of Responsible Banking in early 2021 and has also adopted corresponding sustainability goals at the Board level. Among other things, these are aimed to increase the speed and scope with which we are able to offer sustainable financing and investment products to our customers. One focus is on further improving internal ESG skills to ensure that we have strong product & advisory services in sustainable finance & investments. Innovations across product digitization, offerings that take environment and social impacts into account, which are distributed Group-wide as "Product as a Service" are also part of RBI's holistic approach. We aim to make Responsible Banking a significant contributor to the business growth of RBI as part of our 2025 Vision of becoming the most recommended financial services group in our CEE markets.

Economic sustainability

Economically successful business is a prerequisite for ensuring the long-term survival and success of a company. Economic value creation is generally the primary goal of productive activities. Only this ensures that other, ethical objectives can also be realized. Through the economic value creation of its business activities, RBI generates additional benefit for the company itself as well as for its owners and employees, its customers and the economy in general. In this way, it makes an important contribution to the stability, resilience and productivity of the economic system and the prosperity of society. We are fully aware of the associated responsibility.

Another requirement is ensuring appropriate capital resources. The concept of Group risk controlling comprises a sustainability perspective that should ensure that RBI has a sufficiently high core capital ratio at the end of a planning period even if the macroeconomic environment worsens unexpectedly (details on this can be found in RBI's 2020 Annual Report starting on page 198). The following tables provide an overview of the direct contribution RBI has on the economy.

RBI operating result (in million €)

	2020	RBI		RBI AG	
		2019	Change	2020	2019
Net interest income	3,241	3,412	-171	411	400
Dividend income	22	31	-9	1,073	674
Current income from investments in associated companies	41	171	-131	0	0
Net fee and commission income	1,738	1,797	-59	229	231
Net trading income and net income from fair value measurement	94	-17	111	141	-106
Net income from hedge accounting	0	3	-4	3	7
Other net operating income	60	78	-19	89	102
Operating income	5,195	5,475	-280	1,945	1,309
Staff expenses	-1,566	-1,610	45	-360	-377
Other administrative expenses	-986	-1,094	108	-304	-328
Depreciation	-397	-389	-9	-50	-42
General administrative expenses	-2,949	-3,093	144	-713	-747
Operating result	2,246	2,382	-136	1,232	562

The following table shows the value contribution for the most important stakeholders: the owners, the employees, the economy and public authorities.

Financial flows to stakeholders (in million €)

	2020	RBI		RBI AG	
		2019	Change	2020	2019
Owners - Dividends	0	306	-306	0	306
Employees - Wages and salaries	1,198	1,228	-30	257	260
Business - Investments and operating costs	1,056	1,140	-76	339	348
Investments in the community	4.6	2.0	2.6	0.6	0.4
Public authorities	682	843	-161	147	126
Income taxes (excluding deferred taxes)	306	457	-151	20	3
Banking levies	103	110	-7	63	62
Social security costs and staff-related taxes	274	276	-3	63	61
Equity status as of December 31	14,288	13,765	523	10,568	9,524

RBI key figures by segment

2020	Total assets in € million	Change from previous year ¹	Business outlets	Employees ²	Profit/loss after taxes in € million	Customers in million	Amounts owed to customers in € million
Poland	2,774	-6.7%	1	238	-67	0.0	13
Czech Republic	18,363	5.3%	127	3,138	91	1.3	15,449
Slovakia	15,719	7.6%	167	3,580	110	1.1	12,322
Hungary	8,808	12.0%	72	2,279	41	0.5	6,609
Central Europe segment	45,280	7.6%	368	9,244	180	2.9	34,393
Albania	1,920	4.4%	76	1,285	12	0.5	1,652
Bosnia and Herzegovina	2,559	3.7%	103	1,268	21	0.4	2,046
Bulgaria	4,993	7.9%	140	2,536	30	0.6	4,139
Kosovo	1,159	9.2%	47	842	17	0.3	918
Croatia	5,321	7.3%	75	1,818	14	0.5	3,908
Romania	10,703	15.8%	337	5,115	131	2.2	9,025
Serbia	3,299	18.3%	86	1,480	48	0.9	2,604
Southeastern Europe segment	29,897	10.8%	864	14,344	273	5.4	24,292
Belarus	1,802	13.7%	79	1,690	47	0.8	1,294
Russia	15,838	-12.9%	132	8,733	459	3.5	12,381
Ukraine	3,083	-1.8%	393	6,559	133	2.6	2,548
Eastern Europe segment	20,721	-11.4%	604	16,982	639	7.0	16,224
Group Corporates & Markets segment	58,083	8.2%	21	3,099	288	1.9	28,822
Corporate Center segment	32,577	20.6%	0	1,745	157	0.0	2,058
Total	165,959	9.0%	1,857	45,414	910	17.2	102,112

¹ The change in total assets in local currency compared with December 31, 2019 is due to the euro exchange rates.

² In full-time equivalents as of the reporting date.

Responsibility in the core business

RBI seeks to structure its business and business relationships for long-term resilience, to avoid social and environmental risks, and to ensure that opportunities to improve environmental protection and social standards are leveraged. Trust and reliability have always been among RBI's fundamental principles.

We are committed to an outstanding service culture in which we regularly seek to exceed our customers' expectations with regard to quality. This is also reflected in RBI's Mission and Vision 2025: We are the most recommended financial service group by making our customers' lives easier through innovation. Accordingly, we constantly strive to improve the customer experience and help our customers to achieve more in their lives and businesses.

Our goal is to serve our customers as comprehensively as possible with financial services that meet their needs. The growth in demand for products and services that combine social, environmental and economic criteria is naturally taken into account. We ensure that recommendations are given in an honest and fair manner and that customers are adequately informed about the risks. At the same time, we want to take into account the impact of our business activities on society and the environment to the greatest possible extent and optimize it as much as possible. As well as contributing to a positive customer experience, investors are increasingly requesting corresponding information (see also "Sustainable Finance Initiative" starting on page 66). For this reason, we place a particularly strong focus on continuously enhancing our products to include ESG components and we address this topic as part of a strategic approach (see "Other sustainable products and services" starting on page 80).

Ecological product responsibility

RBI cares about the environment. We therefore always consider the associated environmental consequences of the products and services we offer. In particular, financing of or participation in transactions or projects which put the environment at risk of lasting effect are not in accordance with our business policy. We give precedence to transactions involving environmentally friendly technologies and take the environmental footprint and related measures into account when selecting our suppliers. Our goal is to reduce the negative impacts of our business activities on the environment to

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the minimum and to lower CO₂ emissions. RBI is committed to complying with all applicable environmental regulations in each country within its business operations and service sectors. It acts in an environmentally-conscious manner and continually strives to improve its own environmental balance 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 damage to the Group's reputation. For each financing and project approval, it must also be ensured that the company being financed is using the funds 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 (see also "Lending policy and lending decision process" starting on page 56).



Group policy on thermal coal

RBI is committed to promoting environmentally friendly technologies. We see this as a chance for new business fields, such as in the areas of renewable energy, electric mobility, energy efficiency and resource management. At the same time, we have set ourselves strict restrictions in connection with the "withdrawal from coal". In early 2021, RBI's Management Board adopted a Group policy requiring the RBI to significantly reduce its carbon finance portfolio, i.e. its total assets relating to thermal coal and thermal coal trading. Put simply, the policy prohibits transactions with companies that generate more than 25 per cent of their revenues from thermal coal mining. The same applies to energy and trading companies. No new lending exposures are to be entered into with such customers and their outstanding balance must be repaid by 2030 at the latest. Furthermore, RBI undertakes to no longer provide new financial services to new or existing thermal coal power plants or mines from 2021 onward, nor will it directly participate in (re-)financing for such companies.

Social product responsibility

RBI is aware of the impacts of its business activities on society. Virtually, all payment transactions are processed through banks and by issuing loans, banks have an influence on the purposes for which funding is utilized. Our products and services can therefore directly contribute to changing the life situations and consumer behavior of the population. Indirect influences arise through investments in projects or companies with particular social or societal relevance, from which people could either benefit or be disadvantaged.



Observing human rights is a basic requirement in connection with all of the products and services we offer. Specifically, we do not finance transactions connected with forced or child labor or in violation of the European Convention on Human Rights, obligations under the labor and social law of the respective country, applicable regulations issued by international organizations (including the relevant UN conventions), or the rights of local populations or indigenous people. RBI is also not involved in business with products that 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.



Considering the requirements and concerns of our customers also plays an important role for our company in the design, sale and use of our products and services. The security of our products and the security of our customers are both of central concern to us. Along with access to relevant information regarding products and services, this includes the verifiability of claims, explanations of the possible risks associated with products or services and appropriate information, e.g. on risk reduction. For example, the economic feasibility of loan repayment is carefully explained to the customer (see also the "Lending policy and lending decision process" chapter starting on page 56). Where possible, we inform customers about the sustainability aspects of our products. We carefully check any complaints which are brought to us and respond as soon as possible. We also strive to provide comprehensive barrier-free access to our financial services for disabled persons. Protecting customer data also forms part of our social responsibility (see next chapter).

Customer structure

Private customers

RBI provides services to around 17.1 million retail, private banking and small business customers in CEE, offering a broad product range (e.g. account packages, clearing, settlement and payment services, consumer finance, mortgage loans and investment products).

As a result of changes in customer behavior, demand for digital solutions is increasing and consequently distribution channels must be optimized and adapted to the changed customer requirements. Therefore, the strategic focus of RBI's retail banking area is on further expansion of digital banking capabilities in order to realize the ambition of solid retail customer growth. In addition, a new initiative was launched to drive digitization forwards in the area of investment products including funds, bonds and certificates and enhance the retail client experience.

In order to respond to these customer requirements more quickly and innovatively, going forwards RBI will centrally develop standard products on a digitalized basis and make them available to its subsidiary banks. The pooling of these resources should lead to a further increase in customer usage and higher efficiency in the development process. The aim is to significantly improve the adoption rate of these digital channels and in particular to increase usage of mobile banking from 43 per cent in 2020 (2019: 32 per cent) to 55 per cent by 2021. Additionally, it is planned to exploit the potential of new technologies and data analytics to a greater extent in order to provide a superior customer experience for all retail customers.

In 2020, RBI achieved the number one position in the NPS survey in six of its 13 markets. This constitutes a significant step towards RBI's goal of being the most recommended bank in the majority of its markets by the end of 2021.

Corporate clients

RBI services around 100,000 corporate clients across CEE (including medium-sized businesses, large local companies, international corporations and local authorities). All activities in the corporate customer area are guided by the Vision of being the most recommended corporate customer bank.

Supported by extensive local market expertise and strong advisory capabilities, RBI concentrates on building long-term business partnerships and strives to provide its customers with solutions oriented towards their needs.

In addition, strategic focus is placed on developing new cross-border financial services for clients across the CEE region; improving the customer experience across all processes by redesigning the most important customer touchpoints (e.g. KYC, account opening, online banking); expanding the convenient digital product and service offering; faster information flows and shorter decision-making processes; as well as focusing on responsible businesses/strengthening the sustainability concept as an important factor for success (including respective products and advisory services).

The corporate customer business proved to be highly resilient to crisis during the year. As less than five per cent of the corporate customer portfolio is comprised of weaker-rated customers in COVID-19 most-impacted industries, RBI increased asset volumes relative to the prior year. Despite the strategic and operational challenges, RBI was able – also in 2020 – to make further progress towards its Vision of becoming the most recommended corporate customer bank with the launch of new digital customer solutions (e.g. eKYC, eFinance or Cross Border Account Opening in Austria). Furthermore, RBI significantly improved its NPS position in 2020 and was ranked number one in nine out of 14 markets, up from four out of 14 markets in 2019.

Institutional clients

For RBI's institutional clients, the primary focus is on the further development of digital products to improve the customer experience. During the COVID-19 crisis, RBI launched a new monthly newsletter and website including webinars, information on research, products and services, which proved popular among customers. In 2020, RBI's client relationship strength was reflected in the number one ranking in the NPS survey in Austria, Romania and Hungary. The main functionalities of the foreign exchange platform (R-Flex) were successfully developed in 2020 and will be rolled out in 2021, starting with Romania.

The optimization of the capital markets trading and sales architecture, as well as the investment banking setup, also remain areas of high strategic importance. The investment banking division recorded good results in the reporting year, arranging 53 Eurobonds and improving its CEE Eurobond league table ranking.

Innovation and digitization

As mentioned above, a broad range of products and continuous innovation are important prerequisites for a positive customer experience and the satisfaction and loyalty of our customers. This is ensured by way of the Group-wide product competence centers and the Group Strategy team. All new products, product combinations and variations throughout the entire network are also subject to a formal product approval process that is intended to ensure that every product is offered in an optimal form and all risks and potential controversies associated with a product are disclosed. Naturally, we offer products and services only when we have the corresponding expertise, the necessary infrastructure and the required license and when the product or service is approved on the respective markets. Product development takes account of trends and developments in the market.

The topics of digitalization and innovation are closely related and complement each other. In the area of strategic innovation, RBI is intensively addressing the opportunities and challenges arising from the rapid development of the markets and technology. In addition to the resulting impact on its core business, this includes more far-reaching considerations relating to business model transformation. For this reason, an Innovation Board comprising members of senior management was established in 2018 for the purpose of controlling and coordinating all of the Group's innovation activities. The importance of strategic innovation is also reflected in the area of Group Strategy in the form of a specific focus on the development and implementation of innovative ideas and strategic partnerships.



Dedicated competence centers have been established for selected sub-areas. The Elevator Lab, which has won several awards and is now the largest corporate fintech partnership program in Central and Eastern Europe, is making a significant contribution to structured cooperation with fintechs in order to establish new, innovative products and technologies within the RBI while also positioning the Group as a trustworthy partner within the increasingly important start-up/fintech ecosystems. This has resulted in more than ten strategic fintech partnerships throughout the Group to date.

The Open API Initiative is also making a contribution to the establishment of (digital) cooperation and co-innovation models and has already given rise to some promising products. Last but not least, the RBI API Marketplace, a digital marketplace for interface-based products and services, went live in late 2020. As well as offering a (digital) point of entry to the RBI for potential cooperation partners, it serves as a showcase for the Group's digital capabilities.

In the area of emerging technologies, RBI strategically positioned itself in the area of blockchain in particular by establishing a blockchain hub. As well as enabling a strategic assessment of the disruptive potential of blockchain technology for its core business (with a view to decentralized finance), the aim is to identify and pilot product and implementation suggestions. RBI also worked on a digitalization use case for fund units together with Raiffeisen Capital Management. Both use cases demonstrate considerable potential for reducing operating costs as well as improving and simplifying an innovative product portfolio in the area of payment transactions and investment. Active involvement in joint research initiatives with established industry players, e.g. with Bitpanda on the topic of blockchain interoperability, participation in consortium-based pilot projects and engaging in regular dialog with regulators ensures not only that RBI has access to important insights with regard to this innovative technology, but also that it has a powerful voice when it comes to shaping future regulation.

Protection of customer data and data security

The comprehensive protection of all data provided or made available to RBI, particularly from natural persons (e.g. customers or employees), is an integral part of RBI's business activities and one to which it attaches an extremely high level of importance. The recording, storage, processing and transmission of personal data of natural persons at RBI is subject not only to the mandatory statutory requirements, but also to mandatory internal principles and processes that are set out in a specific organizational and process structure for data protection and enhanced as required in coordination with the data protection officer. Compliance is managed by the Group Data Privacy & Quality Governance, Group Information & Cyber Security and Group Business Continuity Management & Physical Security organizational units and monitored by the Data Protection Officer.

Security has top priority at RBI. Data from customers, employees, and partners is handled with great care. RBI has taken various technical and organizational measures to ensure confidence in its services. The rapid pace of technological change requires a continuous improvement process and the adjustment of security measures from a technical and organizational perspective alike. The information security management system on which all security processes are based has been certified in accordance with the internationally recognized standard ISO 27001 since April 2020. Further information on the measures taken by RBI to protect information and its technical infrastructure can be found on RBI AG's website: www.rbinternational.com → Who we are → Security → Technical and Organizational Measures.

Find more at:
www.rbinternational.com →
Who-we-are
→ Security
→ Technical
and Orga-
nizational
Measures

In addition, RBI AG services, supports and monitors its Group subsidiaries in Austria and abroad with regard to the requirements of the GDPR and the internal principles and processes that are required to be observed within the Group. In addition to the GDPR, the applicable national laws in the respective countries must be observed. This involves supplementary or differing provisions in some cases, particularly in countries outside the EU.

Additional information on the processing of personal data by RBI can be found in the RBI data protection declaration: www.rbinternational.com/dataprotection.

In order to further heighten awareness of data protection at RBI and its Group companies, employee training includes an e-learning package aimed at generally improving the careful handling of personal data, as well as classroom-based training to enable practical implementation for the respective target group (business analysts, product owners, etc.). The e-learning campaign constitutes mandatory periodic training for all employee levels.

Complaints and data protection violations are monitored, reviewed, processed, and documented at RBI and all domestic and foreign subsidiaries. The reasons for the respective complaint or data protection violation are investigated and all necessary measures are taken to protect the data subject (including any notification of the responsible data protection authority).

In the 2020 financial year, 30 invitations to submit comments were received by RBI AG or its foreign subsidiaries, mainly via the responsible data protection authorities. RBI acknowledged 15 of these cases as justified complaints. The proceedings with the data protection authorities at the foreign subsidiaries are partially complete and partially not yet finalized. The proceedings with the Austrian data protection authority were completed extremely promptly and did not lead to the imposition of a fine or follow-up measures in any case.



Cyber and information security risks are covered by two Group-wide insurance lines: fidelity/crime insurance and cyber insurance. The fidelity/crime insurance covers direct losses, such as e.g. withdrawals of bank deposits, out of a specific cyber-attack. The cyber insurance covers a broader range of loss scenarios related to the simple unavailability or security breach of IT, in respect of consequential losses due to business interruption, additional costs, from e.g. GDPR or emergency situations, and third party damages. Security is of utmost importance to RBI. RBI has taken measures to strengthen cyber security, to swiftly identify and counter future threats to the IT landscape. No security incident¹ with data loss was reported in RBI in 2020.

Find more at:
www.rbinternational.com →
Who-we-are
→ Security
→ Technical
and Orga-
nizational
Measures

¹ A security incident is defined as a breach of controls, which is successfully violating the confidentiality, integrity and/or availability of business services.

Lending policy and lending decision process

Our business model is geared 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 business areas. In light of the environmental challenges and the changing expectations of customers and supervisory authorities, we continuously develop our policies and processes in order to ensure the integration of sustainability topics and risks into the lending decision process.

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The Code of Conduct 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 banking group must be considered in all activities and decisions. Our executive managers are responsible for compliance with these standards in their respective areas of responsibility .

As a financial institution, we are aware of our role in shaping a sustainable future and, in particular, our contribution to the achievement of various Sustainable Development Goals (SDGs). Making progress toward the SDGs already demanded huge effort on the part of all concerned even before the COVID-19 pandemic put additional burden on progressing, as well as setbacks in some cases. The SDGs negatively affected include “Health and Wellbeing”, “No Poverty”, “Decent Work and Economic Growth”, “Industry, Innovation and Infrastructure”, “Reduced Inequalities” and “Gender Equality”. With this in mind, RBI has provided active support throughout the pandemic and the resulting economic crisis in the form of continuous lending and higher sovereign limits in some of the CEE markets in which it operates, thereby helping to support the public guarantee schemes introduced to combat the consequences of the pandemic. These measures were aimed at all sectors, and SMEs in particular.

Health and wellbeing

3



In addition to promoting health preservation and healthy behaviors among its employees, RBI endeavors to support public health and wellbeing by continuing to provide lending solutions to players in the healthcare industry, such as hospitals and healthcare facilities, developers of healthcare products, and retirement homes. The healthcare sector is one of the areas directly affected by the COVID-19 pandemic. As well as posing a huge burden in its own right, reports¹ suggest that the pandemic has undone years of progress toward the third SDG. This makes increased support for the healthcare sector essential, and RBI is making an important contribution through its core competency, i.e. the provision of financing. Accordingly, the healthcare sector has been defined as one of the areas to be targeted with increased financing. In 2020, RBI increased its lending volume for the healthcare sector in line with its efforts to help make society healthier.

In addition, RBI has further concretized its intention to support a more sustainable and healthier future by limiting further growth in the Tobacco industry. The financing of tobacco producers is not permitted in microfinancing and SMEs financing.

Furthermore, for SMEs and micro businesses gambling casinos, gaming and betting are not supported, as they are considered to be harmful to social wellbeing and hence to people’s health. There is a special policy for the corporate segment that regulates relationships with customers from the gambling sector and only permits relationships with selected companies. These are subject to an extended compliance review that takes place during customer onboarding and regularly throughout the entire customer relationship.

¹ The Sustainable Development Goals Report 2020

Equality

To reduce inequality and ensure fair opportunities for all, access to finance and financial services must not be dependent on gender criteria. RBI incorporates gender equality into its core business of lending. Accordingly, the Group uses standardized selection criteria and conditions for its private customers. The selection criteria for financing do not take the customer's gender into account, thereby ensuring equal treatment and the same lending conditions for all. This is important because seemingly small differences in conditions can have a significant impact on the disadvantaged party in the long term.



Clean energy

RBI endeavors to support the transition to a low-carbon economy with its lending activity. To this end, it has further enhanced its lending policy towards renewable energy projects across all areas of the Group, with a particular focus on wind farms and photovoltaic power plants. In this way, the Group intends to support the market in transitioning to clean energy.



Furthermore, RBI is determined to prevent the mobilization of nuclear power by ensuring that we do not finance any nuclear power plants, companies that extract, distribute, or trade in nuclear fuel or companies that manage nuclear waste. Cooperation with power plant companies that operate nuclear power plants is continued only if the nuclear operations are strictly separable.

Above and beyond this, RBI has created a dedicated policy for energy from thermal coal and has committed to significantly reducing its exposure in terms of thermal coal and thermal coal trading assets. As part of this, it also wants to support existing customers with their transition, e.g. through a clear strategy for reducing dependence on thermal coal and/or CO₂ emissions and by increasing the share of renewable energies in its portfolio.

Job security and prosperity

As a financial institution, RBI believes it has a responsibility to promote and expand access to banking, insurance and financial services for all. In this way, it helps to ensure long-term economic growth as well as combating poverty. With this in mind, RBI provides financing for SME start-ups, micro business and private individuals. This has proven to be particularly important during the COVID-19 pandemic and the subsequent economic crisis. RBI demonstrated its reliability as a partner to its customers, continuing its lending business and supporting the upturn by providing credit facilities for government programs in all of its markets.




In addition to providing financing, RBI pursues a sustainable lending practice with a view to ensuring long-term value generation for its customers. The customer's ability to repay is crucial and collateral alone does not form the basis for lending. No speculative products are offered and foreign-currency financing is granted only in justified exceptional circumstances, in which case the customer is extensively informed about the associated risks.

To this end, RBI has established policies and processes to ensure that its lending activity is consistent not only with the Group's risk-bearing capacity, but also with the individual customers' debt servicing capacity. We pay particular attention to preventing overindebtedness and ensure that customers are able to continue their activities in the long term. Different policies and measures apply depending on the respective customer segment. Refinancing is being done with making sure that the refinanced loan gets closed, lending after restructuring is regulated with sound limitations in order to give our customers time to recover from the financial difficulties.


In the case, payment difficulties come up nevertheless, dealing proactively with the affected customers is a natural part of our banking operations to deliver our promises in line with RBI Vision Mission. As soon as RBI notices the first visible signs of payment difficulties, support is provided to the customer to solve his problems. Furthermore, it tries to find a suitable solution for the situation at hand within the scope of its options and the customer's financial situation. If difficulties arise with servicing the loans, RBI looks at each case individually and assesses how the customer can be helped by means of contractual concessions within financially justifiable limits as well as the regulatory requirements and endeavors to work with the customer to find a fair solution. In doing so, particular attention is paid to the customer's changed circumstances. In the event of a dispute, RBI follows a fair and professional complaints procedure.

Supporting infrastructure


 Making it easier for small businesses to access financial services and improving their integration into the market is an essential component of a sustainable economy. This applies in particular to companies in developing countries, where inequality is generally more visible and can have a more pronounced negative impact. With its strong presence in the CEE market, RBI plays an important role in supporting the local industry, innovation and infrastructure. The Group is aware of its responsibility in this respect, which is why it participates in various programs in order to offer loans to SMEs at more favorable conditions (e.g. lower prices, lower/no collateral) and with longer terms, thereby reducing the financial burden for customers. Investments like these will become even more important in light of the impact of the COVID-19 pandemic, as they will help to pave the way for a long-term recovery.

In its lending activity, RBI gives priority to projects with a long-term positive effect in terms of establishing resilience within local communities. Among other things, it seeks to achieve this by supporting infrastructure projects. The Group uses its strong presence in the CEE markets to support local companies, municipalities and governments by financing various infrastructure projects, thus making a sustained contribution that boosts local development.


Climate protection

 TCFD Irrespective of the customer industry, the lending decision process is carried out on a case-by-case basis following standardized principles and guidelines and in line with a comprehensive due diligence process. There is a clear personnel and functional separation between the business activities and all risk management activities. In addition to traditional “hard facts” and numerous qualitative criteria for all customers, our internal rating model also incorporates an evaluation of the management, which is responsible for the adequate handling of environmental and social topics within the company. Furthermore, an evaluation is performed as to whether a customer is subject to special environmental or social risks, including human rights violations and health risks, and whether a potential borrower follows the existing general and industry-specific rules with regard to the environment, human rights, and health. Contractual conditions are recorded in a specially developed database and monitored by a dedicated covenant monitoring team. All the contracts currently recorded in the database have at least an annual reporting obligation until the end of their term. When a report is due, a monthly reminder is issued until the report is submitted. If a borrower is unable to meet the conditions, it typically submits a waiver request. The lender may then approve the request or demand repayment of the loan depending on the respective risk assessment and the decision of the corresponding RBI bodies. Where a margin adjustment is linked to an ESG rating, we refer to an external rating agency.

Protection of ecosystems

 Financing or participating in transactions or projects that involve the risk of sustainable damage to the environment (e.g. destruction of the rain forest, land, air or water pollution) is not consistent with RBI’s business policy. For each financing decision, the responsible employees must take the potential negative environmental impact and the resulting damage to RBI’s reputation into account. This procedure applies to all of RBI’s business areas. Furthermore, no credit facilities in microfinancing or SME financing are provided to entities within the ferrous, non-ferrous metal & precious metals, as well as within mining and quarrying industries.

Human rights and peace

 We are committed to not directly or indirectly financing transactions, projects, or parties that are suspected of violating human rights and, in particular, that use forced or child labor or that contravene the legal working and social obligations of the respective countries, the applicable regulations of international organizations and, in particular, the relevant UN conventions and rights of the local population or indigenous people.

We also seek to prevent the mobilization of arms trading by ensuring that we do not finance any manufacturers of or dealers in controversial weapons or their relevant suppliers, as well as wholesale arms dealers. Cooperation with companies and businesses that manufacture defence products in addition to other products is only continued selectively and if the military operations and related activities are strictly separable.

In addition, the Compliance department conducts a comprehensive advance review of potential business partners in order to prevent loans from being granted to counterparties with a questionable reputation and, in particular, to avoid

the risk of money laundering and the financing of terrorism. Among other things, this review includes the business partner's business activities, the origin of funds and other collateral, the purpose of the loan, the payment of the loans, and the source of repayments. Accordingly, the specialist department and the risk department involved in the lending process for a business partner are equally responsible for consulting the Compliance department if they identify or suspect reputational risks or the risk of money laundering or the financing of terrorism (see also page 24 onwards).

It goes without saying that RBI complies with international standards on financial sanctions and trade restrictions. In connection with the gambling industry, we strive to finance exclusively reputable, transparent companies within the European Economic Area or other European countries with a regulated gambling market that are subject to supervision, comply with the principles of responsible gaming and adhere to the AML (anti-money laundering) and CTF (counter-terrorism financing) standards. As mentioned previously, we are also a signatory of the Global Compact of the United Nations (see page 17).

ESG evaluation process

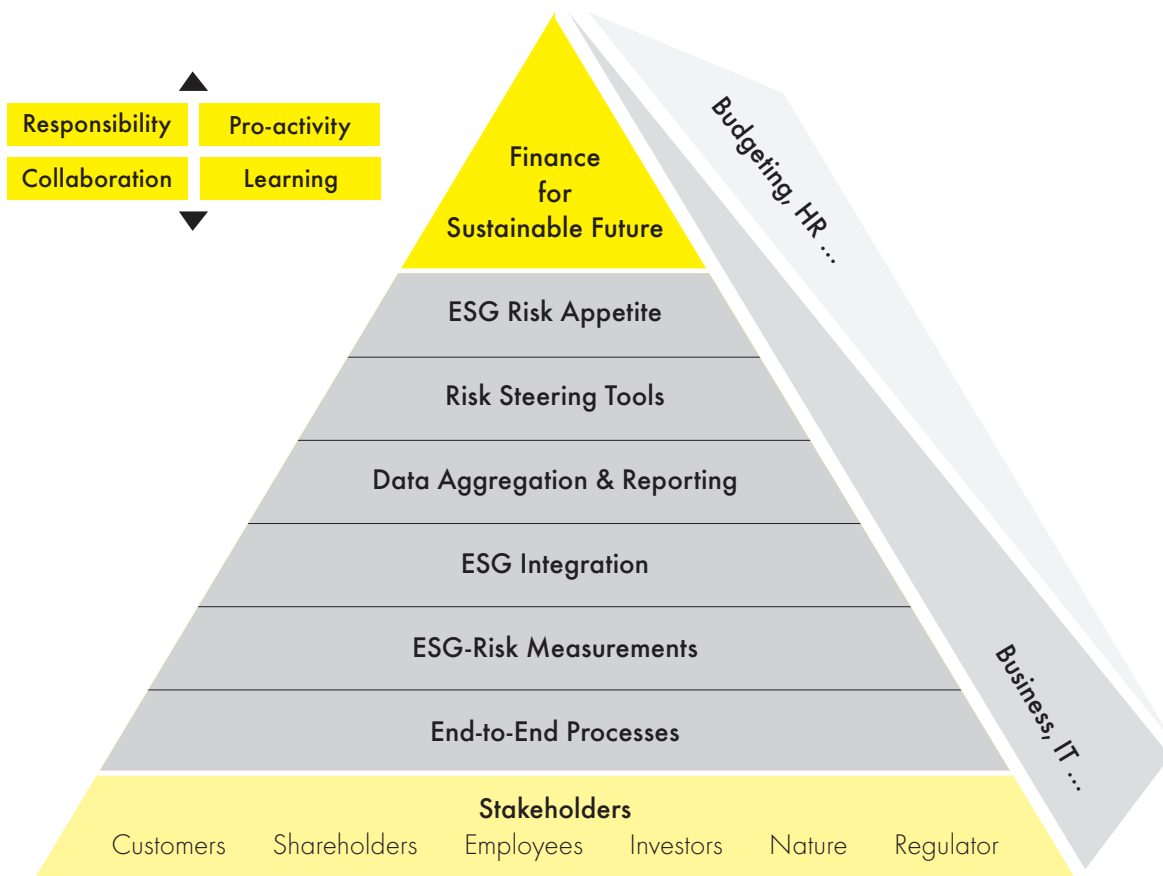
RBI's internal policies and processes help to further strengthen governance and ensure that our actions are geared toward our long-term goals. The credit portfolio of the Group is controlled by means of the portfolio strategy. This ensures that lending in different countries, sectors or product types is limited, our exposure is adequately diversified and concentrations of undesirable risks are avoided. In response to the changing market environment and the COVID-19 pandemic, RBI took its existing periodic review process as an opportunity to fundamentally revise its portfolio while evaluating the short-term and long-term changes in the industry (industry matrix) and its customers' positioning. This is intended to ensure that lending practice remains at a high standard in the future. The risks and potential of various industries in the individual countries and the creditworthiness of individual customers are continuously evaluated in order to allow a timely response to any changes. Lending guidelines and limits for future structuring of the credit portfolio are developed on this basis. In addition to the existing lending criteria, RBI already takes into account ESG-related risks at industry and country level and will expand this to the individual customer level. RBI is committed to including climate and environmental risks in its risk processes and policies.

Specific lending criteria for individual customer segments and countries are resolved by credit committees consisting of representatives of the front office and back office areas or by the full Management Board. The composition of the credit committees varies depending on the customer group for corporate customers, financial institutions, public authorities, and retail. They make all associated lending decisions within the framework of the lending approval process and the rating and volume-oriented assignment of responsibility (details on the loan decision process and the credit portfolio management can be found in the 2020 RBI Annual Report on page 196-201).

In addition to the existing efforts to minimize environmentally damaging activity, RBI has adopted sustainability and sustainable finance as a key topic. In line with the expectations of the market, the industry and the supervisory authorities, we have already gone one step further by starting to integrate the ESG evaluation into our processes. The inclusion of ESG aspects in risk management will take place at several levels within the organization, taking into account the needs and expectations of the various stakeholders.

TCFD





Sustainable finance is already an important part of RBI’s corporate credit policy and is intended to ensure the integration of ESG-related risks into risk management and underwriting processes. It is also aimed at drawing attention to industries that are enabling the transition to a low-carbon economy. On the one hand, we want to support customers that have dedicated themselves to developing solutions for a greener economy. On the other hand, we focus in particular on customers from industries with low ESG scores that wish to improve their environmental compatibility, have environmental strategy in place and want to achieve the transition to low-carbon economy.

As well as limiting and controlling the risks in connection with ESG factors, the Group endeavors to support activities that contribute to a low-carbon economy. Within the scope of our industry restrictions, we therefore prioritize “green” transactions over transactions that are not identified as such.

The Group-wide standards described apply to all Group units but 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.

The standards of the International Finance Corporation (IFC) and/or the Multilateral Investment Guarantee Agency (MIGA) apply at seven network banks: 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 (which has also committed to compliance with the EBRD standards), 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). This policy describes the principles of the ecological and social risk management in the bank and defines important roles and responsibilities for managing E&S risks as well as key elements of the E&S risk management process. An E&S Officer is nominated by the Management Board for each bank and is responsible for proper implementation within the bank. All employees involved in evaluating E&S risks receive appropriate training. The credit process ensures that all credit applications in the corporate customer area are reviewed in three steps,

in addition to the usual credit and risk criteria:

1. Evaluating whether the company is engaged in activities on the IFC Exclusion List.
2. Categorizing 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 of high and medium risk: Determining the environmental and social impacts and risks of a project as well as determining 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).

See
IFC-Home-
page under:
www.ifc.org

CO₂ emissions of corporate loans

In 2020, RBI calculated the financed emissions of its corporate loans for the first time using the method published by the PCAF (Partnership for Carbon Accounting Financials), which aims to enable financial institutions to measure and disclose the greenhouse gas emissions resulting from their loans. The calculation uses the following formula:

$$\text{Financed emissions} = \text{absolute emissions in sector} \times \frac{\text{company revenue}}{\text{sector income}} \times \frac{\text{outstanding volume in sector}}{\text{total assets of sector}}$$

This measure takes into account Scope 1 and 2 emissions. The data mainly comes from a third-party data provider (individual emission data was available for ten per cent, benchmarks were used for the remaining 90 per cent) and is broken down into GICS (Global Industry Classification Standard) codes.

The economic approach is taken into account by looking at the outstanding loans in a given sector. We also report the relative emissions per € 1,000 so that the data can be compared irrespective of portfolio size. The table has the following columns:

- The “Sector view incl. individual data” column shows the CO₂ emissions allocated to our financing sorted by GICS codes.
- The “Emission intensity” column shows the financed CO₂ emissions in tonnes per € 1,000 of financing.

All in all, just over 20 million tonnes of CO₂e can be attributed to our financing according to the PCAF approach. This figure covers 89.2 per cent of our corporate and project finance portfolio (not all financial data was available in sufficient quality for calculation). The main sources are the industrial sectors of materials (commodities and raw materials), utility companies, energy and capital goods and transport, which collectively account for around 84 per cent of our total financed emissions. In terms of emission intensity, which averages 0.35 t CO₂e per € 1,000 of corporate financing, the main CO₂ issuers are in the utilities, energy, materials, and consumer goods and clothing sectors.

CO₂ emissions of corporate loans

GICS Codes	Industry view incl. individual data Financed emissions in 1,000 t CO ₂ e	Financed emission intensity in t CO ₂ e/1,000 €
Materials	7,454	0.85
Utilities	4,074	1.44
Energy	2,810	0.88
Capital Goods	2,608	0.40
Transportation	886	0.27
Food, Beverage & Tobacco	604	0.11
Food & Staples Retailing	544	0.16
Consumer Durables & Apparel	404	0.77
Others	247	0.25
Automobiles & Components	183	0.05
Real Estate	172	0.02
Consumer Services	60	0.07
Health Care Equipment & Services	46	0.02
Retailing	41	0.03
Telecommunication Services	28	0.02
Technology Hardware & Equipment	28	0.09
Commercial & Professional Services	24	0.03
Household & Personal Products	20	0.06
Software & Services	14	0.02
Media & Entertainment	6	0.02
Pharmaceuticals, Biotechnology & Life Sciences	6	0.01
Semiconductors & Semiconductor Equipment	4	0.01
Insurance	0	0.00
Total	20,264	0.35

Customer satisfaction

The satisfaction of our customers and outstanding customer relationships are our top priority. Customer satisfaction at RBI is therefore regularly measured in both retail and corporate customer business. Measures for achieving additional improvements are derived from the insights gained in this way.

In our business with private individuals, small enterprises and micro businesses, customer satisfaction and service quality have been an integral component of our business management for a number of years. Since 2012, we have also employed a number of different methods to gain insight into the quality, duration and consistency of our customer relationships. In 2020, our NPS (Net Promoter Score) continued the positive development recorded in previous years. Our NPS for individuals and small and medium-sized enterprises is well above the market average in all the markets in which we have subsidiary banks. Because this bar is not high enough for us, we have set ourselves the target of being the “most recommended financial institution” in all of our markets and segments by 2025. The NPS measurement is carried out locally in all network banks based on a standardized method for the entire Group. NPS is based on the question: “How likely is it that you would recommend Raiffeisenbank to a friend or colleague?” We also conduct a brand performance analysis at least once a year. This measures brand awareness, trust and attractiveness compared with local competitors. Most network banks rank above the market average in this analysis. Fast, professional services, high-quality products and a stress-free customer experience are key among the most frequently cited reasons for a willingness to recommend us. We have invested in establishing customer experience management at all network banks. This consists of developing competence in improving the customer experience, establishing measurement and controlling criteria and anchoring

customer satisfaction within the strategy of the network banks.

Regularly measuring customer satisfaction and the customer experience are used to document and analyze changes. We continuously collect customer feedback on our most important products, the customer journey and personal sales channels (branch, ATM, customer center). Digital channels (website, internet banking, mobile banking and social networks) are continuing to enjoy rapid growth in popularity and have also become an integral part of all measurements. Results are evaluated immediately and corresponding measures put in place. Objective criteria, such as the ratings for our apps in app stores, show that the services we offer via digital channels are meeting with an extremely good response among customers.

As mentioned, in 2019 we set ourselves the ambitious target of becoming the most recommended financial institution in all of the markets in which we are active. This meant we had to revise our existing Customer Experience Framework (CEF) in order to reflect this ambition. The revised version of the CEF contains three strategic areas for improvement, each with specific measures assigned. These three areas for improvement continue to apply and we are making continuous progress.

- Understand: We strive to systematically collect feedback from our customers across all customer journeys and contact points so that we know with a high degree of certainty where we need to make improvements. To achieve this, we will also expand and standardize our journey mapping activities by applying uniform best-in-class methods in all our markets. Another leverage factor for this strategic area is the introduction of a multi-channel platform for customer experience management following on from the successful concept demonstrations in some markets.
- Prioritize: We decide on what needs to be improved and how by reference to transaction-specific customer feedback, additional business insights and a range of statistical methods in order to maximize the impact of our improvement measures wherever customers see the greatest barriers to smooth interaction with us. To achieve this, we develop and prepare a range of use cases for customer experience analytics at our network banks so that we can further optimize the way in which we measure and record customer satisfaction.
- Act: We are fully aware that none of the aforementioned activities can lead to a significant improvement in customer satisfaction unless our employees are trained in how to understand and respond to customer feedback. Accordingly, we will develop a dedicated Customer Experience Academy to provide training for employees at various hierarchical levels, from customer-facing employees through to product and general management.
- Mobilize: In 2020, we introduced this new, fourth strategic area. It is aimed at ensuring that our entire organization is geared toward a shared objective and a shared understanding of the topic of customer orientation, which we achieve by conducting extensive management training and internal communication campaigns.

All the aforementioned activities are underpinned by specific execution plans with targets and KPIs that must be met over the next few years.

Direct customer feedback is also an important indicator within the corporate business of RBI AG. On behalf of Raiffeisen Bankengruppe Österreich, IMAS International (Institut für Markt- und Sozialanalysen Ges.m.b.H.) conducted a biennial market study from September to December 2019 in all the corporate business segments (annual revenue: micro: € 0-10 million, SME: € 10-50 million, LC: over € 50 million), the results of which were published in April 2020. As in the previous periods, Raiffeisen again achieved extremely good results with these customer groups in 2019, enjoying a competitive edge in terms of quick lending decisions, payment transactions, close personal contact, accessibility in person and by telephone, and the easy accessibility of its branches. In July/August 2020, IMAS International surveyed German-speaking customers (with annual revenues of between € 50 million and over € 10 billion) as part of a customer satisfaction analysis conducted on behalf of RBI. The results were presented in October 2020: RBI received top marks from its customers in the recommendation and cooperation categories.

We fundamentally view criticism and complaints by our customers as an opportunity to improve our products and processes, reduce errors and increase how customers benefit from our services. The importance of taking customer complaints seriously is unquestioned throughout the entire Group (see following chapter "Complaint management").



Awards

Our commitment to customer satisfaction and our employees' expertise once again earned us a number of awards in 2020. By way of illustration, here are our awards from the four most internationally renowned financial journals.

The Financial Times publication "The Banker" recognized RBI as "Bank of the Year in CEE" for the fifth time. The RBI subsidiaries Tatra banka in Slovakia and Raiffeisen Bank Aval in Ukraine were named as Bank of the Year in their respective countries.

RBI was voted "Best Bank in Central and Eastern Europe" at Global Finance's "The World's Best Banks 2020" awards, making it the 13th time since 2004 that the financial magazine has awarded RBI this title. The RBI subsidiaries in Croatia and Ukraine were also named "Best Bank" in their respective countries.

RBI won a total of 23 awards at the EMEA Finance "Europe Banking Awards 2019". The financial magazine recognized RBI as "Best Bank in CEE & CIS" for the fifth year in succession. EMEA Finance also selected RBI and its subsidiary banks as the "Best Bank" in Austria, Belarus, Bosnia and Herzegovina, Bulgaria, Croatia, Hungary, Kosovo, Romania, Serbia, Slovakia, and Ukraine. The network banks in Albania and Russia were crowned "Best Foreign Bank". EMEA Finance recognized RBI and its network banks as the "Best Investment Bank" in Austria, Belarus, the Czech Republic, and Romania. The subsidiaries in Bulgaria, the Czech Republic, Hungary, and Slovakia were recognized as the "Best Private Bank" in their respective country, while Raiffeisen Capital Management won the title of "Best Asset Manager" in Austria.



Finally, Euromoney chose the RBI subsidiary banks in Slovakia, Russia and Ukraine as "Best Bank" in their respective countries, awarded RBI the title of "Best Private Banking Services Overall in CEE" and gave numerous first places to RBI and Tatra banka in the categories of net worth, technology, and services.

In 2020, Raiffeisen in Austria was once again the most successful banking group in terms of customer share in the private customer and corporate customer segments alike. Regionality, security and sustainability have been among the guiding principles of the Raiffeisen Banking Group since it was founded. These principles have a special meaning during economically challenging times especially. Security and trust are the most important criteria when choosing a bank. According to the 2020 Austrian brand value survey carried about by the European Brand Institute, the Raiffeisen brand increased its value by 0.1 per cent to a total of € 2.061 billion to take sixth place among all of the brands surveyed. Raiffeisen is the undisputed number one in the Austrian financial services industry.

Complaint management

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In order to implement the complaints procedure guidelines for European financial institutions of the EBA/ESMA committee (European Banking Authority/European Securities and Markets Authority), RBI introduced a central complaint management system during the third quarter of 2016 and passed corresponding head office and Group laws. We define a complaint as any type of expression of dissatisfaction directed toward the bank by a customer (natural or legal person) with a specific demand regarding a specific transaction, as long as this same demand is not the subject of a pending process in a court or at a board of arbitration or of a decision already issued by such a body. The central responsibility for complaint management lies with Group Compliance.

According to internal RBI head office law, certain complaints can be processed and resolved by the respective departments in compliance with the prescribed process steps depending on the type of complaint.

If an expression of annoyance – and therefore a possible complaint – is addressed to the bank or an employee, it must be examined in order to establish whether it qualifies as a complaint or not. If it does qualify as a complaint, it must always be entered directly and without delay in the web-based complaint management system. The person issuing the complaint must

then be kept informed of the receipt and handling of the complaint. The next step involves evaluating the complaint and deciding whether it is justified. This decision is taken by the affected department or the employee to whom the complaint management function is assigned to. The result must then be documented in the system and the person who registered the complaint must be informed. The department responsible for processing the complaint must investigate its cause.

Customer complaints are not a burdensome nuisance; on the contrary, they are seen as a welcome opportunity to identify potential process improvements and enhance customer satisfaction. This attitude is held by all employees, especially those who come into contact with customers. We want to make customers feel like their issues and their feedback are taken seriously. Information about the complaints procedure can be found on our website (www.rbinternational.com/complaintsmanagement).

Find more at:
www.rbinternational.com/en/homepage/compliance-information/management-of-customer-complaints.html

Responsible sales practices and marketing

Trust remains at the top of the list when it comes to choosing the right banking partner, and various surveys have confirmed that it is becoming increasingly important. Since trust is based on honesty, it is important to RBI that our products and services are communicated clearly and transparently. Accordingly, when advertising and marketing our products, we also apply strict policies aimed at providing our customers with comprehensive information and protecting them from losses. When giving recommendations, our primary focus is on being objective. Furthermore, it is essential that the risks associated with our products can be clearly demonstrated and explained to the customer. False or misleading information must not be tolerated.

Eleven violations of regulations and voluntary codes concerning product and service information and labeling were identified in 2020, all of which related to our network banks. Cases classified as operational risks are monitored and controlled on a Group-wide basis within the scope of the operational risk management by the Operational Risk Controlling team as part of integrated risk management. Within the operational risk strategy, scenarios and plans of action are analyzed and early warning indicators developed together with the operational risk managers.



In addition, we carry out promotions in accordance with the ethical and moral principles of the code of ethics of the Austrian advertising industry and we are committed to complying with quality criteria agreed jointly with the advertising industry that extend beyond the statutory provisions. For this reason, the Raiffeisen Banking Group (and therefore also 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 that reflect:

- the ethical and moral principles of the code of ethics of the Austrian advertising industry (for ethical 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 performed by RBI AG as the Group head office and the individual network banks in Central and Eastern Europe have to comply with the "ICC Advertising and Marketing Communications Code" published by the International Chamber of Commerce. This ensures a transparent and fair market presence that is oriented to internationally recognized guidelines.

In addition to protecting customers, we ensure that only those marketing activities that are in the interests of the company are actually carried out. Strict compliance guidelines and the Code of Conduct additionally help to achieve this goal.

International advertising and marketing campaigns of RBI are exclusively developed and commissioned by the Group Marketing division of the Vienna head office. This division also evaluates and approves all local campaigns by the network banks in Central and Eastern Europe by reviewing and approving TV spots, online advertising, print ads, etc. before they are published.

RBI 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 that endangers this principle would have serious consequences for RBI and the employees involved. The need for integrity also applies in the fight for market share. This means 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).

Cases of anti-competitive behavior were identified at two network banks in the period under review. A total of eight proceedings are currently in progress.

Sustainable Finance Initiative

The topic of sustainability has gained momentum, and financial institutions are playing a central role in reorienting capital flows towards a more sustainable economy. On the one hand, investors are demanding increasingly frequent information about what their assets are used for and the positive impact of their investments on the environment and social issues. On the other hand, there is growing customer demand for products and services that combine social, environmental and economic criteria.

TCFD For corporate customers, sustainability plays a particularly important role in three areas:

- How can we best support our customers as they transition to sustainable business models?
- How can we ensure that the lending portfolio on RBI's balance sheet gradually complies with sustainability criteria to an even greater extent?
- How can we help our colleagues in CEE to establish and exchange knowledge in the area of ESG?

Supporting our customers

We are seeing considerable demand for information and advice on sustainability in general and sustainable formats of financing in particular, especially among large companies. In its core region, RBI is one of the leading banks when it comes to sustainable finance. An experienced interdisciplinary team at RBI advises commercial customers on

- the various instruments, from lending, promissory notes and bonds through to guarantees and derivatives,
- all forms of sustainable finance and sustainability-linked formats as well as formats focusing on the purpose of the liquidity raised.

In addition to sustainable finance, we advise our customers on the EU taxonomy (where applicable), subsidized financing and corresponding subsidy programs in Austria.

We pay particularly close attention to preventing greenwashing. Customers are analyzed on the basis of their positive/negative ESG characteristics and their relative performance within the respective industrial sector and will be classified using ESG ratings in the future. This helps to illustrate their sustainability position and potential. Sustainable financial products can then be tailored to the individual customers so that they have a positive impact in terms of the ESG criteria.

Rather than waiting until the actual financing situation arises, RBI supports its customers by advising them on the preparatory steps that need to be taken in advance of the financing transaction.

Portfolio – growing demand for sustainability

To help our customers to improve their carbon footprint and make their transformation a sustainable success, we need to be able to assess transactions and projects on the basis of ESG criteria and advise our customers accordingly.

RBI's ESG rulebook was developed for this purpose. This internal guideline sets out Group-wide rules for which transactions can be classified as "green" or "social", thereby ensuring a uniform understanding of sustainable finance throughout the Group and preventing greenwashing.

RBI has decided to follow the requirements of the EU Taxonomy Directive in addition to implementing its own internal definitions. RBI's internal definitions of "green" and "social" are based on the existing RBI Green and Social Frameworks, which are oriented toward the ICMA Green and Social Bond Principles as adopted by the market. Since 2018, RBI has promoted sustainable lending in Austria and Central and Eastern Europe by issuing green bonds. Over the coming years, it plans to gradually adapt its internal definitions of "green" and "social" to bring them into line with the EU Taxonomy Directive and other future developments.

The Sustainable Finance team at head office is responsible for ensuring that the knowledge and experience on transaction qualification generated at RBI AG is shared with the network banks and expanded by means of a dialog with them. To date, more than 500 colleagues have been trained in the requirements in the various sectors. In addition, the employees concerned have been provided with the technical tools to identify and label sustainable transactions within the Group. Great importance is placed on data transparency and the traceability of decisions relating to qualification. Close and intense cooperation within the Group allows for any synergies to be leveraged and demands the development of suitable instruments and concepts.

Raising awareness – supporting our employees at RBI AG and the network banks

One of the initiatives forming part of the Corporate Strategic Roadmap focuses on "sustainable customers and transactions" and sees sustainable action as an essential component of future business development and positive brand perception. To this end, numerous extensive projects and initiatives were launched at RBI's head office and in the network banks in 2020.

In particular, it is important to raise awareness of ESG-related topics and ensure efficient cooperation. Accordingly, the Corporate Banking board area has established an international Sustainable Finance Expert Team (Corporate ESG Ambassadors) that includes all of the network banks.

The primary objectives of the network are to pass on knowledge and information between head office and the network banks, to advertise ESG activities for commercial customers in the CEE region, and to support these companies so that they can leverage the opportunities available to them in the area of ESG megatrends and combating global climate change to the greatest possible extent. Here, too, the Sustainable Finance Team at head office is responsible for onboarding and training the network banks.

Green Finance Days were successfully established within the Group: The presentations and the lively discussions between the participants and speakers showed that many RBI employees are convinced by the growing importance of sustainability in the financial sector. Cooperation with external stakeholders, particularly academic institutions, also plays an important role in the exchange of knowledge and experience, and efforts this year will continue to focus on closer cooperation.

In retail banking, we used 2020 to develop product solutions and services that set us apart from other providers and lead to increased customer satisfaction. By now seven network banks offer sustainable solutions for their customers. As we serve customers with a wide range of needs, it is important for us to concentrate our focus on these needs and address customers with suitable solutions. For this reason, we conducted a customer survey in six CEE markets in 2020 in order to better understand customers' awareness, needs, and general attitude with regard to sustainable banking requirements.

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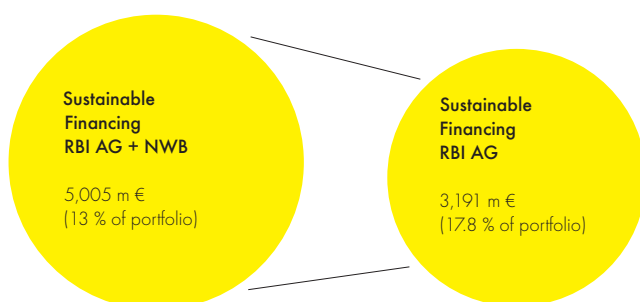
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The first step in meeting those needs will be creating a responsible banking framework for retail customers in the first quarter of 2021, as well as accelerating the exchange of knowledge between the network banks. This framework is aimed at communicating greater climate awareness to our customers (e.g. with regard to their individual carbon footprint) and controlling ESG risks with respect to our customers as well as sustainable products and services. Our primary focus is on providing special offers for energy-efficient housing and support for energy efficiency measures in the form of unsecured loans to finance hybrid cars or electric bicycles, for example.

Sustainable financing

Providing sustainable financing generates added value for our customers and society as a whole. A wide range of activities are suited to sustainable financing. We describe financing as being “sustainable” when it has a long-term positive effect on the environment and climate and/or on societal and social affairs and when it supports the attainment of the Sustainable Development Goals (SDGs). The prior-year figures are not shown here due to the improvement in data quality in 2020 and the resulting lack of year-on-year comparability.



All in all, the volume of sustainable financing (excluding coronavirus-related financing) at RBI AG and the network banks amounted to around € 5 billion, corresponding to approximately 13 per cent of the total portfolio of corporate customer loans and project financing at RBI AG and the network banks. The volume at RBI AG was around € 3,191 million or 17.8 per cent of the total portfolio.

Financing with a positive impact on the environment and the climate



The total volume of financing with a positive impact on the environment and the climate at RBI* was around € 3,291 million in 2020, while R-Leasing accounted for an additional € 250 million.

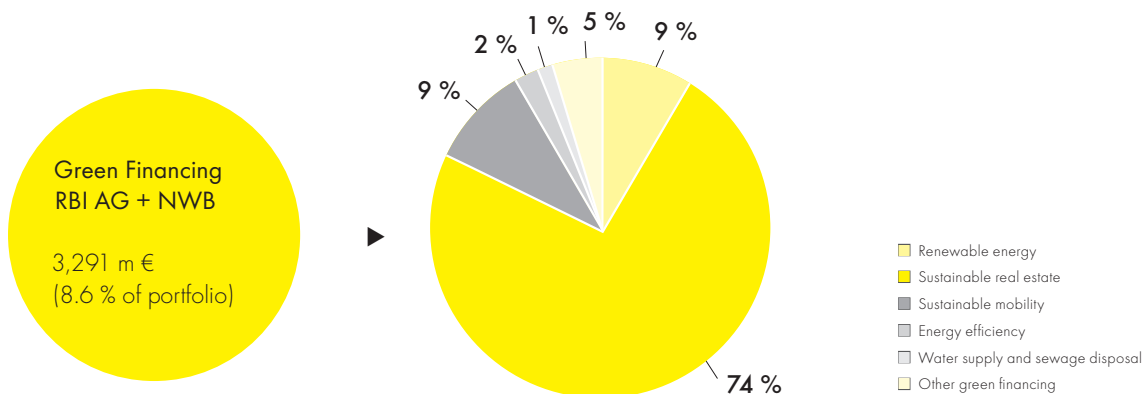


RBI*	RBI AG	NWB
3,291 m €	1,568 m €	1,723 m €

* Excluding the subsidiaries RBSK, RKAG, RL, Valida, RCB, Kathrein

Green finance accounts for around 8.6 per cent of the overall RBI* portfolio (corporate customer loans plus project finance) of around € 38,352 million.

Breakdown of RBI* green financing by sustainability criteria



* Excluding the subsidiaries RBSK, RKAG, RL, Valida, RCB, Kathrein

Details of financing with a positive impact on the environment and the climate are shown below.

- **Renewable energy**

RBI has further enhanced its lending policy concerning renewable energy projects across all areas of the Group, with a particular focus on wind farms and photovoltaic power plants. Although there remains pent-up demand for renewable energy in RBI’s markets in Central and Eastern Europe, an increase in the share of renewable energy is dependent on government-imposed conditions in many markets. Most new projects can be implemented only with the help of guaranteed feed-in rates. When it comes to financing, the bank is responsible for carefully examining the operational security of a project in order to keep the risk low. The reliability of political players plays an important role but is not sufficiently ensured in all regions. This is why we have adopted a rule whereby we concentrate only on those projects whose feasibility is not dependent on special grants or feed-in remuneration.



In 2020, RBI* had a financing volume of around € 280 million in the area of renewable energies:

RBI*	RBI AG	NWB
280 m €	132 m €	148 m €

* Excluding the subsidiaries RBSK, RKAG, RL, Valida, RCB, Kathrein

- **Sustainable real estate**

Sustainable real estate finance is the most important asset category in our green bond portfolio. However, real estate that fails to comply with the strict rules of the Green Bond Framework, e.g. due to certification that falls below the required standards, can still be classified as sustainable. Around 53 per cent of RBI’s green building portfolio corresponds to our framework definition for our green bond issues. Around 23.5 per cent of these projects have BREEAM Excellent certification, 8.8 per cent have BREEAM Outstanding certification, 5.8 per cent have BREEAM Very Good certification, and 8.8 per cent have DGNB Gold or Platinum certification. 38.2 per cent of the sustainable buildings have LEED Gold certification, while 11.8 per cent have LEED Platinum certification. The remaining 2.9 per cent are constructed in accordance with the KfW standard.

85 per cent of these properties are office buildings, six per cent are logistics centers, while the categories of hotels, shopping centers and shopping centers including offices each account each for just under three per cent. The properties are located in Austria, Germany, and the Netherlands, as well as Slovakia, the Czech Republic, Hungary, Bulgaria, Croatia, Romania, Serbia, and Poland.

In 2020, RBI* had a financing volume of around € 2,424 million in the area of sustainable real estate:

RBI*	RBI AG	NWB
2,424 m € ¹	1,015 m € ²	1,409 m € ³

* Excluding the subsidiaries RBSK, RKAG, RL, Valida, RCB, Kathrein

¹ 53 % green bond-eligible; ² 85 % green bond-eligible; ³ 40 % green bond-eligible. This means they comply with the strict rules of the RBI Green Bond Framework definition, which requires certification or pre-certification of at least LEED Gold, BREEAM Very Good, and DGNB/ÖGNI Gold.

• Sustainable mobility

The volume of financing in the area of sustainable mobility at RBI* was around € 311 million in 2020. R-Leasing accounted for an additional € 250 million (for fully electric vehicles; new leases concluded in 2020: € 79.2 million):

RBI*	RBI AG	NWB
311 m €	172 m € ¹	139 m € ²

* Excluding the subsidiaries RBSK, RKAG, RL, Valida, RCB, Kathrein

¹ Public transport, electric car production, enhancement of e-mobility and hybrid technology ² Largely battery production for electric cars



• Energy efficiency measures

In 2020, RBI AG had a financing volume of around € 76 million in the area of energy efficiency.



• Water supply and waste disposal

In 2020, RBI* had a financing volume of around € 44 million in the area of water supply and waste disposal:

RBI*	RBI AG	NWB
44 m €	21 m €	23 m €

* Excluding the subsidiaries RBSK, RKAG, RL, Valida, RCB, Kathrein



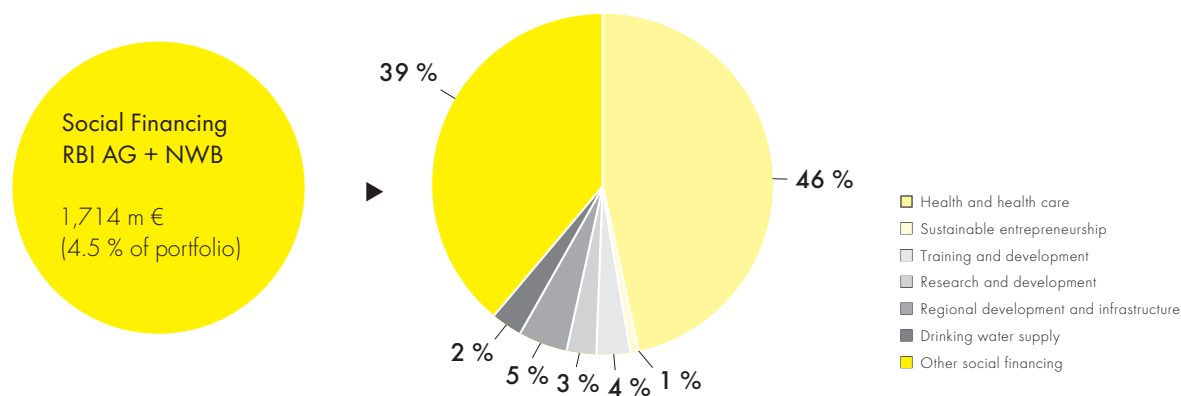
Financing with a positive impact on society and social issues

In 2020, the total volume of financing with a positive impact on society and social issues at RBI* was around € 1.714 billion. This “social” finance accounts for around 4.5 per cent of the overall RBI portfolio (corporate customer loans + project finance) of around € 38,353 million.

RBI*	RBI AG	NWB
1,714 m €	1,622 m €	92 m €



Breakdown of RBI* social financing by sustainability criteria



* Excluding the subsidiaries RBSK, RKAG, RL, Valida, RCB, Kathrein

Details of financing with a positive impact on society and social issues are shown below.

- Health and healthcare:

In 2020, RBI* had a financing volume of around € 798 million in the area of health and healthcare:

RBI*	RBI AG	NWB
798 m €	718 m € ¹	80 m €

¹ Hospitals and clinics, care facilities, cancer research projects, € 445.8 million in line with the Social Bond Framework definition



RBI AG also has guarantees in the healthcare sector in the amount of € 17 million.

- Sustainable entrepreneurship:

In 2020, the network banks had a financing volume of around € 12 million in the area of sustainable entrepreneurship.

- Training and development:

In 2020, RBI AG* had a financing volume of around € 60 million in the area of training and development, of which € 9.3 million was in line with the Social Bond Framework definition.

- Research and development:

In 2020, RBI AG had a financing volume of around € 43 million in the area of research and development.



- Regional development and infrastructure:

In 2020, RBI AG had a financing volume in the area of regional development and infrastructure of around € 82 million for infrastructure and around € 168 million for funds investing in local sustainable infrastructure and social housing.



In 2020, RBI AG also incentivized 134 institutes of the Raiffeisen Banking Group in Austria in financing an additional 201 public-sector projects such as schools and kindergartens and similar projects.

- Other social finance, including drinking water supply, amounted to around € 551 million at RBI.

Other financing with a positive impact on society and social issues not included in the above illustration are listed below.

- Coronavirus stimulus package

The coronavirus pandemic has had a significant impact on many of our customers' business activities. From mid-March 2020 onward, we informed our customers about the available coronavirus support programs. This meant our customers obtained a prompt overview of new subsidy programs and were able to access tailored products as part of bilateral consultations and via newsletters and information on our website.



The coronavirus stimulus package of the Austrian Federal Government includes numerous measures. For example, the following support and specially developed products were available via RBI AG in 2020:

- OeKB Special Refinancing Framework Credit (large companies and SMEs): The Special Refinancing Framework Credit can be used by Austrian exporters (large companies and SMEs) on a revolving basis and is initially limited to two years. It is secured by OeKB and is primarily aimed at ensuring the liquidity of exporters and securing jobs.
- COFAG bridge guarantee: Large Austrian corporates can access bridge guarantees based on financing guarantees of the Austrian COVID-19 Federal Finance Agency (COFAG).

- KfW¹ coronavirus support: Kreditanstalt für Wiederaufbau is providing support in the form of 80 per cent release from liability and favorable refinancing.

- aws² bridge guarantee: for working capital financing.

- EIB coronavirus loan: Assistance for SMEs and mid-caps in Austria in particular.

All in all, our customers accessed financing of € 296 million in connection with coronavirus support. Additionally, a coronavirus loan of € 100 million was agreed with the EIB and is being allocated to SMEs and mid-caps in cooperation with the Raiffeisen Banking Group and R-Leasing.

Government support packages for companies impacted by the coronavirus crisis were also adopted in the majority of countries in which our network banks are represented and are being processed via our network banks. In most countries, this took the form of state guarantee support to secure financing that will ensure the continued existence of companies, whether SMEs or larger companies impacted by COVID-19. The total volume of this financing within our network in CEE was around € 989 million.

RBI*	RBI AG	NWB
1.285 m €	296 m €	989 m €

* Excluding the subsidiaries RBSK, RKAG, RL, Valida, RCB, Kathrein

- Property and wealth accumulation among the population

In recent decades, domestic building societies in Austria have co-funded the construction, purchase or modernization of a large volume of residential units. 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 around 1.45 million customers. In its 59-year history, Raiffeisen Bausparkasse Gesellschaft m.b.H. has financed more than 505,000 homes accommodating over 1.3 million people. This financing provides an important boost for the domestic construction industry and economy. The topics of renovation, energy efficiency improvements in existing structures and energy-efficient construction remain extremely important. Raiffeisen also assists its customers in this area with an extensive range of free information services.

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Sustainable investment

Raiffeisen Bausparkasse Gesellschaft m.b.H.

Building societies support the economic cycle through savings and financing, thereby enabling the construction of residential projects that also benefit the coming generations. The core co-operative principle of Raiffeisen is expressed very clearly here: One group saves for the financing of residential construction, renovation, care and education for others who currently need this financing (see previous paragraph). Savers benefit from the secure investment of their assets as well as the government incentives and can also be certain that their capital is being invested in useful, sustainable projects.

Raiffeisen Kapitalanlage-Gesellschaft m.b.H.

Sustainable investing of customer deposits at RBI AG is in large part effected via 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 under the brand name Raiffeisen Capital Management (RCM). The focus is on Austria as well as - with substantial growth - Italy, Germany, and the RBI network banks in Central and Eastern Europe.

¹ Kreditanstalt für Wiederaufbau (KfW Development Bank)

² Austria Wirtschaftsservice Gesellschaft mbH (Austrian promotional bank)

With a managed fund volume of € 37.5 billion and a 19.5 per cent share (according to OeKB statistics) of a fund market with a volume of € 182 billion (Austrian asset management companies), Raiffeisen KAG is one of Austria’s leading asset management companies.

The Raiffeisen Capital Management umbrella brand unites Raiffeisen KAG as well as Raiffeisen Immobilien KAG and Raiffeisen Salzburg Invest. The total volume managed in security funds, including advisories (mandates to third parties, partly abroad) totaled € 40.1 billion at the end of 2020. In addition, Raiffeisen Vermögensverwaltung, which is integrated into Raiffeisen KAG, manages € 1,074 million and Raiffeisen Immobilien KAG manages € 569 million across three real estate funds. While the total volume did not change significantly, including as a result of the coronavirus crisis, one segment saw extremely positive performance: sustainable investment.

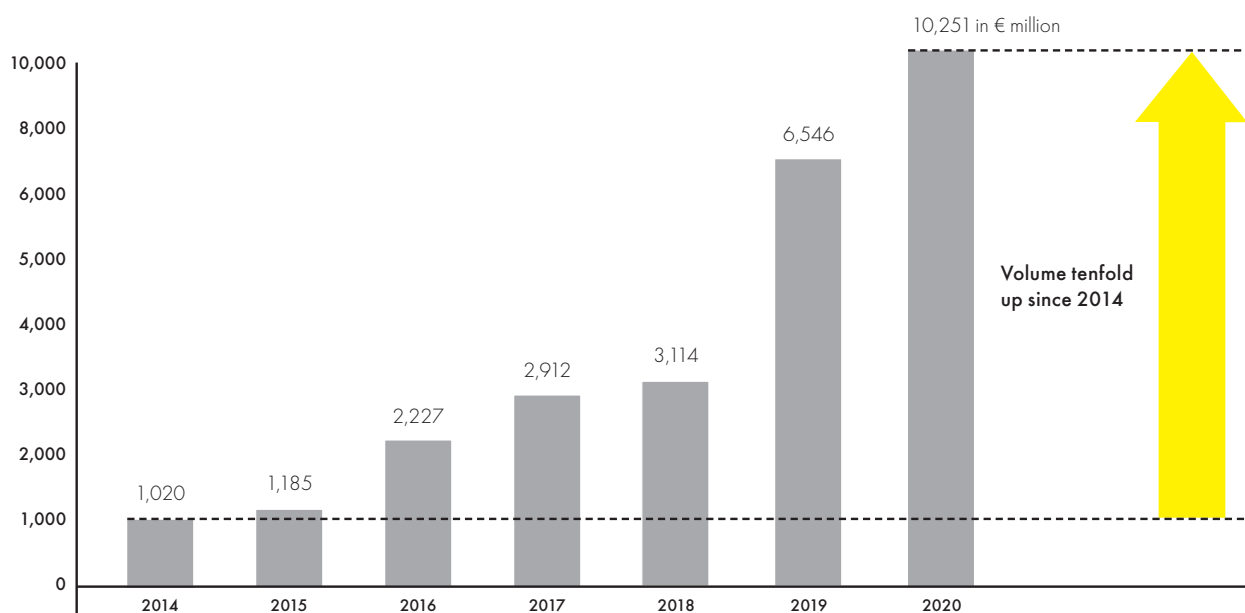


Although 2020 was a challenging year, the sustainable investment volume increased by a further 57 per cent year-on-year to € 10.25 billion and now accounts for 26 per cent of the overall volume. In the retail segment, more than one-third of the volume is already attributable to sustainable mutual funds.

Rapidly growing investment volume in a broad product portfolio

The degree to which sustainable investment funds are being accepted by investors is illustrated by the statistics since 2014, the year in which Raiffeisen KAG’s sustainability funds were repositioned. The volume has increased tenfold in the meantime, and this trend continued unabated in 2020.

Development of the sustainable fund volume since 2014



Source: Raiffeisen KAG, data as of December 31, 2020

The available funds now cover all asset and risk classes. Additional product innovations include the SmartEnergy-ESG-Aktien equity fund that was launched in 2020. Furthermore, existing funds are continuously integrated into Raiffeisen KAG’s highend sustainability concept after being carefully reviewed. We plan to include the equity funds in this sustainability concept in 2021/22, followed by all mutual funds by 2025, in line with the classification of the EU Taxonomy Regulation. Special funds (mandates) whose strategic orientation is the responsibility of customers such as pension funds, insurance companies and other major investors will increasingly also take this path, and Raiffeisen KAG will provide corresponding support and assistance.

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Sustainability funds 2020: volume and CO₂ emissionsCO₂ emissions of sustainable funds of Raiffeisen Kapitalanlage-Gesellschaft m.b.H. 2020

Product description		Funds Volume (m €)	Carbon Emissions* (tons CO ₂ e)	Carbon Intensity** (tons CO ₂ e/m € sales)
Equity funds				
Raiffeisen-Nachhaltigkeits-Aktien	Global equities according to sustainable criteria	540	28,876	110
Raiffeisen-Global-Aktien	Global equities according to sustainable minimum criteria	599	32,870	156
Raiffeisen-Nachhaltigkeit-Europa-Aktien	European equities according to sustainable criteria	372	22,116	83
Raiffeisen-Nachhaltigkeit-Momentum	European equities according to sustainable criteria	263	27,869	101
Raiffeisen-SmartEnergy-ESG-Aktion	Global sustainable thematic fund	48	3,406	246
Raiffeisen-Nachhaltigkeit-EmergingMarkets-Aktien	Global Emerging Markets equities according to sustainable criteria	43	1,518	133
Raiffeisen-PAXetBONUM-Aktien	Equity fund according to a clerical ethics approach	17	1,131	98
3 Mandates	European and global equities according to sustainable criteria	334	*****	*****
Mixed funds				
Raiffeisen-Nachhaltigkeit-Mix	Global mixed fund according to sustainable criteria	3,248	347,837	127
Raiffeisen-Nachhaltigkeit-Solide	Global mixed fund according to sustainable criteria	378	63,986	160
Raiffeisen-Nachhaltigkeit-Diversified	Global mixed fund according to §25 PKG and sustainable criteria	78	5,517	55
Klassik Nachhaltigkeit Mix	Global mixed fund according to sustainable criteria	37	4,647	168
Raiffeisen-Nachhaltigkeit-Wachstum	Global mixed fund according to sustainable criteria	12	635	102
9 Mandates	Global and European mixed funds according to sustainable criteria	311	*****	*****
Bond funds				
Raiffeisen-Nachhaltigkeit-Rent	Global bonds according to sustainable criteria	650	181,343	117
Raiffeisen-Österreich-Rent	Austrian gilt-edged bonds according to sustainable criteria	309	***	***
Raiffeisen-GreenBonds	Global green bonds	193	****	****
Raiffeisen-Nachhaltigkeit-ShortTerm	Short-term Euro bonds according to sustainable criteria	70	48,667	129
Raiffeisen-PAXetBONUM-Anleihen	Bond fund according to a clerical ethics approach	13	1,114	64
9 Mandates	Global bonds according to sustainable criteria and green bonds	1,411	*****	*****
Fund administration (11 Mandates)	Fund administration, application of sustainability criteria	1,325	*****	*****
Total		10,251	771,532	-
Global equities				
Index global equities (MSCI)				159
Index emerging market equities (MSCI)				297
Index Corporate Bonds (iBoxx)				184

* Carbon emissions are calculated from the scope 1+2 emissions of the companies based on the share of market capitalization in the portfolio ("owner view"). The carbon emissions depend on the fund volume and have only limited informative value in the case of pensions.

** CO₂ intensity is reported in tons of CO₂e/ million EUR sales; independent of fund volume and follows the question of how high the portfolio's exposure to emissions-intensive companies is: CO₂ emissions per company's sales, weighted by the proportionate value in the portfolio. This indicator is independent of a market capitalization (and are therefore not comparable with carbon emissions), it is therefore easier to include bonds.

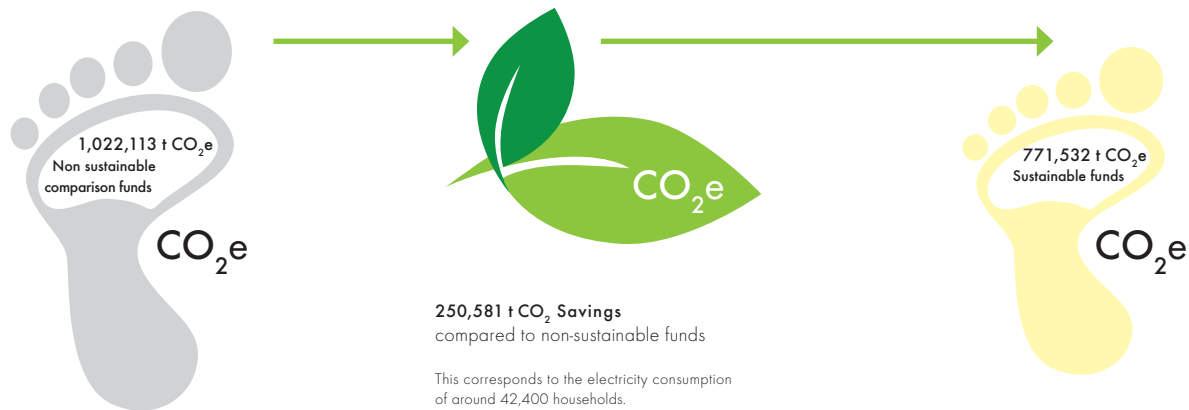
*** Coverage ratio too low (below 50 %)

**** This concept is not applicable to green bonds

***** No data available

Fund administration means that all typical fund services are carried out by the Raiffeisen KAG, except for portfolio management in the narrower sense.

Environmental impact of Sustainable Funds 2020



Source: <https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator>

The carbon footprint of the sustainable funds is around 771,532 t CO₂e. This represents a saving of around 250,581 t CO₂e compared with the carbon footprint of non-sustainable funds (this is only a model calculation and corresponds to the annual electricity consumption of 42,400 four-person households).

The securities in these sustainability funds, which have a total volume of € 10.25 billion, are subject to a combination of strictly defined, explicit ecological and societal criteria that are both positive and negative (avoidance). The sustainable mutual funds will also correspond to Article 8 and, in some cases, Article 9 of the new EU regulation on sustainability-related disclosure obligations (SFDR).

In 2019, Raiffeisen Vermögensverwaltung developed a new product for its product line with a focus on affluent private customers that combines Raiffeisen KAG's sustainability expertise and capital market know-how: "Raiffeisen VIP nachhaltig" and "Klassik Invest Nachhaltigkeit" invest solely in fund products that are classified as sustainable. This product grew to over € 125 million by the end of 2020, thus already accounting for around nine per cent of the business volume under management.

In 2020, Raiffeisen Immobilien KAG pressed ahead with implementing its strategy for the sustainable operation of its fund properties. By mid-2021, almost 90 per cent of these portfolio properties with various use types (hotel, logistics, office, retail, residential) in Germany, France, Poland, Austria and the Netherlands will have obtained sustainability certification in accordance with Deutsche Gesellschaft für Nachhaltiges Bauen (DGNB – German Sustainable Building Council). The future viability of the properties has been and continues to be examined on the basis of assessment standards in line with climate protection criteria.

The assessment system for existing buildings focuses on building operation and user satisfaction in particular. The aim is to ensure sustainable building operation (operating costs and processes, user satisfaction, mobility services and social sustainability strategies) for every building. Since 2018, Raiffeisen-Immobilien KAG has also been a member of ÖGNI (Österreichische Gesellschaft für Nachhaltige Immobilienwirtschaft), the Austrian Society for Sustainable Real Estate.

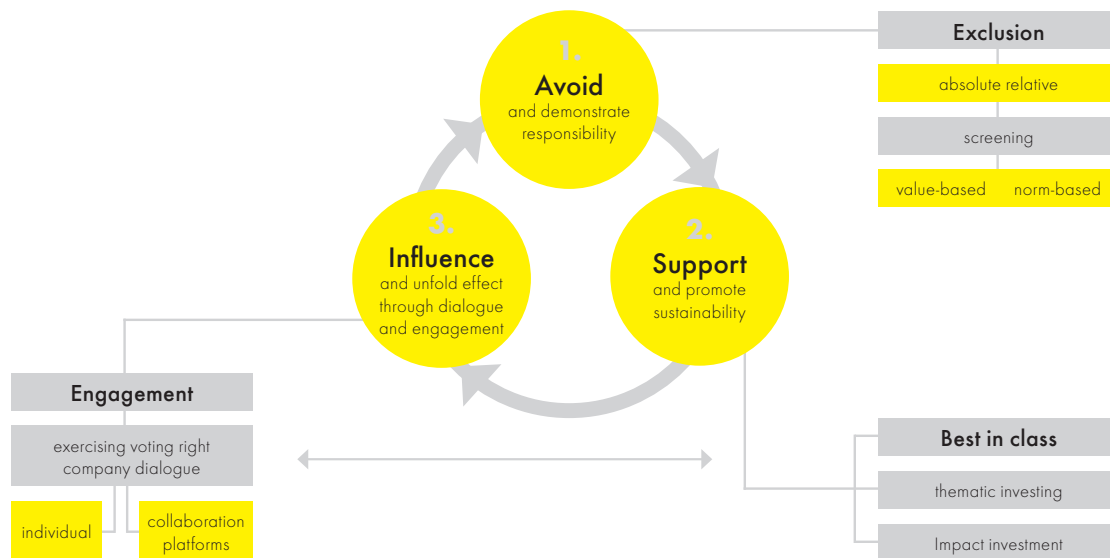
Responsible management of sustainable funds

The integration of ESG (environmental, social and corporate governance) aspects is aimed at taking the social responsibility of investment into account to a greater extent alongside the income and risk targets. By its very definition, sustainability therefore means active management. A sustainable portfolio cannot be achieved solely by screening the investment universe using a few exclusion criteria.

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The interaction of all three elements – avoid, support, and especially influence – is a prerequisite for the responsible management of sustainable funds.

Integration of Sustainability, a holistic concept



Source: Raiffeisen KAG

The starting point is the definition of strict exclusion criteria, 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 (e.g. gambling, alcohol, and the use of human embryos in research).

The independent internal limit testing performed by fund management (pre-trade compliance) and the external ex-post fund audit both serve to ensure compliance with these exclusions and the criteria framework applied. In addition, the content of the criteria framework (extra-financial exclusion criteria) as well as the sustainable quality is verified and updated every month. This is based on data from two sustainability research agencies and in-house data. The resulting “sustainability universe” can be modified further to reflect ad hoc events.

Building on these relatively passive elements of avoiding, internally developed specific ESG research places the spotlight on a set of “positive criteria” and is the active core element in management: Based on ESG data on companies and states, an internally developed ESG score is calculated that represents the key decision-making criterion in the investment processes of the sustainability funds alongside traditional key financial indicators. The methodology applied and compliance with the criteria is also validated by external institutions (FNG seal, Austrian Ecolabel). This integrated process forms the basis for the value development of the sustainability funds, which is generally extremely positive.

As part of a holistic understanding of sustainability, we are increasingly also pressing ahead with the integration of ESG principles in all of the funds we actively manage, including beyond the product family of sustainability funds. For some years now, there has been a voluntary commitment to exclude investments in agricultural commodities and livestock, weapons, and companies whose business consists predominantly of the supply or use of thermal coal. This “thermal coal policy” was revised in 2020. ESG research is also generally integrated into the management of all funds, not least as a means of improving the ESG score of the respective fund.

The goal of systematically enhancing sustainability in the core business is ensured by a dedicated “Sustainable Investments” team and, since 2016, a steadily growing and already large group of specialists in all the fund and asset management teams and sustainability expertise within Raiffeisen KAG is continuously intensified and expanded.

This is reflected not least in our consistently intensified commitment in the sense of exercising our right to vote or actively communicating with listed companies on ESG issues. The exercise of voting rights is an important element of the investment approach for sustainability funds, not least because corporate governance is an important pillar of the sustainability analysis. Accordingly, these funds exercise voting rights for the vast majority of their holdings. In 2020, 342 active company engagement activities took place and 222 votes were cast either directly at general meetings or via specific platforms. An annual engagement report is published on the website (www.rcm.at/sri-publications).



Raiffeisen KAG works continuously to improve its sustainability investment processes both internally and with external partners. Visible signs include the growing number of national and international certifications it has obtained. These include the “Austrian Ecolabel”, the “FNG Seal” and the “eurosif”, which is also a prerequisite for the FNG seal.



Confirmation of the quality of sustainability funds by external auditors serves to strengthen investment security. In late 2020, Forum Nachhaltige Geldanlagen (Sustainable Investment Forum) issued the FNG seal for 2021. This seal is awarded after an audit conducted by an external auditor (University of Hamburg) (information under www.fng-siegel.org). All 14 of the sustainability funds submitted by Raiffeisen KAG were awarded three stars, the highest rating and one that was only given to 43 funds in total.

Find more at:
www.fng-siegel.org



13 Raiffeisen sustainability funds also have the Austrian Ecolabel that is awarded by the Austrian Federal Ministry of Climate Action, Environment, Energy, Mobility, Innovation and Technology following a corresponding external audit.

Thanks to excellent performance over many years and first-class ratings from external agencies, some of the sustainability funds have already become flagships of Raiffeisen KAG.

Expansion and intensification of the sustainability agenda

Sustainability means handling resources responsibly. This responsibility for the environment and society is presenting all of us, and the financial industry in particular, with new challenges. In 2013, the signature of the PRI (Principles for Responsible Investment) and the simultaneous expansion of management competence and capacity represented a milestone in the integration of sustainability elements into the total investment. Furthermore, Raiffeisen KAG is a founding member of the Raiffeisen Sustainability Initiative, an active member of the Sustainable Investment Forum, the professional association for sustainable investment in Germany, Austria, Liechtenstein, and Switzerland and, since 2016, a member of the Italian counterpart “Forum per la Finanza Sostenibile”.

The advisory board for sustainable investment that was established in 2017 meets regularly, delivering input and an exchange of opinions from different scientific or societal perspectives. The advisory board acts as a specialized body representing the key stakeholder groups for sustainable investments.



As part of continuous development toward the vision of being a climate-neutral asset management company, the consistent expansion of the product range is accompanied by extensive investments in management expertise, data services and, not least, customer communication including support from advisors.



In 2020, the Austrian magazine “Börsianer” again recognized Raiffeisen Capital Management (Raiffeisen KAG) as the most sustainable fund company. This aspiration continues to apply and is being expanded to neighboring countries.

Kathrein Privatbank Aktiengesellschaft

Kathrein Privatbank offers tailored investments for private assets and foundations as well as advice on all matters relating to private foundations, asset transfer and the purchase and sale of companies. Tailored investment solutions are also provided for institutional clients. In its investment decisions, Kathrein Privatbank follows a clearly defined methodology – the quantitative investment style. The object is to identify possibilities for performance improvement and to develop objective economic criteria for investment decisions.

The topic of sustainability, including diversity, is firmly enshrined in the corporate philosophy of Kathrein as a subsidiary of RBI AG. Kathrein wants to actively shape a better future by consciously selecting sustainable investments and has voluntarily committed to follow all of the recommendations of the European Transparency Code for Sustainability Funds for selected products. Kathrein has received the Austrian Ecolabel for sustainable financial products for seven funds. Seven funds have been awarded the FNG seal. Kathrein is also intensively addressing the topic of impact investment already (fund selection and dedicated asset class for mixed mandates; special funds select and use instruments depending on the investor's preferences).



TCFD



The carbon footprint is calculated for two funds, Kathrein Sustainable Global Equity* and Kathrein Sustainable Bond Select*. The calculation is performed by the cooperation partner CSSP – Center for Social and Sustainable Products AG. Both funds are certified and listed on the “yourSRI.com” platform. The calculated value of the carbon footprint is also published there (see <https://yoursri.com/funds-dx/68151030> and <https://yoursri.com/funds-dx/68403018>).

The carbon intensity of the Kathrein Sustainable Global Equity is 125.6 t CO₂e/€ million revenue. The carbon intensity of the Kathrein Sustainable Bond Select is 194.6 t CO₂e/€ million revenue.

All in all, Kathrein already manages around 46 per cent of its total fund volume in accordance with sustainability criteria (sustainability concept for retail funds with the Ecolabel: see website <https://www.kcm.at> → Products → Sustainability). There is a cooperation with ISS ESG as a research partner in the area of sustainability. Kathrein defines exclusion criteria and positive criteria and combines these with its selection process in order to generate the portfolio of individual instruments.

The sustainability funds currently offered are:

- Kathrein Euro Bond: Invests exclusively in government bonds without the inclusion of corporate tangents. Since July 2011, government bonds with a minimum composite rating of BBB have been exclusively allocated to the fund.
- HYPO RENT: Gilt-edged pension fund that is suitable for severance payment and pension provisions.
- MI Multi Strategy SRI: A mixed fund that invests according to the investment regulations of the Austrian Corporate Employee and Self-Employed Pension Act (Betriebliches Mitarbeiter- und Selbstständigenvorsorgegesetz-BMSVG) and the Austrian Pension Fund Act (Pensionskassengesetz).
- Kathrein Sustainable Bond Select*: A global investing bond fund focused on companies with a good credit rating. The fund has a broadly diversified portfolio across different countries and sectors. Social, ethical and ecological exclusion and quality criteria are applied in issuer selection.
- Kathrein Sustainable Bond Classic*: A euro pension fund with active maturity management that invests solely in eurodenominated government and corporate bonds issued in the European Economic Area (EEA) with investment grade ratings (required minimum average: maximum drawdown < three per cent over a twelve-month rolling observation period). In realizing these ambitious aims, the fund meets the requirements of § 10 ESiG, § 14 ESiG, § 25 PKG, § 446 ASVG, and § 30 BMSVG.
- Kathrein Sustainable Global Equity*: This an actively managed, highly diversified global share fund that is intended to replicate the value development of the global equity market on the basis of a reasonable number of individual instruments.

* The names of the mutual funds were changed in August 2020. Funds that previously had “KCM SRI” in their name were renamed “Kathrein Sustainable”.

- Kathrein Sustainable EM Local Currency Bond: Replicates the value development of the government bond segment in emerging markets in the respective local currency. The fund primarily invests in issues of supranational organizations (e.g. EIB, EBRD), which fulfill the necessary sustainability criteria while also enabling efficient access to liquid bonds in EM currencies. These funds also comply with the “Ethical Investment Guidelines” of the Austrian Bishops’ Conference and the Religious Orders of Austria (FinAnKo).
- Kathrein Sustainable Dynamic Value*: Designed as a mixed fund (multi-asset fund), this fund offers broad risk diversification and combines the yield opportunities of riskier investments (e.g. equities) with continuous returns from comparatively low-risk fixed-income securities. The portfolio is adjusted dynamically depending on the market situation. In difficult market phases, the defensive share of the portfolio can be increased to up to 100 per cent. If the stock markets are trending positively, the ratio of equities and investments such as subordinated bonds and high-interest bonds can be increased accordingly.

Raiffeisen Centrobank AG

Raiffeisen Centrobank AG (RCB) is the competence center for shares and certificates of the Raiffeisen Banking Group. Sustainability has enjoyed high priority in RCB’s product range for the past 15 years. For safety-conscious investors, RCB issues capital protection certificates at regular intervals which enable participation in the development of the underlying assets or offer a predefined return if the underlying asset is higher than its starting value at the end of the term. Capital protection describes the protection for the capital employed at the end of the term. Capital protection of 100 per cent means at least 100 per cent of the nominal amount is returned to investors at the end of the term. Capital protection of 90 per cent means investors are protected against losses of more than ten per cent and receive 90 per cent of the nominal amount even in the worst case.

In the area of structured products, RCB issued sustainability-oriented index certificates as early as 2005. In the sequel it also issued capital protection certificates on various STOXX ESG-based indexes in order to make it easier for investors to address the topic of sustainability and make investments with capital protection. RCB issued its “Nachhaltigkeits-Winner” for the first time in October 2014. iSTOXX ESG Select Global 100 Index, i.e. the index that combines the best 100 companies in the areas of environmental, social and responsible action, is the underlying for this investment product with capital protection. In the meantime, RCB has issued more than 30 products in its sustainability series with an outstanding volume of almost € 400 million, corresponding to around ten per cent of the total volume of all RCB certificates. Most of the products in the RCB sustainability series have the STOXX® Europe ESG Leaders Select 30 Index – the European counterpart to the global sustainability index – as their underlying. The STOXX® Europe ESG Leaders Select 30 tracks the performance of 30 of the best European companies in the areas of environment, social and governance. Exclusion criteria for the index include violations of one or more principles of the UN Global compact. These include labor standards, human rights, environmental protection and combating corruption. The index is weighted on the basis of market capitalization, with the weighting of each individual equity limited to ten per cent.



Since 2005, RCB has issued over 190 sustainability-related certificates with an outstanding volume of almost € 748 million, corresponding to around 18 per cent of the total volume of all RCB certificates.

TCFD

In September 2020, RCB expanded its varied range of sustainable investment products to include a German ESG benchmark. RCB was the first certificate provider to issue products referring to this index. The DAX® 50 ESG replicates the performance of the 50 largest and most liquid equities on the German market that are considered to be particularly sustainable in terms of ESG criteria. The following related express certificates are currently available to investors on the secondary market:

ISIN	Name	Due date
AT0000A2HVJ8	Deutschland Nachhaltigkeits Express	Sept. 17, 2025
AT0000A2JAA	Deutschland Nachhaltigkeits Express II	Oct. 22, 2025

* The names of the mutual funds were changed in August 2020. Fonds that previously had “KCM SRI” in their name were renamed “Kathrein Sustainable”.



At the Certificate Awards 2020/2021, the leading awards for the best providers and products on the German certificate market which are organized by “Zertifikateberater” magazine and the news channel n-tv with the support of Stuttgart Stock Exchange and Frankfurt Stock Exchange, Raiffeisen Centrobank’s “Nachhaltigkeits Bond 90 % IV” took third place in the public vote for “Certificate of the Year”.

Once a niche area, sustainable investment is now also enjoying ever greater attention in the CEE region. A growing number of investors are focusing on having a positive impact on ecological and social challenges with their sustainable investments and helping the principles of good corporate governance to take hold. Reflecting this sustained trend, the first tailor-made subscription products on sustainable indices were launched in Slovakia and Croatia in the fall of 2020 and offered to our private customers.

Sustainable investment at the network banks

At our networks in the EU and Russia, we have now established a wide range of sustainable investment products for retail customers. For the first time, we have also succeeded in marketing certificates with sustainable underlyings and green bonds at Group (CEE) level. One notable achievement was the placement of a USD-denominated green bond with a volume of more than eight million US dollars with Hungarian and Romanian retail customers.

The Czech Republic saw the first mandate for sustainable discretionary portfolio management. Around € 100 million in sustainable investments was sold to customers. Our aim is for sustainable investments to account for 20 per cent of the relevant product lines in 2021 (funds, certificates, RBI bonds). We are also accelerating the expansion of non-EU members as sales countries.

Other sustainable products and services

Programs and initiatives to support sustainable investments

- ESG-linked financing
Since 2019, RBI has offered ESG-linked financing instruments in the form of a loan, bond or promissory note linked to agreed sustainability targets such as an improved ESG rating. The agreement ties the interest margin to the ESG ratings issued by a renowned sustainability rating agency. If the borrower’s ESG rating improves, the margin and hence the interest rate may increase or decrease.
- KPI-linked financing
This involves financing instruments that are linked to specific key performance indicators referring to sustainability targets. The lender and the borrower work together to define the KPIs and the associated conditions, like interest rate margins.
- EU taxonomy green-linked financing instruments
This form of financing can be used for financing projects that meet the criteria of the EU taxonomy. The EU taxonomy defines when an economic activity may be classified as environmentally sustainable. This form of financing focuses on CO₂-intensive market sectors that contribute to slowing climate change or adjustments to reflect climate change, that do not exceed certain CO₂ thresholds, and that meet certain KPIs.

TCFD

In 2020, RBI AG arranged an ESG-linked revolving credit facility for a major Austrian customer and participated in additional ESG-linked financing and one KPI-linked financing with a total volume of around € 160.4 million.

- Green bond issues for corporate customers
In 2020, RBI AG acted as bookrunner for various green bond issues by its customers with a total volume of € 1,451 million. In one case, it also acted as overall coordinator.
- Own green bond issues
With a total volume of € 1,289 million in Austria, RBI is already the largest green bond issuer and intends to continue establishing itself as a regular issuer of green bonds on the international capital markets and in the retail segment in Austria and Eastern Europe. Our comprehensive Green Bond Framework enables the refinancing of a wide range of environmentally sustainable projects, including environmentally friendly buildings, renewable energies, water and waste water management, energy efficiency, and clean transport.



By issuing green bonds, we aim to heighten awareness of sustainability throughout the entire organization with a view to generating new initiatives and strategic synergies between internal and external stakeholders. As an additional stimulus, we introduced an incentive program for social and environmentally friendly projects in January 2019 in order to promote the long-term development of the sustainable lending portfolio. The aim of the incentive program is to expand the portfolio and support our issuing activities in the area of green and social bonds.

In 2020, RBI AG again issued a green inflation-protected bond with a volume of around € 3.8 million and a term of seven years, which met with considerable interest among retail customers in Austria. For the first time, RBI AG also successfully placed a USD-denominated green bond with a volume of more than eight million US dollars with Hungarian and Romanian retail customers, as well as a green bond in local currency in the Czech Republic. In addition, RBI sold its first green bond in Russian rubles (equivalent volume in euro: approx. € 3.5 million) to institutional customers in Germany.

The RBI Green Bonds-Portfolio as of end of February 2020 amounted 1,359 m Euro. This portfolio includes RBI AG's Green Bonds issues of € 1,289 million.

Environmental effects of RBI green bond portfolio

CO₂ SAVINGS BY ASSET CATEGORY

Asset category		CO ₂ savings per year in metric tons	CO ₂ savings in per cent
Green buildings	Green buildings	26,671	44
	Clean transportation		
	Electric vehicles	2,471	4
	Batteries for electric vehicles	31,139	52
Total		60,281	

€ 1,359 m
Portfolio saves

60,281
metric tons CO₂
per year

EQUIVALENT TO ANNUAL GREENHOUSE GAS EMISSIONS¹



13,023
Passenger vehicle
driven for one year

or



6,956
Households supplied
with energy for one year

or



139,563
Tree seedlings
grown for ten years

Annual CO₂ savings
per € 1 m investment

44 tons

or

Annual CO₂ savings
per € 500 m
outstanding green bonds

22,187 tons

¹ Source: <https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator>

Services in connection with sustainable mobility

- Environmental fleet management

As part of the environmental fleet management of R-Leasing Fuhrparkmanagement GmbH, driving profile analyses and TCO (total cost of ownership) calculations were again carried out in 2020 to compare electric and combustion vehicles in order to individually advise customers and other interested parties according to their needs. Customers also receive specially developed reports that provide a good overview of CO₂ emissions and facilitate the preparation of data for an energy audit. Daily business is supported by modern communication methods and the combination of various app solutions.

R-Leasing Fuhrparkmanagement realized an extensive mobility project together with a major customer whose employees drive more than four million kilometers every year. The acquisition of an environmentally friendly, state-of-the-art vehicle fleet means around ten million kilometers that would previously have consumed fossil fuels will be driven using fully electric vehicles over the next four years. 115 of the 125 new vehicles are fully electric, while ten have plug-in hybrid drives. This will reduce CO₂ emissions by more than 1,000 tonnes over the planned four-year service life of the fleet while also lowering mobility costs by more than € 500,000, making it a win-win situation for the environment, the employees, and the customer's budget.

- Cooperation with electric car manufacturers

R-Leasing GmbH remains active as a long-standing expert partner to electric mobility manufacturers. Another encouraging development is the fact that the fleet of electric vehicles increased considerably in 2020. A total of 15,972 electric vehicles were registered between January and the end of December, of which around nine per cent were financed via R-Leasing.

Art and culture in the public sphere

For six years now, the residential construction projects of "Raiffeisen WohnBau", a brand of R-Leasing GmbH, have featured a sustainability perspective alongside the "Quality Living" seal in the form of the "Art and Living" project. Artists design the entry areas and exterior spaces of residential complexes with works tailored to the respective building. 22 works of art have now been installed.



"COME AWAY": Wall of the foyer/lounge area at Steingasse 11, 1030 Vienna, designed by artist Pauline Marcelle, © Irene Schanda



"The Nest": Cladding on the façade and stairwell of Mondscheinweg 2+4, 2130 Mistelbach, designed by artist Carlos Perez, © Irene Schanda



"Time and Space Field": Stairwell walls at Andechsstr. 80+80a, Innsbruck, designed by artist Nora Schöpfer, © Irene Schanda

Valida Vorsorge Management

In Austria, all entrepreneurs are required to select a staff provision fund for themselves and their employees to process the contributions under "Abfertigung Neu", which requires employees to contribute 1.53 per cent of their monthly gross salary to a staff provision fund. Since 2008, "Abfertigung Neu" has also applied to freelancers and the self-employed.

The Valida staff provision fund is a provider for "Abfertigung Neu" from the Raiffeisen sector and serves around 2.5 million salaried employees and self-employed individuals in total. The contributions it manages amount to approximately € 3.5 billion. The "Valida staff provision fund sustainability concept" (see [valida.at/nachhaltigkeitskonzept*](https://valida.at/nachhaltigkeitskonzept)) defines the ethical criteria for capital investment.

* only available in German

Central positive criteria (examples):	Exclusion criteria (examples)
Responsible dealing with employees	Weapons
Active environmental policy	Nuclear power
Sustainable products	Serious deficits in democracy or human rights violations



The consultancy firm 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 twice yearly. 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:

- 1) Sustainability funds
- 2) Sustainable individual instruments
- 3) Sustainably oriented funds
- 4) Conventional funds (not sustainable)

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

- All investments should be allocable to one of three sustainable investment classes. At the 2020 reporting date, the Valida staff provision fund held hardly any conventional funds. This means that 99.8 per cent of the assets were invested in the above three classes of sustainability.
- The sustainability score for the entire portfolio should be over 140 points. At 156 points, the Valida staff provision fund comfortably exceeded this target at the reporting date of December 31, 2020. Valida therefore clearly met all of the goals of sustainable investment.

TCFD



ÖGUT certification: The Valida staff provision fund is audited and certified annually by the Austrian Society for Environment and Technology (ÖGUT). In 2020, the Valida staff provision fund once again received the best possible "ÖGUT Gold" award for the year 2019. This is the seventh ÖGUT Gold certification in a row. In addition to the ethical investment factor, communication and transparency in regard to sustainability, inhouse ecological aspects, staff policy and corporate citizenship all play a role.



The Valida Group also supports the UN Sustainable Development Goals (SDGs). As part of its sustainability efforts, it contributes in particular to the attainment of three SDGs: Sustainable energy, Combating climate change, and Justice. Sustainable energy generation is one of the positive criteria for investing in the staff provision fund, while investments in nuclear power are excluded. Valida has been regularly measuring the carbon footprint of the staff provision fund's equity portfolio since 2016. Among the criteria for exclusion in the case of government bonds is a "Passive Climate Policy".



With strict compliance regulations, RBI Code of Conduct, which applies to Valida employees and suppliers, as well as the strict exclusion criteria for investments of the staff provision fund, Valida applies regulations that go far beyond the legal requirements. Valida is a member of the UNGC (United Nations Global Compact).

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



To ensure social equilibrium in society, it is important that all sections of the population are given equal opportunity 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. In all of our markets, we are endeavoring to ensure that people with disabilities will be able to enjoy barrier-free access to all facilities in the medium term.

Austria

In Austria, the pages of our website meet all the standards to be read by screen readers. For people who have difficulty using the website due to limited hand mobility, there are now larger buttons and images. A further significant improvement was achieved through “responsive design”, which means the website is automatically modified to suit the end device. Another important measure is the “Sensing Journey”, voluntary training that is provided to RBI AG employees. This is intended to help to improve their understanding of the concerns of people with disabilities and make it easier for them to meet their needs in connection with financial products.

Network banks

One of the most important requirements is barrier-free physical access to as many branches and ATMs as possible. This has already been achieved at the majority of our network banks. At four network banks this is currently only possible in 72 to 97 per cent of the branches due to structural reasons. Accessibility at one network bank is still below 50 per cent.

Ensuring that ATMs are fitted with corresponding keyboards and headphone jacks for people with visual impairments is another important requirement. A web presence including digital product information with the option of switching to high-contrast colors represents a further significant improvement for many visually impaired people. The compatibility of digital publications with screen readers is also becoming increasingly important. The option of installing hearing loops or arranging for a sign language interpreter to attend consultations on financial services can make things considerably easier for people with hearing impairments. Language barriers for immigrants can also be overcome by using technology with language selection, at least at ATMs. With regard to all of these measures, we have identified considerable outstanding potential for improvement in Central and Eastern Europe.

One positive example is the cooperation with the provider “DeafCom” (formerly “Silent Connection”), which allows deaf or hearing-impaired customers in the Czech Republic to contact Raiffeisenbank a.s. via their mobile phone. This collaboration makes it easier for the hearing-impaired to obtain access to an account and other financial products and services. This service is also offered for web calls at Raiffeisen BANK d.d. Bosna i Hercegovina, for example, allowing people with hearing impairments to request a sign language interpreter. Visually impaired customers are provided with specially produced CDs containing information on the bank’s products.

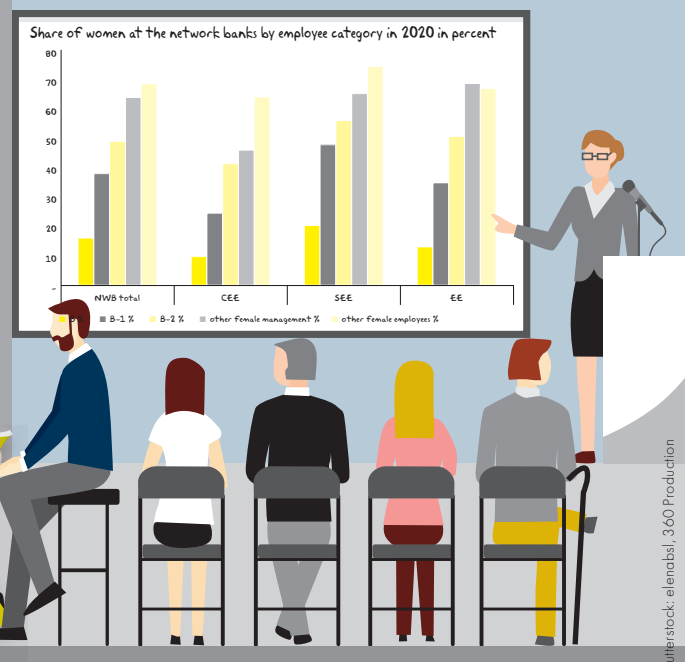
Some banks have now established rules for assisting people with disabilities. Depending on the nature and severity of the customer’s disability, this may include following rules such as bringing in witnesses to provide greater transaction security. Raiffeisen Bank S.A. in Romania has an agreement with a local association that supports branch staff on request with regard to people with speech, visual or motor impairments. At Priorbank JSC in Belarus, standards for assisting people with disabilities have been developed as part of the “establishing and implementing service quality standards” project. At AO Raiffeisenbank in Russia, all front office employees also completed internal training in this area.

Overview of measures

Measure	Austria							CE			SEE						EE				
	RBIAG	RBSK	RKAG	RL	Valida	RCB	Kathrein	TBSK	RBCZ	RBHU	RBAL	RBBH	RBBG	RBKO	RBHR	RBRO	RBRB	RBBY	RBRU	AVAL	
Barrier-free access to branches and ATMs	n.r.	✓	n.r.	✓	n.r.	n.r.	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Website adaption for the visually impaired		✓						✓	✓												
Adaption of ATMs for the visually impaired	n.r.	n.r.	n.r.	n.r.	n.r.	n.r.	n.r.	✓	✓		✓						✓	✓	✓		
Multilingual ATMs	n.r.	n.r.	n.r.	n.r.	n.r.	n.r.	n.r.	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Guidance/assistance/training measures for dealing with people with special needs	✓	n.r.	n.r.	✓					✓		✓	✓		✓	✓			✓	✓		
Product information for the visually impaired	n.r.	✓					✓				✓						✓				
Availability of sign language translators for the hearing impaired	n.r.										✓									✓	
Free donation transfers		n.r.	n.r.	n.r.	n.r.	n.r.		✓	✓			✓	✓	✓	✓	✓	✓				✓
Free account management and special credit for defined NGOs/charitable institutions	✓	n.r.			n.r.	n.r.		✓	✓			✓	✓				✓	✓	✓	✓	✓
Electronic account statements	✓		n.r.	✓	✓	n.r.	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Electronic product information	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Special conditions for pensioners	n.r.		n.r.		n.r.	n.r.			✓		✓	✓	✓	✓	✓		✓			✓	✓
Special conditions for students and/or teenagers	n.r.	✓	n.r.	n.r.	n.r.	n.r.		✓	✓		✓	✓	✓	✓	✓	✓	✓			✓	✓

The complete company names can be found in the abbreviation list.

Field of action Fair partner – Employees: for inclusion and empowerment



Fair partner – Employees

Our employees and our shared culture are the foundations of RBI. This is why we focus on the employee experience to a high extent. We define this as the sum of the experiences and perceptions our employees gather while working for our company. A positive employee experience promotes satisfaction and performance and hence productivity. Our employees are key stakeholders. We believe that their expertise, creativity and commitment are crucial to our company's future development.

This holistic focus on our employees means that we see them not as a (human) resource, but as people. Because we believe that language serves as an expression of corporate culture and hence plays an important part in the employee experience, we have decided to rename our Group Human Resources function as Group People & Organisational Innovation (P&OI). This better reflects our focus on our employees as people, as well as taking into account an organizational change. In spring 2020, we decided to integrate the Organisational Innovation department, which is responsible for organizational development and innovation. There were two reasons for this decision: Firstly, we believe that, in addition to an organizational structure element, organizational development largely depends on the culture and people within an organization. Combining these areas is intended to help ensure that organizational development considerations are always consistent with staff development. Secondly, innovation is a topic that affects organizational learning in the sense of structures, practices and routines, but also our employees' learning in terms of new methods and experiences. For this reason, we believe that innovation comes to fruition most effectively when it takes place in harmony with organizational and staff development.

Although Group People & Organisational Innovation is a Group function, the network banks in CEE operate with a high degree of autonomy and decentralization. Accordingly, management takes the form of the exchange of expertise and experience and joint work on topics. This serves to reflect the considerable diversity within the RBI. In some areas, there are regulatory or strategic reasons for greater centralization. When it comes to compensation or selecting board members and managing directors, for example, head office takes responsibility, takes decisions, issues policies for the Group and ensures that they are observed.

In addition to these strategic changes in the Group People & Organisational Innovation (P&OI) function, we have been hard hit by the COVID-19 crisis. We had to convert many of our processes, products and services to remote variants from one day to the next. This applied to training, onboarding for new employees, signatures, and consulting on staff management and staff development. This was accompanied by a steady flow of new employment law requirements to be implemented. Last but not least, we were required to handle new kinds of inquiries from employees who were experiencing considerable uncertainty in the face of the new working conditions. How can I juggle work and home schooling? How should I organize my working time at home? What are the expectations of me as an employee? What can I expect from my employer? During this period, the P&OI team performed exceptionally well and provided support and advice to the best of its ability. We used a "pulse survey" to track the needs of all our employees on a regular basis (initially weekly, then fortnightly and finally monthly) and adjusted our services accordingly. The good results of the surveys show that this strategy was a success. Now we are in the process of establishing the lessons learned for the future. Some issues will no longer apply once the COVID-19 crisis is over, while others will remain relevant. We have learned a great deal, and many of these lessons will remain with us in the future in a positive sense – because there is the potential to learn from every crisis. We have seized this potential and will continue to make use of it.

Impacts, risks and opportunities

As a large financial service provider, RBI has a special responsibility towards its employees. RBI is aware of this responsibility and the need to strike a good balance between the interests of our stakeholder groups. In addition to our shareholders, this naturally also means our employees as well as the wider public. The opportunity to create and maintain jobs – with positive socioeconomic benefits for individuals and regions – is a fundamental concern of RBI within its 14 markets. This has an indirect impact on security, stability and prosperity in society. The COVID-19 pandemic and its consequences for the economy have underlined the central role played by banks. RBI embraces this role with a great sense of responsibility.

At the same time, RBI cannot escape technological changes and rising cost pressures. Customers have every right to expect us to offer high-quality products, including a growing number of digital products, at competitive prices. “Customer ease” is our promise – we want to make the experience of RBI’s customers as comfortable and straightforward as possible. This also includes making changes within RBI. Along with alterations to our technical infrastructure, we are changing the way we work – for example through automation. Our employees need a range of different skills and experience.

RBI considers a responsible approach to the topic of change to be important, as change can also lead to uncertainty and make people fearful. The physical and mental health of our employees is extremely important to us and becomes even more relevant in times of change. Through a variety of health care and sports provisions and opportunities, the company seeks to prevent potential negative effects of stress as well as sedentary office work.

The health risks through Covid-19 were treated very seriously and adequate measures were taken. At the same time, we forced Mobile Working to achieve a positive effect on a healthy work-life-balance.

Even with all the necessary changes, we believe that meaningfulness has the capacity to give employees the greatest stability. We focus on the question of how individuals can contribute to the company’s success. Within the Sustainable Development Goals (SDGs) and goal number eight defined therein (SDG 8), the transformation to “good jobs”, RBI tries its best to work towards achieving this goal. As an international company, we are aware of our role model function in the CEE region. RBI is committed to being a good employer and hence contributing to a quality competition in terms of “good jobs” in all of the regions in which it is active.

Through professional diversity management, with a focus on empowering women and employing people with disabilities and the LGBTI topic, RBI can contribute to reducing inequality in society. Here, too, we believe that we perform an important function within society and serve as a role model. We believe that diversity goes hand in hand with a variety of perspectives and that this has a positive influence on business decisions and the company’s results.

Adequate vocational education and training not only contributes to the success of RBI, but also motivates employees. The sum of all vocational education and training measures provided by the company also influences the potential of our society. This is why RBI offers comprehensive learning opportunities for all its employees.

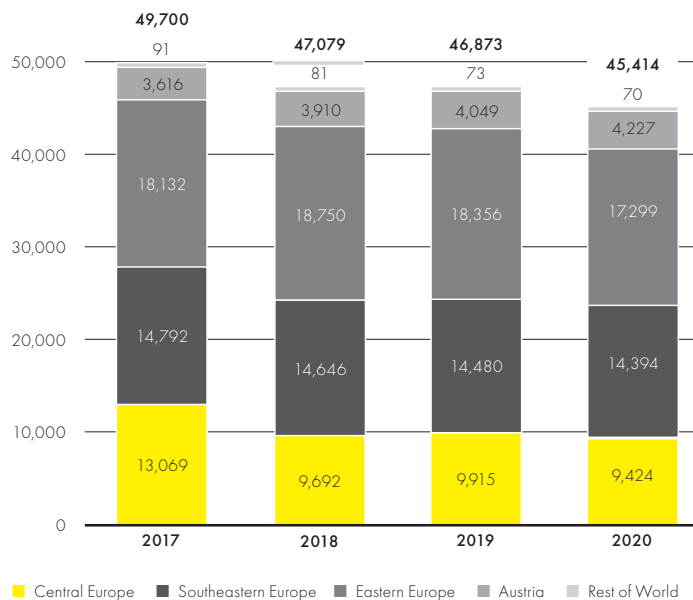
Development of personnel

RBI employed 45,414 people as of December 31, 2020 (full-time equivalents), 1,459 fewer than at the end of 2019. The biggest reductions were recorded in Ukraine, Slovakia and the Czech Republic

The average age of employees remained relatively young at 38, while the ratio of female employees was 66 per cent. The proportion of employees with university degrees was 74 per cent, which indicates a very high level of qualification.

The following graphic shows the development in the number of employees over the past four years (in full-time equivalents):

Development of personnel Number of staff at end of year¹



¹ Includes the employees of all consolidated companies

² The figures from 2017 are based on the merged bank (merger taken into account)

In 2020, we continued the TOM (Target Operating Model) project as part of the transformation process at RBI AG. The planned changes were pursued while taking into account the difficult situation as a result of the COVID-19 pandemic, the lockdowns and the extremely high proportion of employees working from home. Although the project will be completed in 2021, the cultural transformation and the life of the new operation models will persist and will require intensive work over the coming months.

Staff development

Identifying, encouraging and retaining talented individuals is one of the key objectives and prerequisites for a long-term partnership between employees and the company. We work actively to create clear and individual development opportunities. Satisfied, committed and empowered employees achieve more, both quantitatively and qualitatively, and are likely to remain loyal to the company.

The following chart provides an overview of the employee development measures that are being implemented at the individual companies.

Overview of measures		Austria							CE			SEE						EE				
Topic	Measures	RBI AG	RBSK	RKAG	RL	Valida	RCB	Kathrein	TBSK	RBCZ	RBHU	RBAL	RBBH	RBBG	RBKO	RBHR	RBRO	RBRB	RBBY	RBRU	AVAL	
Employee development	Performance management	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Talent management	✓	✓				✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Trainee programs	✓							✓	✓	✓	✓	✓	✓	✓	✓	✓	✓			✓	✓

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

In contrast to many global companies, we pursue a largely 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 this approach. As a group, we require common core elements within our culture of management and leadership. Our aim is to create a pool of highly qualified and motivated employees for management positions within the Group and to promote these colleagues and prepare them for top executive positions in a targeted manner. A Group-wide executive program has been established for this purpose. This is set out in the Group-wide Succession Policy alongside all the regulatory requirements.

Performance management

RBI views performance management as a management approach that enables all employees to align their personal performance targets to the overall targets of the company, perform at their best, and realize their full potential in order to contribute to the long-term success of the company. It is therefore closely linked to other HR instruments such as remuneration, promotion of talents, employee development and career planning. Performance management provides a framework for the common growth of employees and managers and creates a foundation for the positive future development of RBI in a changing business environment. The guiding principles are set out in the Group policy “Performance Management RBI Group” and in the supplementary document “The Book of Group Performance Management”. Furthermore, we have defined Group-wide obligatory minimum requirements that provide the framework for the local policies that are adapted to the country-specific conditions.

Having gradually revised our performance management over the last two years, we now have an approach that meets the requirements of an increasingly volatile and fast-moving business environment and that will support our company in its transformation to an agile way of working. Performance management is an important instrument for breaking down the mission/vision we redefined in 2019 and our Group’s corporate values into transparent and comprehensible targets, so that every manager and employee knows what is expected of them. Since the beginning of 2020, our performance process has been accompanied by our “strategic roadmap”. This roadmap translates our vision/mission into priority initiatives with a planning horizon of two years. The progress of these initiatives is determined and communicated on a quarterly basis. All the information on the roadmap is available to all employees via the RBI intranet. The relevant Management Board members also report on progress in their area of responsibility as part of internal MS Teams events.

This ensures that our strategy is familiar to all employees and that their own goals are geared toward the strategy.

The rolling objectives introduced in the past year have been well received by employees. This allows us to adapt well to new market conditions and respond flexibly and promptly to unforeseen events like COVID-19. The possibility of documenting target attainment is consistent with our strategic roadmap and allows us to present our progress even more transparently.

In the age of COVID-19 in particular, this flexibility and transparency is essential in order to remain economically efficient and successful while ensuring that our corporate strategy can be implemented in the short and long term alike.

Our employees are taking some time to engage with the new electronic feedback solution, but it is being used more and more. In 2020, specific feedback workshops were arranged in some agile teams with a view to strengthening the feedback culture within our company. We intend to expand this further in 2021.

Training and development, talent management

Our strategic approach to training and development

The objective of our training and development is to help our employees obtain the knowledge, competences, and social and management skills they require to master their tasks as best as possible – both now and in the future. Accordingly, our managers are responsible for examining the strategic objectives of the bank and their departments in order to determine which competences are required and need to be fostered.

For us, development always means a combination of experience-oriented, relationship-oriented, and training-oriented measures (80:20:10). Group People and Organisational Innovation provides a comprehensive portfolio of training programs and tools to achieve this. But we also understand learning in the sense of “learning by doing” as an integral part of daily work in conjunction with feedback and retrospectives. This is set out in our “Learning” corporate value (see page 16).

The centralized and decentralized training offering encompasses three main areas: leadership development, professional development, and personal/soft skill development.

The training goals for leadership development are derived from our Group-wide “Leadership Training Architecture” for all management levels. These are based on a series of key competences for managers that have been defined by the Management Board in line with our corporate values. All first-time managers must complete a standard development program that qualifies them for the new role and gives them the tools needed for managing employees. In addition, we offer development programs for talented managers and successors who have been identified for executive management positions in order to maintain the talent pipeline. Our Group-wide executive development program, the contents of which are primarily of a strategic nature, is available to our top level of management.

The development of employees without management responsibility is based on training goals that are derived from the strategic priorities. Current focus areas are digital skills, data analysis and data science, innovation, risk management, IT, sales, and retail and corporate business. It is also necessary to carry out training and development that meets regulatory requirements to ensure that executive management staff and key function holders steadily expand their competence and knowledge in their area of expertise, stay up to date, and can furnish certifications as required (e.g. “fit & proper”, MiFID II, GDPR, cybersecurity).

The goal of personal development is to increase the competence of managers and employees in terms of all topics with a customer focus, such as sales skills, presentation techniques and negotiation skills, as well as interpersonal skills such as communication and conflict resolution. The teaching of languages and cultural know-how also forms part of facilitating cross-border cooperation.

At RBI, learning and development also includes the topic of health. We see creating awareness of health topics such as work-life balance, mobile work, resilience, and coping with stress as part of our occupational health management. To this end, we regularly evaluate and adapt our extensive range of training, coaching, mentoring, as well as talent management and the development of management staff, from the perspective of promoting and preserving health (more information can be found in the chapter on occupational health management; see page 107 onwards).

Talent management and development of management staff

The identification and development of high potentials plays an important role in ensuring RBI's future business success. This improves the development and career opportunities of the employees themselves, while also contributing to proactive and qualitative personnel planning and the targeted promotion and retention of our key employees. We have introduced various coordinated measures and concepts for this purpose over the years. This includes the annual "Spot-Grow-Lead" process, which is aimed at identifying and developing high potentials. This has resulted in talent pipelines being established in almost all units with consideration of the different local focal points. The success of this ongoing process is demonstrated by the fact that 73 per cent of Management Board positions were filled by internal candidates in 2020.

The Talent Development Framework is another example of a standardized process aimed at developing high potentials. The individuals identified in the "Spot-Grow-Lead" process benefit from a range of individual development measures, including 360-degree feedback, personality assessments, mentoring and coaching, on-the-job learning in the form of challenging projects and job rotation, and seminars and programs aimed at improving their professional skills. We also create a space for high potentials to network, exchange ideas, and learn from each other at "High Potential Networking Events", which are held regularly for RBI AG as part of the Peter Drucker Forum in Vienna.

In order to further improve gender equality within RBI's talent pool and hence ensure equality of opportunity for male and female employees, we also worked on a number of new approaches. We have included additional female assessors in talent review meetings since 2018. To ensure that the decision-making process at talent review meetings is as fair as possible, the managers and the "additional female assessors" are offered gender bias training. In some areas of the company, there is the option of self-nomination in order to further strengthen the role of the individual in the context of personal and career development. This approach is having a positive impact on the number of women applying for the talent pool, thereby helping to ensure a better gender balance.



Training and education

The "Group Learning & Development and Talent Management Law" guideline sets out the Group-wide pillars of our training, development and talent management programs.

The learning and development options at RBI AG and our fundamental commitment to permanent development with the supporting processes are defined in a company guideline, the "RBI Learning & Development Policy". Furthermore, the annual development meeting and personal development plan of each employee form the structured basis of the individual development measures.

Strategic training initiatives

In 2020, we focused on anchoring our new Group-wide vision/mission and our new values. In particular, we established training and communication measures at all network units in order to familiarize all the managers and employees with the vision/mission and values. At head office, for example, the roll-out took the form of cross-functional workshops known as "Future Days", which were aimed at changing the organizational culture by anchoring the vision/mission and values in the mindset and working practices of all employees.

2020 also saw the continuation and expansion of the data literacy priority initiative we defined in 2019. This covers all of the skills required to record, analyze and interpret data and prepare it as information in order to be successful in an increasingly digital and data-driven world. A range of training opportunities in the category of data, analysis and coding was offered at all levels under the motto "Take a step". The number of people participating in data literacy training trebled compared with 2019, while the number of training days on this topic more than doubled.

RBI's diversity ambassadors in Austria completed training entitled "Framing Gender Compliance", which taught them how to successfully protect against gender discrimination in practice. On Human Rights Day, diversity training was held for RBI employees in Austria and the diversity officers at the subsidiaries under the motto "Perspektive wechseln - Vielfalt spüren" (Change Perspective - Experience Diversity). More information about other training formats can be found in the "Diversity management and the ability to reconcile work and family" section (see page 98 onwards).



To meet the growing demand for knowledge in the area of sustainability - particularly with regard to sustainable finance - an online sustainability competence training package was rolled out throughout the Group in fall 2020. It comprises eight modules covering all areas of sustainability and two special modules on ESG trends and green and social bonds. Participants can earn one of three different certificates (Basic, Advanced, MiFID).

The coronavirus crisis required RBI to provide various learning opportunities to support employees and managers in switching to an entirely new way of working. These included health-relevant content and tips for working from home, stress reduction and increased movement, effective virtual and hybrid cooperation, and training and guidelines for managers on virtual team leadership. These were bundled as part of a dedicated "Corona Hub" at RBI in Austria.

Infrastructure for digital and modern learning

The learning management system "cHaRLie" for the administration of learning opportunities has been in use since 2018 and has since then been successively implemented throughout the Group. This allows us to roll out training and online learning programs on a Group-wide basis at any time via a single platform and perform additional evaluations of the available training.

In addition, we massively expanded our portfolio of digital learning programs and online training on specialist topics, personality-related topics and languages. Much of the training that previously took place in person was either converted to virtual formats or replaced by e-learning and online courses.

Training and development initiatives at the network banks

One key element of the strategic reorientation is the digital transformation, which is reflected in Group-wide training initiatives. Our international development program "GoIT Academy", which deals with key topics in IT and related areas, was continued. We replaced some elements of the program with virtual formats in response to the COVID-19 pandemic.

Other strategically important Group-wide training programs, like the "Corporate Risk Program" for risk managers, a "Data Science Academy" for various target groups, a new "Remote Advisory Program", the "Customer Experience Academy" for retail customer advisors and the "Institutional Clients Academy", were initiated or rolled out in 2020. The continuation of the adaptive transformation was another focal point. This was accompanied by various training formats, including a "Scrum Master Journey" and various certified scrum master and product owner training courses. We also began our Group-wide sustainability training in 2020 (see above).

Employee involvement

RBI believes it is extremely important that the concerns of our employees are listened to and taken seriously. We use various communication and integration tools to achieve this, including employee events, employee surveys, and the “Make Ideas Happen” idea platform at RBI AG.

In particular, the sudden imposition of remote working during the first lockdown in March demonstrated the importance of staying in contact with employees, informing them, knowing their questions and concerns, and hence enabling them to carry on working as a community. With this in mind, we launched some formats that proved especially useful during the crisis but that will also remain important afterwards.

At RBI AG, these are the “update calls” with CEO Johann Strobl, which were initially held on a weekly basis and then less often, most recently once a fortnight. These one-hour calls start with a report by the CEO on the current situation before giving employees the opportunity to ask questions anonymously or using their name. These questions are then answered live by the CEO. We use Teams Live Events for this format, so that all employees can participate. This format has proved extremely popular. Up to 1,200 employees participate in the calls, with several hundred people watching the calls on catch-up.

Short “pulse surveys” were also introduced during the first lockdown. Consisting of an average of five questions on the current situation, these surveys provided an insight into employees’ needs. The results were translated directly into initiatives. The content of the Corona Hub on the RBI intranet is now being fed with the results from the surveys. The surveys have been adjusted over time in terms of their frequency and are now taking place at longer intervals. This format has also helped to increase employee engagement and ensure that they are heard directly.

New world of work

All office-based employees began working from home as a result of the coronavirus pandemic. As this is expected to lead to permanent changes in how we work, we have launched the “New World of Work” (NWoW) initiative on the topic of remote working at RBI. More than 70 ambassadors at RBI AG are participating.

In the first step, the NWoW initiative gathered the varied experiences of employees regarding remote working. The results were used to derive tried-and-tested practices and patterns for hybrid work, i.e. a mixture of office-based and mobile work.

This framework was then presented to several teams, who were asked to independently find solutions for a successful hybrid cooperation model. The models developed are regularly reviewed and improved so that the organization can gradually optimize the way in which it handles this hybrid form of work.

In addition to developing new models of cooperation, the initiative is addressing the following key aspects:

- Reconciling the cooperation models with the underlying legal conditions
- Providing suitable infrastructure and IT equipment at the office and for home working
- Supporting managers in the new environment
- Providing information and support on physical and mental health
- Raising awareness of the importance of the “common basis” and the feeling of solidarity
- Accompanying measures during the change process to define new values and anchor them within the corporate culture

Many of the network banks switched to remote working where possible in March 2020, with the results being evaluated in early summer. Some network banks have already rolled out more desk-sharing and redesigned or rented out office space, made improvements to their IT infrastructure and supported the change process with corresponding accompanying measures for employees and managers.

RBI will continue the initiative beyond 2020 and identify new findings on hybrid work on an ongoing basis. Accordingly, we are planning to retain the intensive dialog at Group level in order to learn and shape the “New World of Work” together.

Employee representation

RBI seeks to ensure trust-based cooperation with the employee representatives as a key element of its corporate culture, which is founded on cooperation at all levels and is intended to shape the relationship between all partners, both internally and externally. We act in accordance with the relevant statutory regulations and the agreements concluded and take into account the respective operating conditions.

50 per cent (50 per cent in 2019) of Group employees are covered by collective bargaining agreements.

The active participation of employees is also made possible via their interest group, the Staff Council, which initiates a wide range of activities throughout the year. This includes employees’ suggestions being processed in the various working groups of the Staff Council of RBI AG, some of them with the company physician and Group People & Organisational Innovation, and measures being taken on an ongoing basis. The goal is to identify and promote the economic, social, health and cultural interests of the employees in the course of business. Some working groups are set up to run on a permanent basis (e.g. workplace conditions/health, work/family, nutrition, culture). Others are put together at short notice and work on a project-by-project basis. However, costintensive issues are only rarely discussed here.

In addition to the Staff Council’s co-determination prescribed under labor law, co-determination and the exchange of information are also guaranteed through participation in various committees such as the Supervisory Board, the health and safety committee, the environmental committee as well as at individual “jours fixe”, which are held by the Chairman of the Staff Council and the various members of the Management Board.

The Staff Councils are networked within the Group Staff Councils (the Group Staff Council was constituted in November 2020), the Raiffeisen Staff Council in Vienna, the Raiffeisen Staff Councils in Austria and (via the European Staff Council) internationally.

RBI with European Staff Council

As in the previous year, 14 representatives from eight EU countries (Bulgaria, Hungary, Croatia, Austria, Poland, Romania, Slovakia and the Czech Republic) are represented in the European Staff Council (ESC) of RBI.

Because of the COVID-19 pandemic and the resulting travel restrictions, the ESC held two ordinary meetings in virtual form for the first time in July and November 2020. The meetings focused on the topic of COVID-19 and its economic impact as well as other implications, such as remote working. In light of the importance and topicality of this matter, no other significant issues were discussed at the ESC meetings in 2020.

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

Employee surveys

In a particularly challenging year for all companies, a central, Group-wide survey was conducted in 2020 in addition to a number of focused employee surveys in the individual organizations and countries.

In the first half of the year, the surveys conducted mainly took the form of short “pulse surveys” on the impact of the coronavirus crisis. While the questions initially focused on the information and communication provided by the company and the equipment supplied to employees working from home, they were gradually replaced by questions on the various additional burdens on the employees, e.g. as a result of home schooling. The results of each survey were published immediately and transparently and were taken into account in the planning of further measures by the crisis team as well as the communication and human resources department. By repeatedly asking about specific topics, we were able to directly measure the changes over time. A number of other Group companies conducted these or similar short surveys and implemented corresponding measures.

Employees have responded extremely well to the tool of ad hoc or situation-specific short surveys. At RBI AG, the return rates for the first surveys increased steadily and stabilized at a level of 55 per cent. Remaining in contact with employees in this way has become a key element of the feedback culture at each of the individual companies.

In addition, the first Group-wide survey was conducted in October 2020. A total of 33,000 employees from almost all Group companies participated in the survey, corresponding to an extremely high return rate of 81 per cent.

In addition to the core topics of employee engagement (loyalty to the company and corresponding willingness to do more work voluntarily) and employee enablement (existence of an environment that promotes success), employee feedback was obtained on 33 questions relating to issues such as empowerment, cooperation, performance management, compensation, innovation, and new work. Thanks to the measures initiated since the last survey, the results were maintained at an impressive 73 per cent for employee engagement and 75 per cent for employee enablement. This is a particularly positive achievement in light of the extraordinary circumstances. It confirms that continuously obtaining employee feedback and using it to plan and implement corresponding measures are important to business success.

In all the organizations throughout the Group, the results are communicated to employees via the established processes at the level of the company as a whole and in individual teams. As well as central measures, a significant proportion of the changes are planned and implemented at team level. In this way, employees are making an important and direct contribution to the continuous optimization of the company.

Employee surveys will remain a central element of the corporate culture in the coming year and will be used for other topics, such as onboarding new employees.

Diversity management and the ability to reconcile work and family



RBI is a universal bank specializing in the regions of Austria and Central and Eastern Europe. Our 17.2 million customers in 14 markets and our almost 45,000 employees represent diversity.



We value this diversity of perspectives, abilities, experience and needs. We use the potential of our employees to generate added value for our employees, our customers, and society.

The RBI Group Diversity Policy describes the relevance of this topic for RBI. The Policy defines the responsibilities and how a diversity strategy is to be implemented.

A key element of the Policy is the RBI Diversity Vision and Mission, which contains guidelines that are intended to provide guidance for dealing with diversity on a day-to-day basis.

Diversity Vision

Diversity, one key to success, enables RBI to overcome boundaries. For RBI, diversity means added value. Leveraging the opportunities provided by diversity offers sustainable benefits for our company and employees as well as the economy and society.

Diversity Mission

By promoting diversity, we are continuing Raiffeisen's success story, which dates back over 130 years. As a strong partner, we harness the potential of diversity actively and professionally in order to best support our clients and to present ourselves as an appealing employer.

Guiding Principles

The following guidelines were published together with the Diversity Vision and Mission Statement in 2017 and are intended to help everyone experience and appreciate diversity when working with each other on a daily basis. They are particularly important for decisions with personnel relevance.

- We value and respect each other regardless of gender, sexual orientation, age, culture, origin, religion, ideology, physical impairment, or other characteristics.
- We maintain a respectful, appreciative culture of communication, for which we require a variety of perspectives.
- Our aim is to maximize variety in our teams and ensure that diversity also exists at the highest levels of management.
- We understand the needs of our diverse client base. As a universal bank, we support our partners in achieving their aims worldwide. A clear commitment to diversity and the appropriate training of our employees is a matter of course for us.
- We are aware that our behavior is influenced by our unconscious bias. We consider it important to recognize these prejudices and to reflect upon them, as we intend to make the best decisions and take conscious action.
- We approach staff decisions objectively: We fill positions, make decisions on compensation, and perform employee appraisals, assessments of potential, promotions and nominations for projects based on employee skills, performance and potential.

Our Code of Conduct clearly states that we consider fair employment practice to be of great importance. We want to be a corporate group that the most talented people want to work for, that hires and promotes people according to their aptitude (performance and work experience), and that gives employees the opportunity to develop their skills while maintaining a good work-life balance. We value teamwork within and between business divisions, areas and countries and help our employees to realize their full potential. Discrimination and harassment have no place at RBI. We promote an environment where employees treat and appreciate each other with mutual respect and support diversity as it can open

up new perspectives. Our goal is to maximize diversity across our teams and ensure that it also exists at the highest levels of management. This corresponds to our corporate value “Collaboration” (see page 16).

Discrimination and harassment (based on age, ethnicity, skin color, national origin, religion or belief, political or other opinion, gender, sexual orientation or disability) are incompatible with maintaining an inclusive work environment in which all employees achieve the maximum level of productivity for themselves and can meet our business goals. No form of discrimination, harassment (including sexual harassment), or intimidation will be tolerated or excused by RBI.

RBI is committed to promoting equality, which is consistent with our self-image, and to creating equal opportunities for equal performance in the workplace, regardless of gender or other factors. This starts as early as employee selection, which must be free of prejudice and where the same criteria must always be applied.

The following chart provides an overview of the measures that are being implemented at the individual companies in order to promote a healthy work-life balance and regarding diversity.

Overview of measures		Austria							CE			SEE						EE				
Topic	Measures	RBIAG	RBSK	RKAG	RL	Valida	RCB	Kathrein	TBSK	RBCZ	RBHU	RBAL	RBBH	RBBG	RBKO	RBHR	RBRO	RBR5	RBBY	RBRU	AVAL	
Work life balance	Part-time-work (parents)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓	✓	✓	✓	✓	✓	✓	
	Part-time-work (other than parents)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓	✓	✓	✓	
	Teleworking	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓			✓	✓	✓	✓	✓	✓	✓	✓	
	Flexi-time-models (regular)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓			✓	✓	✓	✓	✓	✓	✓	✓	
	Flexi-time-models (long time)	✓	✓	✓	✓	✓	✓	✓	✓	✓				✓		✓	✓	✓			✓	
	Company kindergarden or similar	✓	✓	✓	✓	✓				✓					✓							
	Time off for fathers in event of a birth (statutory requirement)	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓	✓		✓	✓	✓	✓	✓	✓	✓	✓
	Time off for father in event of a birth (beyond statutory requirement)	✓	✓	✓	✓	✓				✓			✓	✓	✓	✓				✓		✓
	Dependent care programs	✓	✓	✓	✓	✓	✓				✓			✓		✓		✓	✓			✓
	Semi-retirement programs	✓	✓	✓	✓	✓	✓	✓														
	Sabbatical for educational leaves	✓	✓	✓	✓	✓	✓			✓	✓	✓	✓	✓			✓	✓	✓	✓	✓	✓
	Other sabbaticals	✓	✓	✓	✓	✓	✓			✓	✓	✓						✓	✓			
Diversity	Local diversity officer	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	General diversity trainings	✓	✓	✓	✓	✓	✓	✓	✓		✓			✓	✓		✓				✓	
	Women empowerment programs	✓	✓	✓	✓			✓	✓		✓			✓	✓							

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

Widely differing labor laws as well as family policies and health systems can be found in the various countries in which RBI operates. In order to offer employees more options for reconciling work and family life, as well as for a good work-life balance, the network banks provide a range of supplemental offers tailored to local needs and possibilities.



In order to further improve the framework conditions for profession and career, RBI is constantly working to improve the work-life balance. Work models, such as flexible working hours, part-time and tele-work are offered in accordance with statutory provisions. Where possible, company childcare with employee-friendly hours of operation is offered. These models are intended to enable targeted parental leave management that promotes re-entry into working life. RBI has a positive attitude towards paternity leave, which it sees as being an important way to advance equality.

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

We would like to contribute to the implementation of SDG 5 and SDG 8 with our measures in Diversity Management. Specifically, this concerns ending all forms of discrimination towards women and ensuring that women can fully and effectively participate and that they have equal opportunity in taking on management roles on all levels of decision-making. Furthermore, we support the goal of achieving equal remuneration for equal work.



RBI has signed up to the Diversity Charter. In this way, we are showing that diversity is an important concern for us.



RBI signed up to the "#positiv arbeiten" initiative in 2020. With this commitment, we are standing alongside Austrian AIDS charities and more than 70 other companies to signal our opposition to the discrimination of HIV-positive people in the employment market.

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

In order to demonstrate that discrimination of any sort has no place in our corporate group, a Company Agreement on the issue of “Fair behavior in the workplace” was concluded for RBI AG some years ago.

To lend even more weight to the seriousness of this issue, we worked with the Staff Council to train several employees at the Vienna sites to become “harassment representatives”. These employees are the first point of contact for employees should any problems arise with regard to this issue. Expertly trained members of staff provide competent points of contact on the issues of stress and burnout.

As a further initiative, an e-learning module on bullying and harassment was rolled out at RBI in Austria in the first quarter of 2020. Employees learned about the causes and consequences of bullying, the relevant legal aspects, and victims’ rights. Terms like “stalking” and “sexual harassment” were explained, as was how to act in the event of an assault. This training is available to all employees and has been implemented as mandatory training for managers.



Being family-friendly means enabling employees to find a balance between work and family life. This is why RBI AG is a partner of the “Companies for Family” initiative of the Austrian Federal Ministry of Work, Family and Youth.



To underline the importance of a healthy work-life balance, RBI AG has set itself the goal of obtaining certification for the “workandfamily” audit in December 2020. In October 2020, we conducted three workshops, adopted targets and defined specific measures to be addressed over the next three years.



Improving the ability to reconcile family and work is also a very important consideration for Raiffeisen-Leasing GmbH in Austria. The relevant measures include, among other things, flexible working hours, part-time models or tele-work as well as active parental leave management. The “workandfamily” audit was recertified in 2020.

Despite the COVID-19 restrictions, another “Let’s stay in touch” event for employees on parental leave was held in 2020. This event gives RBI employees in Austria a platform for finding out about the latest developments within the company while also obtaining information on their return to work from an employment law perspective. In a virtual set-up, interested parties can engage with representatives of Group People & Organisational Innovation, the Staff Council and occupational psychologists in small groups.

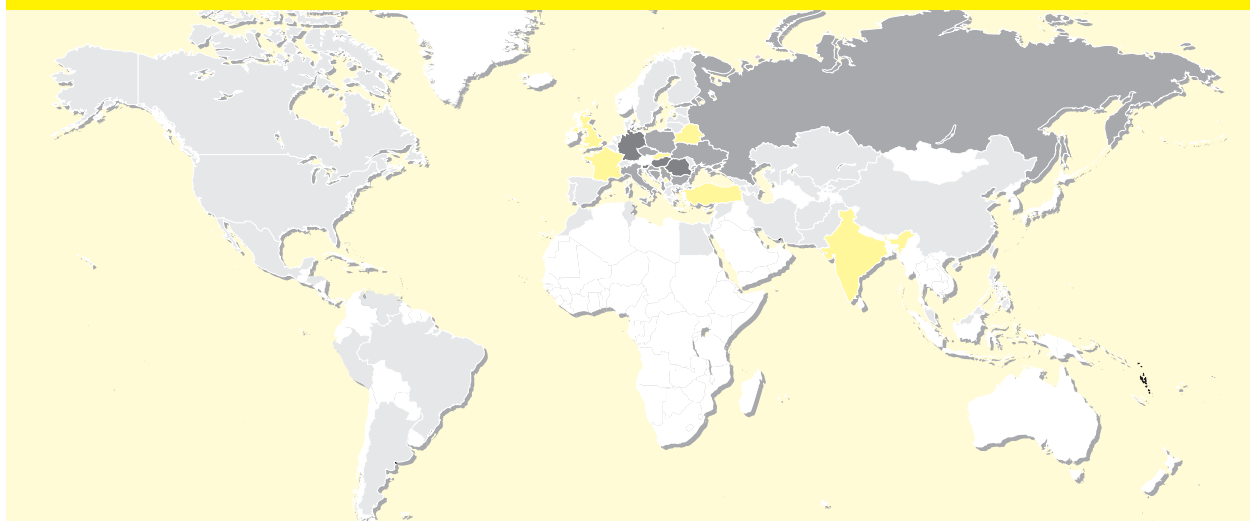
In order to be able to better support employees in their changing needs at different stages of life, RBI AG offers a sabbatical program. Several models are available, providing various timeframes and thus an attractive recreational and relaxation model for people’s different needs. Any of these sabbatical models can be further tailored to the individual.

Sustainable integration

In 2020, around 1,100 employees (28 per cent of the workforce) with a non-Austrian background from more than 60 nations worked at the two head office sites in Vienna.

RBI employees not originating from Austria at the Vienna sites

1-10 employees 11-20 employees 21-80 employees over 80 employees



The now long-standing tradition of the International Dinner did not take place in 2020 because of the coronavirus situation. This evening gathering allows new colleagues from various nations and colleagues from other areas of the bank to get to know each other. The International Dinner is planned to resume in 2021.

Find more at:
www.rbinternational.com/en/who-we-are/sustainability/diversity.html



RBI AG launched the “Diversity 2020” initiative in 2016. The goal is to better promote and take advantage of diversity in the company through professional diversity management, thereby making a positive contribution to the corporate results. Organizational anchoring of the topic was taken into account through a diversity officer and the establishment of a diversity committee. In order to include as many different perspectives as possible, there are around 20 diversity ambassadors from all board areas. These ambassadors cooperate with the diversity committee and are tasked with strengthening diversity in their area as well as planning and implementing the measures. Employees are informed about the comprehensive measures and latest developments in a quarterly “Sustainability and Diversity” newsletter.

In 2017, RBI set a Group-wide overall target quota of women on the Supervisory Board, Management Board and in second level management of 35 per cent by 2024. This figure had reached 31 per cent by the end of 2020 (2019: 30 per cent).

There are many reasons for the low representation of women in leading positions, which stem from the personal and societal environment as well as the company itself. We believe it is necessary to change the structural conditions within the company in order to encourage women to apply for management positions. In 2020, measures were developed with a view to approaching this issue from various angles. We are starting by looking at the work culture in terms of enabling a healthy work-life balance and ensuring that the “New World of Work” is designed in a gender-sensitive manner. As part of this, we conducted the “berufundfamilie” audit for the first time in 2020 (see page 101) and pressed ahead with active parental leave management. To ensure objectivity in the selection process and exclude the possibility of unconscious bias, interview logs and documents for interviews and hearings are anonymized and evaluated by several people. In addition, at least one assessor participates in each hearing. However, the search for candidates is another important step in the selection process. Activities in the past year focused in particular on selecting the right executive search partners and their role when it comes to identifying qualified women.



RBI Women Forum, 2020; © RBI

The "RBI Women Forum" was initiated in 2018 with the aim of establishing a strong network that promotes the growth of business relations and that has the power to advance women in their careers. The forum gives female managers a space where they can engage in regular dialog and discuss relevant future-oriented topics. Due to the COVID-19 situation, the RBI Women Forum decided to produce podcasts with personalities from the worlds of business and science in 2020. They are published every 1-2 months.



F 15 forbes DACH, Diversity & Cultural Change
(<https://www.youtube.com/watch?v=kkW8EDbsHD8>)

The "Forbes Women's Summit" took place for the second time in November 2020 with RBI as a new partner. The overarching theme of the summit was empowerment and how to mutually identify and learn "superpowers".

The "Making Money" workshop addressed salary negotiations and handling money. Female experts from RBI answered questions in breakout sessions and inspired participants with their own experiences. An online interview on diversity and cultural change reported on the latest developments at RBI and the steps that are currently being taken to change and improve the culture on a day-to-day basis.

Find more at:
www.forbes.at/womens-summitvienna2020.html



Since 2018, RBI AG and its subsidiaries Raiffeisen Capital Management and Valida have been among the first supporters of "Fondsfrauen in Österreich", helping this initiative to enter the Austrian market. Fondsfrauen is a career network for women with a focus on asset management in Germany, Austria, Switzerland, and Luxembourg. Formed in Germany in 2015, Fondsfrauen is currently supported by 27 companies.

Find more at:
www.fondsfrauen.de/en/



Fondsfrauen at the International Women's day 2020 in the Vienna Hofburg, © Christa Geyer

In 2020, Fondsfrauen in Austria was forced to hold most of its events digitally. It organized several digital networking sessions as well as digital networking events featuring a talk and a subsequent discussion with Lisz Hirn, a leading Austrian philosopher, on the subject of "The new Biedermeiers and their impact on society".

The financial education for women project continued in spite of the extensive restrictions. The working group created the "Fit for Finance" workshop series with three units each lasting between 60 and 90 minutes and some members held the first workshops. These are offered to

women's networks free of charge and can also be conducted digitally. The "Management Needs Women" guide that was created in 2019 continued to be promoted and distributed in 2020, including at an event at the Hofburg to mark International Women's Day.

Find more at: <https://fondsfrauen.de/fondsfrauen-awards-2020-and-the-winner-is/>



Presentation of the Fondsfrauen Award "Company of the Year 2020" to Raiffeisen Kapitalanlage GmbH, © FONDS professionell

One of the highlights of 2020 was the presentation of the Fondsfrauen Award for "Company of the Year" to Raiffeisen Capital Management. In its remarks, the jury noted that, among other things, 40 per cent of managers at Raiffeisen Capital Management are women and female candidates are given precedence when candidates have the same qualifications. In addition, a head of department from Raiffeisen Capital Management was nominated for the award in the "Woman of the Year" category.

The second diversity topic we are focusing on is the inclusion of people with disabilities. The aim of the RBI AG project is to break down inhibitions, generate awareness, increase social skills, and employ more qualified employees with disabilities.

In October 2019, RBI AG conducted an employee survey on the inclusion of people with disabilities. One of the findings was that employees would like more information and training. In response to this, three sensing journeys were organized in 2020. These showed how to take a proactive and open attitude to employees and customers with disabilities. Seeing things from a different perspective, understanding barriers and engaging in a direct dialog with people with different disabilities all help to increase awareness. An article on disability is published on the intranet every month, informing employees about topics including the broad spectrum of disabilities, risk groups following COVID-19, the disability business case, and assistive technologies.

Find more at: www.rbinternational.com/en/who-we-are/sustainability/current-news/zero-project-partner-dinner-2020.html



Zero Project Conference / Project Partner Dinner 2020 at the RBI, © Sabine Klimpt

On the occasion of the Zero Project Conference, RBI AG organized the Zero Project Partner Dinner for the second time. Around 70 guests from Austria and abroad discussed current topics relating to disability.

Find more at: www.thevaluable500.com



The Valuable 500 is a global movement that aims to put the inclusion of people with disabilities on the business leadership agenda. RBI signed up to this movement at the start of 2021 and Johann Strobl is now a member of this extensive network of global CEOs. RBI has thereby committed itself to the continued pursuit of its goal of being an inclusive employer and supporting the creation of an inclusive society.

In 2020, RBI AG appointed a representative to support the interests of employees with disabilities.

Find more at: www.myability.org/b2b-netzwerk#nav

RBI AG ist member of the DisAbility Business Forum of my **myAbility**

In 2020, sexual orientation was established further as a third dimension of the "Diversity 2020" initiative. The aim is to increase awareness of LGBTI (lesbian, gay, bisexual, transsexual, intersex) issues, promote inclusion, and enable a working atmosphere in which no one has to fear being disadvantaged on account of their sexual orientation.



The business resource group “Embrace” at RBI in Austria, which comprises members of the LGBTI community and straight allies (heterosexual people who actively support LGBTI), has launched additional initiatives to raise awareness of the dimension of sexual orientation.



Raising of the rainbow flag in front of the RBI main building 2020. © RBI AG

In June, the rainbow flag was raised at RBI’s head office by the Stadtpark in Vienna. The world-famous symbol of diversity in acceptance will now serve as a symbol of the Raiffeisen Banking Group’s solidarity every June – Pride Month.

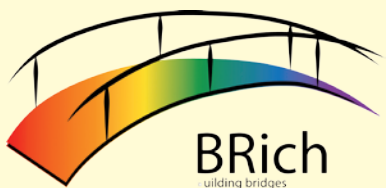
Board member Hannes Mösenbacher clarifies: “Diversity” is our strength. I – and the entire Managing Board of RBI – stand for lived diversity, which includes justice as well as tolerance and acceptance. No one should have to fear discrimination on the basis of their sexual orientation. In 2020, we would like to clearly express this to the outside world for the first time by raising the rainbow flag and celebrate the diversity of RBI employees together.”



LGBT+ Business Forum 2020, © GMR Photography & Film

RBI AG hosted the LGBT+ Business Forum in October 2020. The theme of the event was “Embracing LGBTI acceptance in CEE workplaces”. Current studies were presented, affected people reported on the current situation in CEE countries, and participants developed joint strategies for successful mobility management for LGBTI employees as part of workshops. The virtual format meant the diversity ambassadors from RBI’s CEE countries were also able to participate in the forum.

As part of the DIVÖRSITY days, a keynote and a workshop entitled “The Economic Value of Managing LGBTI Workforce Diversity” were offered to all RBI employees in Austria and the diversity and sustainability officers at the foreign subsidiaries. The core topic was research into and the practical approach to aspects of sexual orientation, gender identity and the concept of the gender binary in the workplace context. The workshop participants then drew up the underlying business case for RBI.



RBI AG is a member of BRich, a network of the LGBTI business resource groups of Austrian companies.



In Austria, RBI again participated in DIVÖRSITY, the Austrian Days of Diversity. In addition to the aforementioned LGBTI event, the diversity intranet page was publicized on the recently redesigned intranet page.

Find more at: www.rbinternational.com/en/who-we-are/sustainability/current-news/show-your-color.html

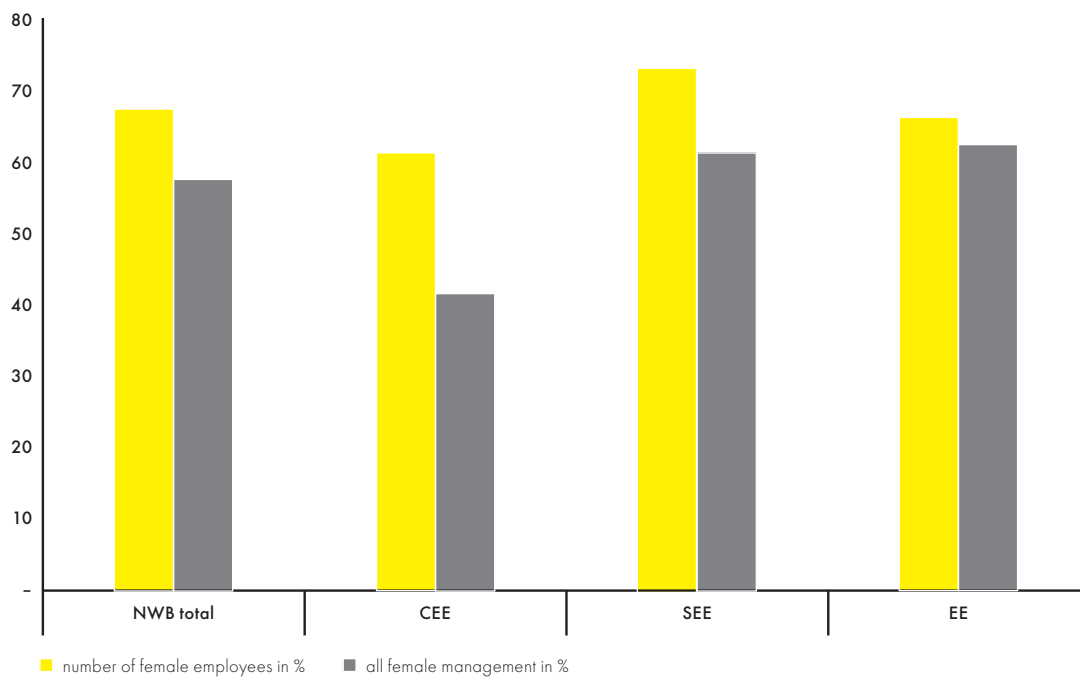
Find more at: <https://www.rbinternational.com/en/insights/lgbt-business-forum.html>

Find more at: www.linkedin.com/groups/13618819/

Diversity initiatives at the network banks

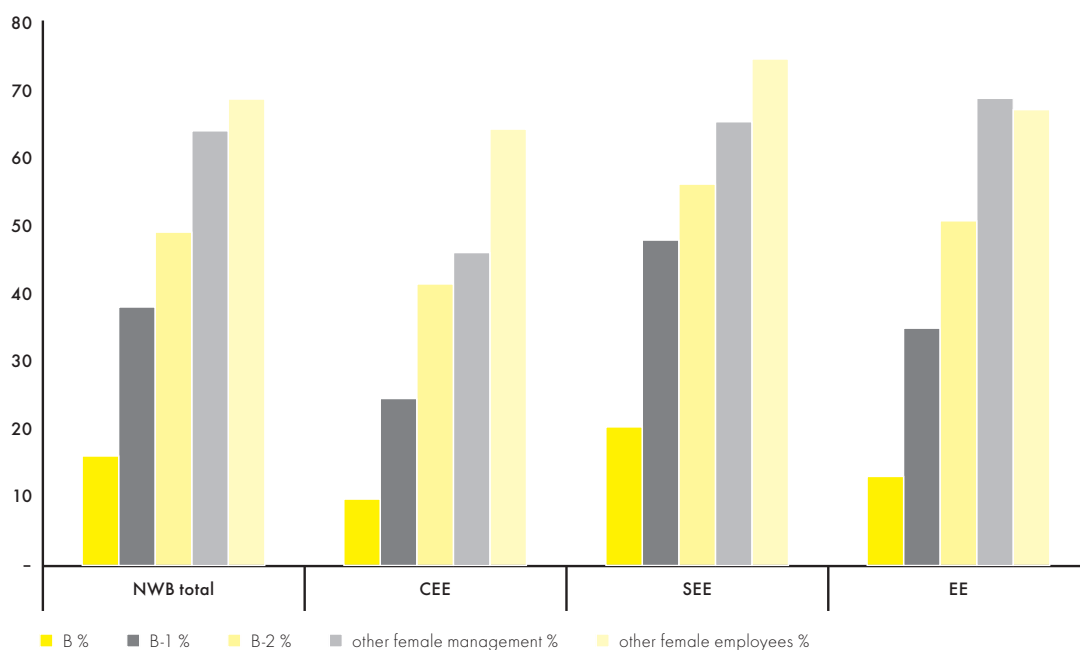
The share of women in management at the network banks of RBI has traditionally been very high:

Share of women in the network banks in 2020 in per cent



The description of the abbreviations can be found in the list at the end of the Report.

Share of women at the network banks by employee category in 2020 in per cent



The description of the abbreviations can be found in the list at the end of the Report.

At RBI, diversity officers work at all network banks and all associated companies in Austria with a view to establishing professional diversity management throughout the Group. Some examples of these initiatives are:

At Raiffeisen Bank Zrt in Hungary, a total of 40 employees took part in the “Future Leaders” program, which was held for the third time. The program focused on skills for the managers of the future, work-life balance and successful networking, mentoring and sponsorship.

Raiffeisenbank (Bulgaria) EAD offered training on diversity and inclusion for the first time. This delivered a general overview on dealing with diversity in the workplace and the role of prejudices. A total of 18 workshops were held for 191 managers.

At Raiffeisen Bank S.A. in Romania, various training courses were offered via the e-learning platform. The topics covered ranged from unconscious bias and understanding personal diversity and diversity in the workforce through to generation management. All employees are required to complete training on the Code of Conduct and unconscious bias as well as discrimination and harassment. The monthly company newsletter addresses diversity issues.

Health and safety

Healthy and efficient employees are the basis for success for every company. RBI offers provision and support in the form of a range of initiatives and facilities. In addition to the legally prescribed measures in the area of health care, we offer numerous additional programs. The statutory standards for occupational health and safety are complied with in all countries, and the corresponding committees and officers set up and appointed.

There were no fatalities as a result of work-related injuries at RBI in 2020, corresponding to a rate of zero (2019: 0.0024). The number of work-related injuries with serious consequences was zero, corresponding to a rate of 0.0000 (2019: 0.0024). There were a total of 25 (2019: 67) documented work-related injuries, corresponding to a rate of 0.0617 (2019: 0.0623). (The rates are calculated per 200,000 hours worked).



The following chart provides an overview of the measures that are being implemented at the individual companies in the area of health and welfare.

Overview of measures		Austria						CE			SEE					EE					
Topic	Measures	RBI AG	RBSK	RKAG	RL	Valida	RCB	Kathrein	TBSK	RBCZ	RBHU	RBAL	RBBH	RBBG	RBKO	RBHR	RBRO	RBRB	RBBY	RBRU	AVAL
Health and safety	COVID-19 Measures employees	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Safety management system	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Programs for mental health	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Health checks	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Promotion of sport and wellness activities	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Social benefits	Promotion of the company canteen	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Reimbursement public transport cost	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Promotion of private health insurance	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Promotion of pension fund	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Promotion of cultural events	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

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

Health initiatives at the Vienna sites

Occupational health management is an important factor in ensuring that employees are willing and able to perform, and hence in ensuring the performance of our company as a whole. In order to promote good health among its employees, RBI AG offers a wide range of preventive and health initiatives.



RBI AG performs professional occupational health management. As part of this, the most important key performance indicators are defined for each pillar (e.g. prevention times, workplace inspections, reintegration agreements, health-related training days).

The COVID-19 pandemic has posed a significant challenge to occupational health management at RBI AG, with safety and protection being particularly important at this time. We therefore integrated occupational health care into the RBI crisis team in order to ensure the protection of our employees in line with our duty of care. Furthermore, safety experts and ZHS building services implemented the measures defined by the crisis team by making physical changes to the office areas (e.g. plexiglass walls, arranging tables to ensure distancing, adjusted seating arrangements in the canteen). A Company Agreement on "Face coverings" was also concluded. The existing Company Agreement on "Mobile Working" made a big contribution in terms of flexibility concerning work performance during the pandemic and allows for up to 100 % of the workforce to work from home in the event of a lockdown. The "New World of Working" (NWoW) team is developing new concepts for cooperation after COVID-19 (see page 95). In addition, two virtual workshops were held to discuss the multiple burdens for parents in the age of COVID-19. The Employee Assistance Program was and remains available to provide additional help anonymously and free of charge. The "Coronavirus Info Hub" was established on the intranet. In addition to medical details and background information on the virus, the "Medical Information" section contains important ergonomic information for working at home. The "HR Info" section addresses the relevant facts from an employment law perspective and contains an FAQ and a section entitled "How to deal with it – coping with exceptional circumstances", which discusses aspects of the pandemic relating to occupational psychology. Pulse surveys were conducted during the lockdown (see page 97). In the third

pillar of occupational health management – activities and offers – the familiar formats were converted for working from home (e.g. virtual yoga classes). In the area of learning and development, e-learning was and remains especially popular. We were able to digitize the entire learning and development concept in just a short space of time. Only a few training courses are still offered as de facto classroom training. A growing amount of training and learning material is currently being made available on the intranet on the following topics: ergonomics in the workplace, health and wellbeing, staying active in the workplace, emergencies/ calm rooms, help for addiction, hypnosis for stopping smoking, health check-ups.

Every month, the “health@RBI” team evaluates the measures defined for the respective pillars and implements necessary changes promptly.

The “Workplace Conditions/Health” working group provides additional impetus for activities across all of the pillars of occupational health management. This working group primarily consists of Staff Council members and is headed by the Deputy Chair of the Staff Council.

All employees are able to report general risk situations within the organization to the “health@RBI”, the Staff Council, or directly to the security center at all times. The telephone numbers for the security center are printed on the employee identity cards.

Potentially serious work-related dangers relate in particular to the psychological consequences of threats and robberies. In addition, physical accidents on the way to and from work are naturally unavoidable. The safety experts at the locations continuously evaluate potential risk areas and resolve any issues immediately. The “Workplace Conditions/Health” working group also provides additional information on health and safety from the workforce.

A statutory prevention and safety concept for the head office companies in Austria is processed via ZHS.

All preventive measures are proposed, evaluated and implemented by trained and qualified safety experts, occupational physicians and occupational psychologists.

Employees at all of RBI’s head office locations in Vienna can buy lunch at subsidized prices at a works canteen. Needless to say, the canteen also offers a wide range of healthy and organic dishes. Vegetarian and vegan dishes are prepared fresh daily.

Health initiatives at our network banks

Healthcare is also a central issue at the network banks of RBI 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 range of services varies greatly, depending on what is needed and what can be provided locally in the individual countries.



This is illustrated by an example from our network bank in Russia:

AO Raiffeisenbank offers its employees a range of services. Sporting activities include an in-house fitness center and an outdoor sports field that is co-financed and available to all employees. Fitness center membership is also subsidized, regular health days are held in the office and open days at sports clubs are arranged.

A "Step Challenge" competition was held in August 2020. In addition to promoting good health, this was aimed at team building in connection with a joint social campaign. 2,250 employees formed themselves into 229 teams and all of the steps taken were converted into rubles and donated to a charitable fund. In the end, the teams covered a total of 386,624 km, resulting in a donation of 2,000,000 rubles. In addition, 1,000 employees were given one year's access to an online yoga course.

Alongside sporting activities, general physical health is extremely important at AO Raiffeisenbank. Health checks for specific professions are organized in line with the statutory provisions. Annual health examinations will be resumed after the COVID-19 lockdowns end.

Special stress management training programs allow employees to assess their own stress level, deal with emotions more effectively and manage their physical and mental resources. Furthermore, an employee assistance program offering training and online courses for all employees has been developed as part of the wellbeing concept.

All employees are encouraged to report any concerns relating to safety issues and to make proposals for resolving these risks.

Find more at:
www.starikam.org

Employer branding and recruitment

Our Group-wide corporate values and strategic objectives form the basis for targeted employer branding activities in the respective domestic market. The coronavirus crisis meant 2020 presented us with particular challenges. However, this has not altered our aspiration to be a top employer. We responded by adapting our activities to the new conditions. Addressing specific target groups is more important than ever before – not only because personal contact is limited, but also as a way of creating trust and continuing to position the respective RBI companies as safe employers.

The following overview of our measures illustrates how RBI has adapted quickly to new conditions and created the right points of contact with job seekers and internal employees. As previously, there was a strong focus on students and graduates and cooperation with universities.

Overview of measures

Topic	Measures	Austria							CE			SEE					EE				
		RBI AG	RBSK	RKAG	RL	Valida	RCB	Kathrein	TBSK	RBCZ	RBHU	RBAL	RBBH	RBBG	RBKO	RBHR	RBRO	RBRB	RBBY	RBRU	AVAL
Employer branding	Cooperations with Universities	✓	✓	✓	✓	✓	✓		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Attractive employer recognition	✓								✓			✓	✓		✓	✓			✓	✓

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

Employer branding and recruitment at the Vienna sites

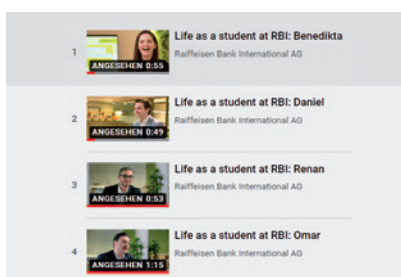
The core objective of the employer branding strategy is to remain in communication both internally and externally and to promote interaction and direct dialog with specialists, talented individuals, young professionals, graduates and students. External employer branding in 2020 was dominated by online activities with and for students in close coordination and cooperation with the respective universities. A second focal point – internal employer branding – also concentrated on our employees and how best to support them during the COVID-19 crisis.

Close cooperation with the respective business units (e.g. IT, Risk, Corporate & Markets) helps to encourage contact and dialog with students at various events, meet-ups, webinars and online career fairs. In 2020, RBI AG actively supported around ten different formats.

One major milestone was the remote onboarding of new colleagues. In March 2020, RBI AG gave new employees a good start to their time with the company despite the lockdown and working from home. This involved relationship management just as much as information and communication. It ultimately proved possible to send out the access cards and the necessary equipment for a smooth start and to perform the “welcome desk” entirely online. The online surveys conducted after 30 and 90 days with the company showed that virtual onboarding has met with an extremely positive response. RBI continues to use hybrid formats in employer branding. On the one hand, we attach great importance to personal contact, interaction and getting to know potential new colleagues directly. On the other hand, we continue to use the various technical channels, such as interaction via social media (e.g. XING, LinkedIn, Twitter), video chat (MS Teams), webinars and live chats.



companypitch3, © Vesna Dusanic



Youtube channel RBI (www.youtube.com/c/RaiffeisenBankInternationalAG/playlists)

We have published a number of new videos on our responsive careers page this year, allowing applicants and interested parties to find out more about day-to-day work in certain positions.

Find more at www.youtube.com/c/RaiffeisenBankInternationalAG/playlists

Students are especially important to us, as we can learn a great deal from each other. Cooperation between different generations reflects our system and supports diversity. This is why we offer video insights into the “life of a student” and employees at the company in order to clarify mutual expectations at an early stage. This allows vacant positions or new roles – particularly in the agile environment (e.g. product owner, scrum master, agile coach) – to be presented, explained and communicated even more effectively.

In addition to numerous online fairs and networking events, the largest online career fair – the Career Calling Digital Days – is the highlight this year. The target group is all students in Austria. The community comprised 70 employers with 600 jobs and there were more than 2,000 registered visitors. RBI AG was represented at the “Being a future leader” podium discussion, ran a virtual stand, spent many hours in one-to-one chats with interested parties, and answered three questions in three minutes as part of a video on “Your USP as an employer”.



companypitch3, © Vesna Dusanic



Career Calling Digital Days 2020 (<https://www.careercalling.at/de/home/>)



Career site RBI (<https://jobs.rbiinternational.com/>)

Find more at:
www.at-specialisterne.com



Another focal point in 2020 was the continuation of a cooperation with "Specialisterne Austria", an organization that matches talented individuals on the autism spectrum and companies that urgently require their special talents in areas such as IT, quality management, data management, or finance and controlling.

Specialisterne is an outstanding partner that has already helped us to find several talented employees and that is continuing to assist us in this process.

This year saw the development of special selection methods for the recruitment of women in management positions and technical professions in particular. The anonymization of application documents and the provision of anonymized discussion documents to decision-makers and assessors have proven to be beneficial. This removes any bias from the reading and subsequent ranking of applicants' interview responses and hence provides additional objectivity.

Women are addressed directly for different roles within the company via online events for women returning from parental leave and the various internal women's networks at RBI AG. Unfortunately, offline networking to get to know each other on an informal basis was not possible this year. However, we held online chats in which women from various initiatives, like "Woman Hack" and the "BIC Mentoring Programme", engaged with employees from IT, People & Organisational Innovation and other business areas.

We are particularly committed to diversity. Since 2018, we have highlighted this by using the following text in all RBI AG job advertisements: "RBI AG is committed to creating a diverse environment and is proud to be an equal opportunity employer. All qualified applicants will receive consideration for employment without regard to age, ethnicity, race or color, national origin, religion, political or other opinion, gender, sexual orientation or disability." The third gender is also explicitly addressed in our job advertisements (m/f/x). In 2020, we arranged for our job advertisements to be examined by experts and addressed their wording. RBI AG now pays particular attention to "masculine" and "feminine" forms of language in order to ensure that job advertisements address women equally and to an even greater extent, thereby increasing the proportion of applications by women.

Management trainee programs represent a sustainable investment in introducing student graduates to a career in banking. With the masters' training program for markets and investment banking that was introduced in 2019, RBI AG expanded the range of available career opportunities for students who have just begun their masters' degree. We offer students part-time positions in which they can get to know all of the departments and activities in the area of markets and investment banking over a two-year period and complete a special training course. In 2020, the selection process was held entirely online in the form of "speed dating". The continuous development of the existing "Corporate Banking" program paid off: RBI AG was recognized with the "excellent management trainee program" accolade by "TraineeNet", a platform of management trainees from around 50 Austrian companies.

In 2020, RBI AG received the LEADING EMPLOYER Award, placing it in the top one per cent of all employees in Austria. This award serves as a particular acknowledgment of RBI's qualities as an employer, as LEADING EMPLOYERS is the world's most comprehensive evaluation system for employers. The meta-study was carried out in Austria for the second time. RBI was ranked sixth within the banking sector (of 1,750).

Additionally, the bank strives to intensify and expand its cooperation, sponsorships and partnerships with technical universities in order to familiarize students and graduates with new kinds of work positions as well as diverse career opportunities in the IT environment of a digital bank. An effective way of retaining students with RBI AG as their employer remains the active support of bachelor and master theses and the mentoring of seminar theses.

Find more at:
www.leading-employers.org

Employer branding and recruitment at the network banks

Taking the difficult circumstances into account, this year saw an even more intensive dialog on employer branding measures together with the network banks. The aim is to learn from each other and exchange experiences on how RBI can position itself as an attractive employer, both as a whole and in the respective home markets, thereby ensuring the recruitment of new talents.

Contact and direct dialog with students and graduates is an important element that has been taken up by all of our network banks, and this is reflected in a range of (online) activities. This includes getting to know each other, giving students an insight into the work of a bank, and partnerships with student institutions and universities.

The following examples from Ukraine and Russia show the extensive nature of the activities involved:

In September 2018, Raiffeisen Bank Aval JSC in Ukraine signed up to the Ukrainian Pact for Youth up to and including 2020. This is a Europe-wide initiative of the United Nations that brings together businesses, government bodies and employment centers in order to help young people to develop professionally and find work. The aim is to facilitate entry into the workforce for businesses and young people alike. This also includes imparting knowledge and providing opportunities for gaining practical experience of company life.

Raiffeisen Bank Aval JSC offers not only practical placements for high school and college students, but also management trainee programs. The bank's considerable commitment in this area is also underlined in the transfer of knowledge offered at various events and workshops – like the skills labs, which teach participants how a successful career path might look or how to set up their own company.

All in all, Raiffeisen Bank Aval JSC was represented at several (online) events in 2020. These took the form of expert discussions at youth forums, support for projects at universities, and events for students at various universities.

In April 2020, the “National Day of Girls in Technology” was held simultaneously in all regions of Ukraine as a 16-hour online marathon. The bank participated in the event in Kiev. 20 pupils from the eighth and ninth grade of a secondary school visited a digital branch of Raiffeisenbank Aval in Kiev. Various representatives from Human Resources, IT and digitization specialists arranged an excursion and a workshop entitled “Choosing a career path”.

All these activities pay dividends and speak for themselves. As in the previous year, Raiffeisen Bank Aval JSC was recognized as “Best Employer in the Financial Sector” by Randstad Employer Brand Research in 2020.

In 2020, AO Raiffeisenbank in Russia participated in four online career fairs at the best universities in Moscow. Supporting five career forums for students is extremely useful when it comes to establishing direct contact and helps to attract talented individuals to the company for the long term. Four webinars for STEM students were arranged to discuss topics such as agile work, cooperation in the age of COVID-19, optimizing banking processes, and investment banking. The focus on this specific target group is also reflected in the following projects: The “Summer Scientific School”, the “IT Challenge Cup” and participation in the “ICPC Day Zero Event” are extremely important and were largely held in virtual form in 2020.

On the domestic market, AO Raiffeisen Bank received numerous prizes and awards for its intensive work with students and universities, making it one of the most attractive and successful employers in the region. IT students nominated it in the “Good references for a future career” category as part of the Universum Ranking 2020.

The internally developed digital event “Raiffeisen Involve” took third place in the “Best projects for young specialists” category at the Graduate Award 2020.

Find more at:
ancor.ua/press/news/druga-doslidzhennya-brendu-robotodavcyarandstad-e;

www.youtube.com/watch?v=5maYOpkQE-gg&feature=share;

Find more at:
universum-global.com/rankings/russia/

Find more at:
graduate-awards.ru/#winners

Overview of key performance indicators

	RBI*			RBI AG		
	2020	2019	Change over previous year	2018	2020	2019
Employees by gender, type of occupation and employment contract						
Employees total	43,481	45,241	-3.9 %	45,423	3,232	3,070
Male	15,102	15,472	-2.4 %	15,260	1,748	1,628
Female	28,379	29,769	-4.7 %	30,163	1,484	1,442
Male	35 %	34 %	1 PP	34 %	54 %	53 %
Female	65 %	66 %	-1 PP	66 %	46 %	47 %
Full-time employees total	41,331	43,067	-4.0 %	43,366	2,293	2,178
Full-time employees total	95 %	95 %	0 PP	95 %	71 %	71 %
Male	14,653	15,025	-2.5 %	14,809	1,484	1,392
Female	26,678	28,042	-4.9 %	28,557	809	786
Male	35 %	35 %	0 PP	34 %	65 %	64 %
Female	65 %	65 %	0 PP	66 %	35 %	36 %
Part-time employees total	2,150	2,174	-1.1 %	2,057	939	892
Part-time employees total	5 %	5 %	0 PP	5 %	29 %	29 %
Male	449	447	0.4 %	451	264	236
Female	1,701	1,727	-1.5 %	1,606	675	656
Male	21 %	21 %	0 PP	22 %	28 %	26 %
Female	79 %	79 %	0 PP	78 %	72 %	74 %
Employees with fixed contracts total	38,743	39,547	-2.0 %	39,313	2,708	2,587
Employees with fixed contracts total	89 %	87 %	2 PP	87 %	84 %	84 %
Male	13,765	13,894	-0.9 %	13,551	1,479	1,395
Female	24,978	25,653	-2.6 %	25,762	1,229	1,192
Male	36 %	35 %	1 PP	34 %	55 %	54 %
Female	64 %	65 %	-1 PP	66 %	45 %	46 %
Central Europe	7946	8,101	-1.9 %	7,665		
Central Europe	21 %	20 %	0 PP	20 %		
Southeastern Europe	12,894	12,661	1.8 %	12,977		
Southeastern Europe	33 %	32 %	1 PP	33 %		
Eastern Europe	14,159	15,052	-5.9 %	15,138		
Eastern Europe	37 %	38 %	-2 PP	38 %		
Austria	3,744	3,733	0.3 %	3,533	2,708	2,587
Austria	10 %	9 %	0 PP	9 %	100 %	100 %
Employees with limited contracts total	4,738	5,694	-16.8 %	6,110	524	483
Employees with limited contracts total	11 %	13 %	-2 PP	13 %	16 %	16 %
Male	1,337	1,578	-15.3 %	1,708	269	233
Female	3,401	4,116	-17.4 %	4,402	255	250
Male	28 %	28 %	0 PP	28 %	51 %	48 %
Female	72 %	72 %	0 PP	72 %	49 %	52 %
Central Europe	627	938	-33.2 %	1,211		
Central Europe	13 %	16 %	-3 PP	20 %		
Southeastern Europe	865	1,296	-33.3 %	1,127		
Southeastern Europe	18 %	23 %	-5 PP	18 %		
Eastern Europe	2,679	2,916	-8.1 %	3,249		
Eastern Europe	57 %	51 %	5 PP	53 %		
Austria	567	544	4.2 %	523	524	483
Austria	12 %	10 %	2 PP	9 %	100 %	100 %
Employees by region						
Central Europe	20 %	20 %	0 PP	20 %		
Male	39 %	39 %	0 PP	38 %		
Female	61 %	61 %	0 PP	62 %		
Southeastern Europe	32 %	31 %	1 PP	31 %		
Male	27 %	27 %	0 PP	27 %		
Female	73 %	73 %	0 PP	73 %		
Eastern Europe	39 %	40 %	-1 PP	40 %		
Male	34 %	33 %	1 PP	32 %		
Female	66 %	67 %	-1 PP	68 %		
Austria	10 %	9 %	0 PP	9 %	100 %	100 %
Male	52 %	52 %	0 PP	53 %	54 %	53 %
Female	48 %	48 %	0 PP	47 %	46 %	47 %
New hires¹						
Employees total	6,211	8,790	-29 %	9,164	489	490
Employees total	14 %	19 %	-5 PP	20 %	15 %	16 %
Employees under 30 years of age	3,482	5,048	-31.0 %	5,310	254	267
Employees between 30 and 49 years of age	2,573	3,499	-26.5 %	3,630	222	209
Employees over 49 years of age	156	243	-35.8 %	224	13	14
Employees under 30 years of age	8 %	11 %	-3 PP	12 %	8 %	9 %
Employees between 30 and 49 years of age	6 %	8 %	-2 PP	8 %	7 %	7 %
Employees over 49 years of age	0 %	1 %	-1 PP	0 %	0 %	0 %
Male	2,495	3,308	-24.6 %	3,438	291	244
Female	3,716	5,482	-32.2 %	5,726	198	246
Male	6 %	7 %	-1 PP	8 %	9 %	8 %
Female	9 %	12 %	-3 PP	13 %	6 %	8 %
Central Europe	1,066	1,607	-33.7 %	1,823		
Central Europe	2 %	4 %	-1 PP	4 %		

* The values include the figures from the companies listed in the Overview chapter (reporting limits and data collection, page 11, first paragraph).

¹ In 2017 and 2018, employees aged 50 and over were included in the age category employees between 30 and 49 years.

	RBI*			RBI AG		
	2020	2019	Change over previous year	2018	2020	2019
Southeastern Europe	1,450	2,253	-35.6 %	1,963		
Southeastern Europe	3 %	5 %	-2 PP	4 %		
Eastern Europe	3,115	4,299	-27.5 %	4,724		
Eastern Europe	7 %	10 %	-2 PP	10 %		
Austria	580	631	-8.1 %	654	489	490
Austria	1 %	1 %	0 PP	1 %	15 %	16 %
Fluctuation (former employees)¹						
Employees total	8,294 ²	9,316	-11 %	8,214	342	337
Employees total	19 %	21 %	-2 PP	18 %	11 %	11 %
Employees under 30 years of age	2,809	3,567	-21.3 %	3,307	144	135
Employees between 30 and 49 years of age	4,473	4,864	-8.0 %	4,265	139	153
Employees over 49 years of age	1,012	885	14.4 %	642	59	49
Employees under 30 years of age	6 %	8 %	-2 PP	7 %	4 %	4 %
Employees between 30 and 49 years of age	10 %	11 %	-1 PP	9 %	4 %	5 %
Employees over 49 years of age	2 %	2 %	0 PP	1 %	2 %	2 %
Male	2,885	3,070	-6.0 %	2,665	177	202
Female	5,409	6,246	-13.4 %	5,549	165	135
Male	7 %	7 %	0 PP	6 %	5 %	7 %
Female	12 %	14 %	-2 PP	12 %	5 %	4 %
Central Europe	1,474	1,338	10.2 %	1,467		
Central Europe	3 %	3 %	0 PP	3 %		
Southeastern Europe	1,740	2,451	-29.0 %	1,957		
Southeastern Europe	4 %	5 %	-1 PP	4 %		
Eastern Europe	4,519	5,077	-11.0 %	4,429		
Eastern Europe	10 %	11 %	-1 PP	10 %		
Austria	561	450	24.7 %	361	342	337
Austria	1 %	1 %	0 PP	1 %	11 %	11 %
Average number of training hours for employees, by position						
Employees total	28	55	-49 %	52	26	33
Male	27	51	-47 %	46	27	33
Female	28	57	-51 %	54	24	33
B-1 (second level of management)	34	72	-53 %	79	19	36
B-2 (third level of management)	33	77	-57 %	62	40	54
Other executives	29	52	-44 %	53	37	33
Other employees	27	54	-50 %	51	25	32
Share of employees with Performance Management						
Employees total	82 %	81 %	1 PP	73 %	88 %	89 %
Male	86 %	86 %	0 PP	77 %	90 %	90 %
Female	79 %	78 %	1 PP	72 %	86 %	86 %
B-1 (second level of management)	100 %	99 %	1 PP	99 %	100 %	100 %
B-2 (third level of management)	100 %	99 %	1 PP	100 %	100 %	100 %
Other executives	96 %	98 %	-2 PP	83 %	100 %	100 %
Other employees	79 %	79 %	0 PP	71 %	87 %	87 %
Diversity						
Share of women						
Board	14 %	14 %	0 PP	14 %	0 %	0 %
B-1 (second level of management)	37 %	35 %	2 PP	35 %	19 %	20 %
B-2 (third level of management)	47 %	46 %	1 PP	46 %	24 %	24 %
Other managers	63 %	63 %	0 PP	63 %	29 %	31 %
Manager total	55 %	55 %	0 PP	55 %	25 %	26 %
Employees total	65 %	66 %	-1 PP	66 %	46 %	47 %
Employees with foreign citizenship						
Board	32 %	32 %	0 PP	33 %	33 %	29 %
B-1 (second level of management)	5 %	5 %	0 PP	4 %	19 %	20 %
B-2 (third level of management)	3 %	3 %	0 PP	2 %	22 %	25 %
Other managers	1 %	1 %	0 PP	1 %	14 %	15 %
Other employees	3 %	3 %	0 PP	3 %	36 %	34 %
Age groups¹						
Board						
Board under 30 years of age	0 %	0 %	0 PP	0 %	0 %	0 %
Board between 30 and 49 years of age	53 %	58 %	-5 PP	61 %	50 %	43 %
Board over 49 years of age	47 %	42 %	5 PP	39 %	50 %	57 %
B-1 (second level of management)						
Employees under 30 years of age	0 %	0 %	0 PP	0 %	0 %	0 %
Employees between 30 and 49 years of age	74 %	77 %	-3 PP	81 %	50 %	49 %
Employees over 49 years of age	26 %	23 %	3 PP	19 %	50 %	51 %
B-2 (third level of management)						
Employees under 30 years of age	2 %	1 %	-1 PP	2 %	1 %	0 %
Employees between 30 and 49 years of age	80 %	81 %	-1 PP	83 %	70 %	73 %
Employees over 49 years of age	18 %	17 %	1 PP	15 %	30 %	27 %
Other managers						
Employees under 30 years of age	4 %	4 %	0 PP	4 %	0 %	1 %
Employees between 30 and 49 years of age	76 %	76 %	0 PP	79 %	83 %	81 %
Employees over 49 years of age	20 %	20 %	0 PP	17 %	17 %	18 %
Other employees						
Employees under 30 years of age	26 %	27 %	-1 PP	28 %	23 %	22 %
Employees between 30 and 49 years of age	62 %	61 %	1 PP	62 %	61 %	62 %
Employees over 49 years of age	12 %	12 %	0 PP	10 %	16 %	16 %

* The values include the figures from the companies listed in the Overview chapter (reporting limits and data collection, page 11, first paragraph).

¹ In 2018, employees aged 50 and over were included in the age category employees between 30 and 49 years.

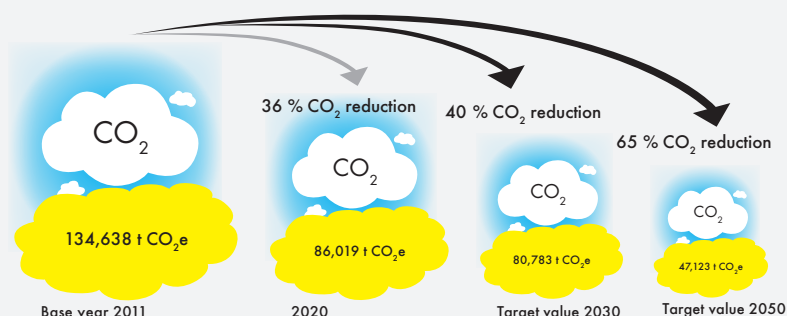
² 2.7 per cent of these layoffs due to COVID-19.

Field of action Fair partner – Inhouse ecology: for a climate-friendly future

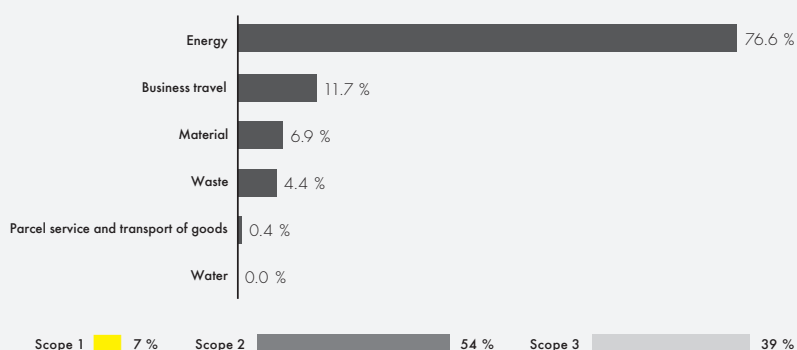


Interesting facts at a glance

Target path CO₂ reduction of RBI



CO₂e emissions of RBI result in per cent from



Reductions 2020 to the previous year 2019

- 44,800,000 liter water
 - 186,010,627 sheets of paper
 - 21,885,475 kWh energy
 - 20,433,044 driven pkm
 - 1,531,863 kg waste
 - 12,489,050 kg CO₂
- This corresponds to the CO₂ emissions that are emitted of around 2,100 four-person households through their annual electricity consumption.
- Source: <https://www.epa.gov/en-energy/greenhouse-gas-equivalencies-calculator>

Environmental goals of RBI by 2030*

- Reduction of energy related emissions by 35 %
- 100 % green electricity in Austria
- 100 % of the new employees trained in environmental issues
- Published environmental and sustainability requirements for suppliers
- Share of 35 % green electricity in CEE
- Reduction of paper, waste, water and business travel related emissions by 25 %
- 20 % reduction in air travel
- Training in environmental issues offered to all employees
- CO₂ avoidance before offsetting
- Doubling of the vehicles powered by alternative energy sources in the company fleet
- Ongoing communication of the environmental goals and transparent presentation of goal attainment

Measures for reaching RBI's environmental goals*

- The Muthgasse site is a class A nearly zero-energy building
- 100 % green electricity purchase in Austria
- ISO 14001 environmental management system
- Not every trip is necessary
- Photovoltaic system at Am Stadtpark 9 site
- Switch off the lights when there is sufficient daylight
- Heating: every degree of room temperature saves about 6 % energy
- Do not leave the water running for longer than necessary
- Use cleansers and soaps sparingly
- Shut down your computer when you are done working
- Use public transport for business trips if possible
- Separate recyclable materials from waste and place them in the corresponding containers
- Minimise printing and copying
- Cooling: a difference between the inside and outside temperature of more than 6°C is not recommended

* The base year is 2011, the first year in which inhouse related data were recorded for the entire group

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Fair partner – Inhouse ecology

The management of climate risks – not just in inhouse ecology – is an increasingly important task for the economy. It was not without reason that the World Economic Forum classified climate change among the five greatest risks in the 2021 Global Risks Report. Companies that do not set climate protection targets, that do so only to an inadequate extent or that do not incorporate any climate-related aspects into their corporate strategy should expect their profitability to suffer in the medium to long term. Effective climate protection has therefore become a competitive factor in the capital market.

We view environmental and climate protection as part of our responsibility toward society, and we see ourselves as a fair partner to the environment. The direct environmental impacts of our operational activities are limited compared with those of production industries. Nevertheless, RBI has the goal of limiting negative environmental impacts at all of its sites. We therefore work to continuously improve the main environmental parameters in the most relevant areas. The environmental management system in Austria is based on international standards (ISO 14001).

In general, energy efficiency, renewable energy, environmentally friendly mobility and sustainable purchasing are particularly important in corporate environmental protection. In terms of its carbon footprint, energy consumption/building management and mobility are the most important areas of action for RBI. These are also crucial with regard to achieving the climate targets (see page 122).

Impacts, risks and opportunities

As the changes in the world's climate have far-reaching consequences which stretch beyond national borders, there is no regional limitation of effects in this regard. Although the impact of greenhouse gas emissions on the environment is entirely negative, the use of renewable energy and the promotion of energy efficiency can lead to improvements in the situation. This also has a positive effect on society, for example by creating or promoting sustainable business areas.

TCFD The risks of operational activities are closely related to the environmental concerns set out in the Austrian Sustainability and Diversity Improvement Act (NaDiVeG). The biggest risk to the economy, society and the environment is the unwillingness of companies to counter climate change. This leads to increased global warming with the known negative impacts. As part of its efforts to help reduce its operating CO₂ emissions, RBI defined environmental targets for the entire group for the first time in 2015. 2011 was defined as the base year, as this was the first year in which all key figures were recorded for the entire group. The assessment of corporate environmental risks includes an evaluation of RBI's operational activities and their impact on the environment. This is performed annually, with the carbon footprint being the most important key indicator. The aim is to reduce emissions compared with the previous year.

The external environmental risk is accompanied by physical, regulatory and reputation risks for RBI and its operating locations. In the area of physical risks, for example, natural disasters could result in damage to property. These risks are minimized by selecting the right locations (adaptation strategy) and ensuring suitable property insurance. In particular, these risks can be managed on the cost side by continuously observing the internal and external environment and consulting specialists in controlling the respective measures. Risks are classified as material when they endanger the achievement of RBI's medium-term to long-term climate targets – particularly with regard to energy consumption – or when stakeholders perceive them as doing so. The measures taken are currently strongly focused on the area of energy, with examples including targeted energy efficiency programs and structural alterations to building shells.

Risk management is based on a combined bottom-up and top-down approach in which all employees also play a significant role in risk minimization in their respective area of work. The Environmental Committee, the Group Sustainability Management department at RBI AG, but also Facility Management and the sustainability officers at the network banks are primarily responsible for implementing and evaluating the achievement of the targets. Accordingly, RBI's due diligence process is diversified and includes, among other things, compliance with internationally recognized ISO standards, building certification and environmental labels (see also page 127). In addition, energy audits and management systems

are used not only in Austria, but also at some network banks (see also page 127). The annual supplier survey is another important pillar of this process, with the infringement of environmental regulations being a particularly relevant element (see also page 125). Finally, the Environmental Committee (see also page 123) is an important advisory body with responsibility for passing on new findings with regard to greenhouse gas emissions and the environmental impact of the key impact categories from RBI AG to the network banks. Employees are trained on the key action areas and information is available on the intranet at all times. The main objective of all the measures taken is to reduce the CO₂ key figures.

RBI is making a positive contribution to society with concrete steps relating to environmental management. We are contributing to meeting the goals of the UN Climate Change Conference in Paris (COP 21) by working to reduce greenhouse gas emissions, and promoting the renewable energy sector of the economy. Consistent costcutting in particular offers an opportunity for RBI in the area of inhouse ecology. Because business travel and energy consumption are among the largest generators of emissions in inhouse ecology, measures to reduce these factors bring the greatest cost savings in the course of operations. Furthermore, reputation risks are minimized, new collaborations in research and development are fostered, and resilience in the face of the consequences of climate change is increased. Risks in the added value chain, for example due to delivery delays, are reduced by purchasing regional products. This risk is minimized with a regional procurement share of around 83 per cent at RBI. The impact of core business on the environment is described in the "Responsible Banker" chapter on page 55.

Compliance with legal regulations

Compliance with legal regulations is subject to a stringent procedure that is defined in the management system. In 2020, there were no fines for non-compliance with environmental laws at the Vienna sites. There was one fine at the network banks due to waste information not being submitted within the statutory 30-day period. The penalty was less than € 100.

TCFD



Overview of measures

Topic	Measure	Austria							CE				SEE					EE			
		RBI AG	RBSK	RKAG	RL	Valida	RCB	Kathrein	TBSK	RBCZ	RBHU	RBAL	RBBH	RBBG	RBKO	RBHR	RBRO	RBRB	RBBY	RBRU	AVAL
Compliance	No fines for non-compliance with environmental laws	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

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

Environmental targets



With reference to the UN Climate Change Conference in Paris (COP 21), RBI has set itself the target of reducing its CO₂ emissions by 35 per cent by 2025, 40 per cent by 2030 and 65 per cent by 2050 (Scope 1+2 and separately for Scope 3). As well as an annual reduction in CO₂ of at least 2.5 per cent, this will be achieved by means of improved energy efficiency (30 per cent energy saving by 2050), a proportion of green energy of 60 per cent (100 per cent is currently not currently possible due to the shortage of available renewable energy in the Eastern Europe region), a reduction in business travel (hardly any air travel by 2050) and information measures for employees, who are key players when it comes to achieving the environmental targets.

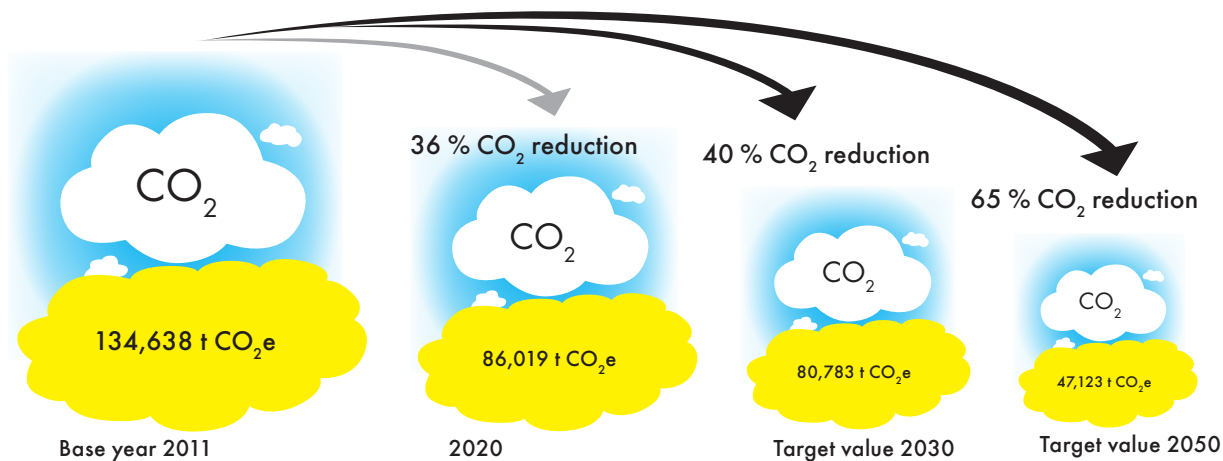
Find more at:
www.rbi-international.com/sustainabilitymanagement



Since 2011, CO₂ emissions have already been reduced by 35 per cent in Scope 1 and Scope 2 and by 38 per cent in Scope 3. Overall (Scope 1-3), emissions have fallen by 36 per cent since 2011. This means RBI is well on the way to achieving the defined reduction targets by 2030. COVID-19 meant that 2020 was an extraordinary year. With more people working from home, consumption at the office locations decreased significantly. Consumption levels, and hence the CO₂ reductions, are expected to increase next year.

At 38 per cent, RBI's proportion of green electricity is above the EU target, which stipulates that the proportion of renewable energy should increase to 27 per cent by 2030.

Target path CO₂ reduction of RBI



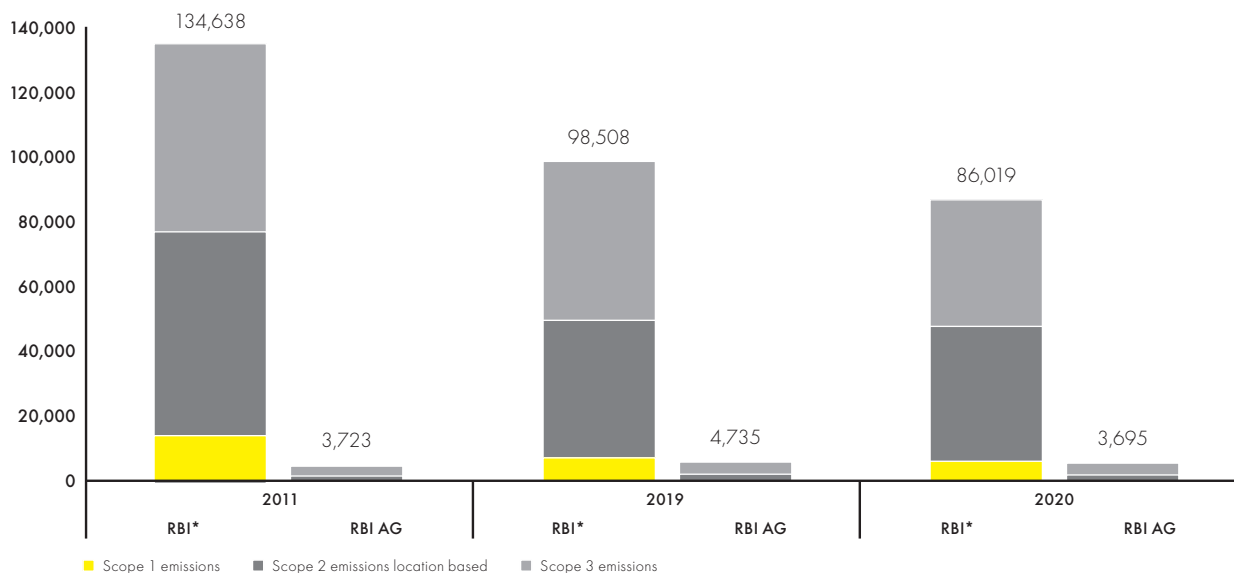
The central tool for the implementation and further development of the environmental targets is the environmental management system in Austria, which is operated in accordance with the requirements of ISO 14001 (certified since 1998). In addition, greenhouse gases have been validated for RBI AG in accordance with ISO 14064-3 since 2013.

Find more at:
www.rbi-international.com/sustainabilitymanagement

The Environmental Committee, Group Sustainability Management, Facility Management and Sustainability Officers at the network banks are primarily responsible for implementing the environmental targets and evaluating the degree of target attainment.

The following distribution of the Scope 1-3 emissions shows that CO₂ emissions have been successfully reduced across all three scopes since 2011. On account of its size, RBI AG has a considerably lower carbon footprint than the group as a whole. It has also purchased exclusively green electricity since 2011 and continuously implements energy-saving measures. As such, there is limited capacity for a further reduction in emissions. The biggest action area at RBI AG is business travel, while the biggest action area for the group as a whole is energy.

Scope 1-3 emissions of RBI* in t CO₂e in 2011, 2019 and 2020



* The values consist of the figures for the companies listed in the chapter Overview (Report scope and data collection).

Overview of greenhouse gas emissions

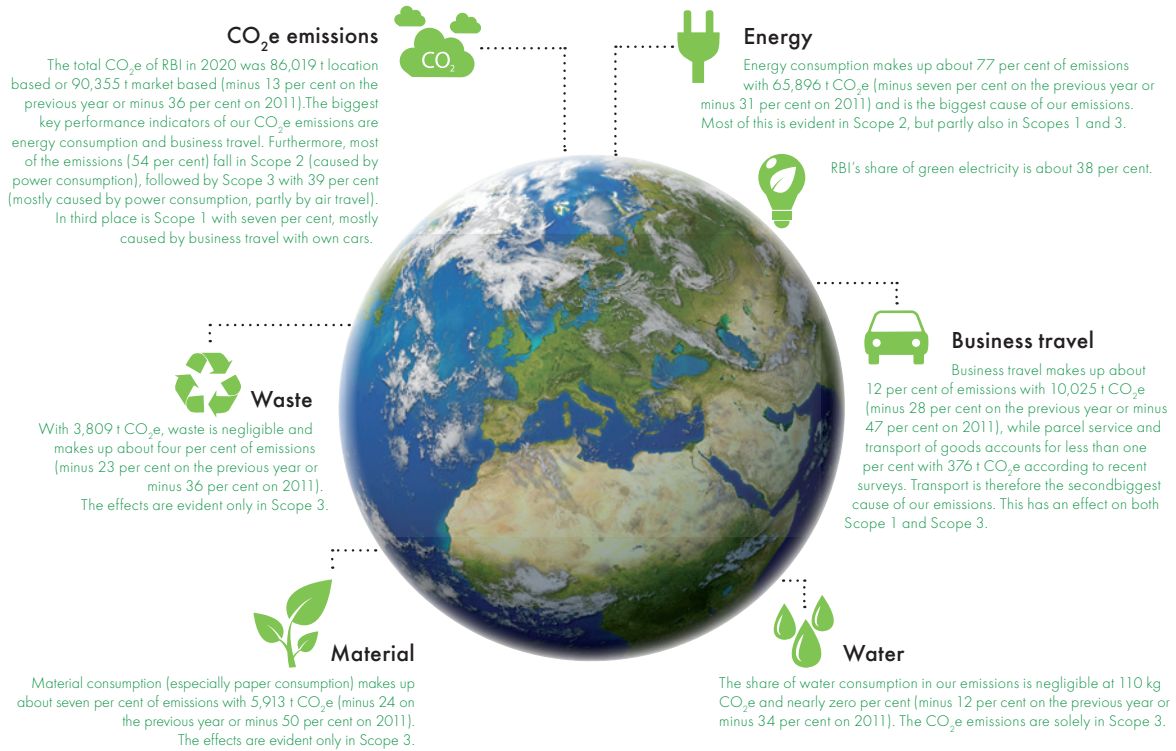
The data is collected for RBI, which consists of the network banks in CEE, RBI AG and the Austrian subsidiaries (see page 11). The following graphic shows the environmentally relevant areas of RBI and their impact on CO₂ emissions¹.

The graphic shows that the biggest items of CO₂e emissions at RBI (total of 86,019 tons (t) locationbased, down 13 per cent compared with the previous year and 36 per cent compared with 2011) relate to 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:

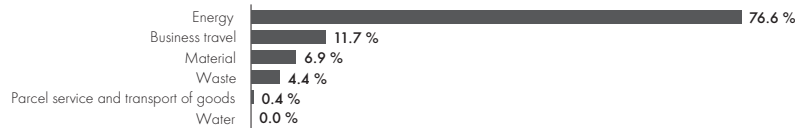
- Scope 1 comprises all greenhouse gas emissions produced directly in the company, e.g. from the combustion of stationary sources (such as power plants, boilers), from the combustion of mobile sources (such as from the company's own fleet), from the production processes and from transient emissions.
- Scope 2 comprises indirect emissions that arise from the company being supplied with energy, i.e. when an energy supplier provides a company with power or heat.
- Scope 3 comprises all other emissions caused within the limits of the system, e.g. by business travel, office supplies (including paper) and waste. However, the use of energy also causes Scope 3 emissions due to transmission losses, for example.

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

CO₂e emission of RBI in 2020



CO₂e emissions of RBI result from



Find more at:
www.raiffeisenbankinternational.com/sustainabilitymanagement

Most of the emissions, 54 per cent, can be found in Scope 2 (mainly caused by electricity consumption), followed by Scope 3 with 39 per cent (here, too, electricity consumption occupies first place). At seven per cent, Scope 1 is in third place. These emissions are caused by business travel (with the company's own vehicle fleet) in addition to the purchase of electricity from third parties. Detailed information can be found in the "CO₂e emissions" section.

CDP



CLIMATE

Since 2011, RBI has participated in the annual evaluation by CDP, a non-profit organization that evaluates the CO₂ emissions of listed companies in more than 90 countries on behalf of investors. The aim is to encourage transparency on the part of companies with regard to their targets and strategies, thereby resulting in a reduction in CO₂ emissions.

TCFD



In 2020, more than 9,600 companies reported their CO₂ data to CDP. Only 776 companies worldwide and 59 companies from the Germany, Austria and Switzerland region secured a place on the CDP Leadership List (A and A-) in 2020. RBI is one of the five best companies in Austria to be included in this ranking. In addition, RBI is the best domestic financial sector company for the sixth year in a row. RBI was recognized by CDP for the eighth successive year for its high standard in answering the questionnaire. RBI was also identified as a leader for its cooperation with suppliers in the area of climate protection and included in the CDP Supplier Engagement Leaderboard for the second time (see also page 43).

Find more at:
www.rbi-international.com/sustainabilitymanagement

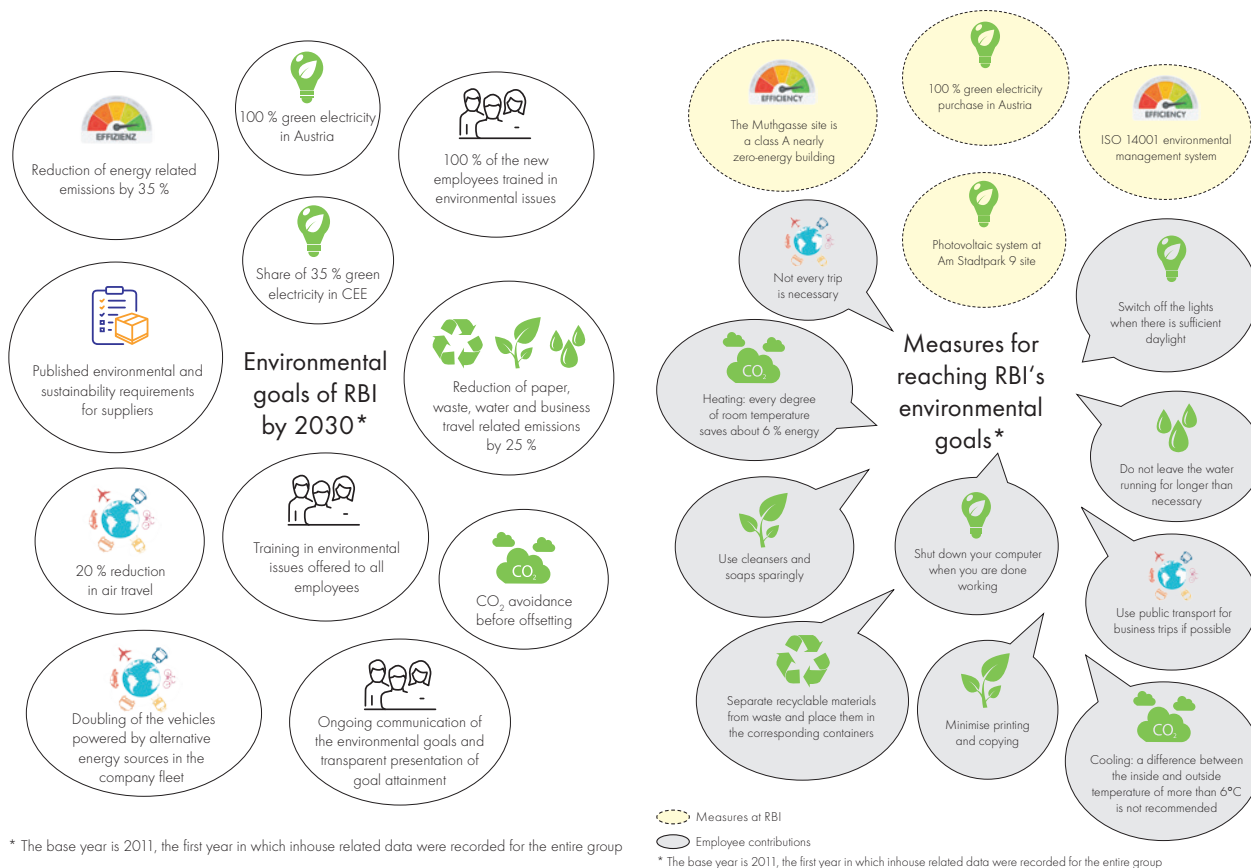
Environment committee



In accordance with their responsibility for environmental measures, the Management Boards of RBI AG appointed an Environmental Officer and an Environmental Committee in 1994. The Environmental Committee is the advisory and decision-making committee. Permanent members are the Environmental Officer of RBI AG as well as representatives of Group Sustainability Management and of the Staff Council. Depending on the topics being addressed, other representatives of the departments, such as IT, Marketing or Procurement, are involved in the meetings. The Environmental Officer convenes the Environmental Committee at least twice a year. Tasks of the Environmental Committee include developing decision-making principles for the Management Board regarding ecological strategies, planning and initiatives, as well as conducting periodic present-state assessments and weak point analyses.

TCFD

Defining awareness-raising measures is a key task. These measures are forwarded to the Sustainability Officers and made available to employees via the intranet.



Environmental policy

TCFD



RBI has had an environmental policy since 2015. 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 included in the sustainability guiding principles of RBI in the areas of product ecology, inhouse ecology and climate-friendly society, as published on the website at www.rbinternational.com/sustainabilitymanagement. With respect to the area of inhouse ecology, for example, the guiding principles state that RBI is committed to continuously improving its services for the environment in excess of the regulatory requirements, where possible and reasonable.

Travel policy



RBI's travel policy contains rules for traveling to events and conferences, and defines framework conditions for business trips in Austria and abroad. The travel policy was revised in accordance with environmental factors in October 2013. The choice of means of transport must take into account economic and environmental considerations. This applies to the Austrian units including the subsidiaries, and also provides a framework for the network banks. To save costs and protect the environment, business trips should be replaced by available technologies, such as web and video conferences, where possible. The mode of transport to be used should result in the lowest costs, taking travel time into consideration. Furthermore, environmentally friendly means of transport (e.g. public transportation) are preferred.

Purchasing

RBI AG has around 2,000 suppliers which mainly provide services to the Head Office in Vienna and to RBI. The biggest expenses are in the areas of IT, facility management, consulting, and marketing. Suppliers are selected and classified according to selected criteria, with sustainability criteria being included in this process through aspects such as regionality.



All of RBI's suppliers must observe the RBI Code of Conduct (CoC) and its principles, which include compliance with laws, a ban on corruption and fraud, upholding employees' basic rights, and environmental regulations. Since 2020, RBI AG has been working on a CoC for the entire group that is specially developed for suppliers. This will be finalized in 2021 and gradually rolled out.

Find more at: www.rbi-international.com/sustainabilitymanagement



Overview of measures

Topic	Measure	Austria					CE			SEE				EE						
		RBI AG	RBSK	RKAG	RL	Valida	RCB	Kathrein	TBSK	RBCZ	RBHU	RBAL	RBBH	RBBG	RBKO	RBHR	RBRO	RBR5	RBBY	RBRU
Supplier	Inquiry of environmental and social standards	✓*	✓*	✓*	✓*	✓*	n.a.		✓		✓			✓				✓	✓	✓

* Done by ZHS Office- & Facilitymanagement GmbH
Please see the list of abbreviations for the complete company designations.

Purchasing for RBI is partly carried out via RBI AG or for subsidiaries via ZHS Office- & Facilitymanagement GmbH (ZHS). The latter performs the following tasks for RBI AG: Building & property administration, building management, energy management, space & relocation management, event support, purchasing of office supplies, waste management and environmental protection.

Acting responsibly towards the environment and society, ZHS revised the requirements for suppliers in 2013. Criteria taken into consideration include quality and costs as well as inquiries about supplier distance, compliance with industry standards, agreements and guidelines on the environment and sustainability (e.g. UNGC) and maintenance of certifications (quality, environment, employee protection, such as ISO 9001, ISO 14001, EMAS). Apart from the obligatory annual check of supplier criteria, key environmental and social data are also surveyed via a questionnaire. All suppliers of ZHS must meet certain sustainability criteria, which are electronically recorded and analyzed. If these criteria are not met, no business relationship is entered into.

A key supplier in Austria is Raiffeisen Informatik GmbH, which has set itself the goal of combining successful economic activity with responsibility for the environment and society with a view to future-oriented sustainability management. Raiffeisen Informatik aims to shape the use and provision of information technology in an environmentally friendly and resource-efficient manner across its entire life cycle.

Where purchasing is performed centrally, RBI's top suppliers are also surveyed annually on topics including environmental and/or socially relevant certificates for the company and/or for products and/or services purchased from RBI, proceedings due to the infringement of environmental regulations, and indicators on mobility (km/tkm¹).

¹ basis of the transported mass in tons and the distance covered in kilometers.

94 per cent of suppliers responded, and a total of 65 top suppliers (based on 80 per cent of our revenues) were surveyed. The feedback shows the following results:

- 59 per cent of suppliers have environmental certificates (e.g. EMAS or ISO 14001) and 39 per cent have social standards for their company.
- 74 per cent of suppliers publish their environmental and social data. Around 20 per cent of suppliers have this data audited.
- 48 per cent of suppliers have entered into a commitment with respect to sustainable aspects (e.g. UNGC, Diversity Charter).
- No suppliers are in proceedings due to the infringement of environmental regulations.

RBI sees the survey as an important step towards raising more awareness among our suppliers and will continue with it.

Environmental measures

The central measures in the environmental areas of greatest importance for RBI are presented in brief in the overview below.

Overview of measures		Austria							CE			SEE						EE				
Topic	Measure	RBI AG	RBSK	RKAG	RL	Valida	RCB	Kathrein	TBSK	RBCZ	RBHU	RBAL	RBBH	RBBG	RBKO	RBHR	RBRO	RBR5	RBBY	RBRU	AVAL	
Environmental certificates	ISO 14001	✓*	✓*	✓*	✓*	✓*					✓											
	ISO 50001										✓											
	Energy audit	✓	✓	✓	✓	✓			✓	✓	✓					✓	✓				✓	
Energy savings and efficiency	LED	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
	Light sensors	✓	✓	✓	✓	✓		✓	✓	✓	✓		✓	✓	✓	✓	✓	✓	✓	✓	✓	
	Evening/weekend mode	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
	Computer/printer with energy labels	✓	✓	✓	✓	✓	✓	✓			✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
	Adaptions in heating/cooling	✓	✓	✓	✓	✓			✓	✓	✓		✓		✓	✓	✓	✓	✓	✓	✓	
	Other measures	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Renewable energy	PV/geothermal energy in/on the building	✓									✓						✓					
	Green electricity in the power mix	✓	✓	✓	✓	✓	✓	✓	✓	✓			✓	✓		✓	✓					
Business travel & commuting	Support of public transportation	✓	✓	✓	✓	✓		✓		✓			✓				✓	✓		✓	✓	
	Web and video conferencing	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
	Bicycle parking spaces	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
Fleet	Fleet cars with low CO ₂ emissions	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
	E-cars, hybrid vehicles	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓					✓	✓					
Material consumption	Measures for reducing consumption	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
	Paper with an environmental label	✓	✓	✓	✓	✓	✓	✓		✓		✓	✓	✓	✓	✓			✓	✓	✓	
Waste	Waste separation	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓**	✓	✓	✓	✓	✓	✓	✓	✓***	
	Waste management system	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓			✓	✓	✓	✓	✓		
	Increase of recycling waste							✓	✓	✓	✓	✓		✓	✓	✓	✓				✓	
Water	Measures for reducing consumption	✓	✓	✓	✓	✓		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓			✓	✓	
Employee information	E.g. in the form of trainings and via intranet	✓	✓	✓	✓	✓		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	

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

* ISO 14001 Facility Management

** Only paper

*** Waste outsourced

Greenhouse gas emissions in detail

As in the previous year, quantitative data relating to inhouse ecology was collected using the "mona" software. Since the 2019 financial year, the environmental figures have included the data for the head offices as well as the branches in CEE, thus covering more than 90 per cent of all employees. The data for the branches has been extrapolated backwards for 2018 and 2011. The calculation was based on the Scope 1-3 changes in the respective regions and the changes in the employees in the respective countries. The base year 2011 was also recalculated on the basis of the current group structure.

To enable optimal support for corporate environmental management, the measures taken and the consumption data are regularly analyzed using appropriate company-specific key figures. One important way of achieving the environmental targets is to reduce consumption before emissions occur. Energy efficiency plays an important role in achieving this.

TCFD A broad-based approach is taken to management activities with a controlling influence. One notable example is the RBI Sustainability Council, chaired by CEO Johann Strobl, in which internal and external experts from various relevant areas regularly discuss environmental data and measures. The Sustainability Council is charged with supporting the development and improvement of sustainability at RBI in an advisory capacity. The head of RBI Group Sustainability Management informs the Management Board about the results of the annual development of sustainable data (including environmental figures) at least once a year.















Average CO₂e emissions (calculated using the emission factor ecoinvent v3.4) for 2020 amounted to 86,019 tons (location-based), a reduction of 36 per cent compared with 2011 (the first reporting date). Of this figure 6,211 tons of CO₂e (seven per cent) was allocated to Scope 1, 46,427 tons (54 per cent) to Scope 2 (location-based) and 33,371 tons to Scope 3 (39 per cent). The greatest reduction compared with 2011 was achieved in Scope 2 (minus 66 per cent). In Scope 3, emissions have fallen by 62 per cent since 2011, while Scope 1 has seen a reduction of 60 per cent. Emissions were reduced by 13 per cent compared with the previous year.

Find more at:
www.rbi-international.com/sustainabilitymanagement



COVID-19 meant that 2020 was an extraordinary year. Many people began working from home, leading to reduced consumption at the office locations. We assume that the high CO₂ reduction in 2020 was a one-off event and expect to see an increase next year. The following table illustrates the impact of the savings. The reductions in the areas of water, paper, energy, business travel and waste meant that 12,489,050 kg of CO₂e was saved compared with the previous year. This corresponds to the CO₂ emissions caused by the annual electricity consumption of around 2,100 four-person households. CO₂e savings of 48,619,370 kg have been achieved since 2011. This corresponds to the CO₂ emissions caused by the annual electricity consumption of around 8,200 four-person households.

Reductions 2020 to the previous year 2019		Reductions 2020 to the base year 2011	
	44,800,000 liter water		177,900,000 liter water
	186,010,627 sheets of paper		724,746,993 sheets of paper
	21,885,475 kWh energy		52,262,748 kWh energy
	20,433,044 driven pkm		35,665,698 driven pkm
	1,531,863 kg waste		3,329,334 kg waste
	12,489,050 kg CO ₂ This corresponds to the CO ₂ emissions that are emitted of around 2,100 four-person households* through their annual electricity consumption.		48,619,370 kg CO ₂ This corresponds to the CO ₂ emissions that are emitted of around 8,200 four-person households* through their annual electricity consumption.

* Source: <https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator>

Data quality is collected on the basis of three grades: The best data quality is 1 (exact), followed by 2 (calculated). Most of the corporate environmental protection data is exact or calculated. Only the areas of materials and water are classified in the lower category 3 (estimated) in terms of their data quality. RBI is endeavoring to improve data quality in both of these areas.

The following section contains a brief illustration of the CO₂e emissions of the corporate environmental protection indicators as well as further details:

TCFD



At 65,896 t CO₂e, energy consumption accounts for around 77 per cent of emissions (down seven per cent compared with the previous year and 31 per cent compared with 2011) and is the biggest source of emissions for RBI. Electricity consumption accounts for 90 per cent of this figure, while heating demand accounts for approximately ten per cent.

The emissions arise in Scope 2 in particular, but also in Scope 1 and 3.

RBI's total energy consumption was around 195 GWh in 2020 (down ten per cent compared with the previous year). Around 127 GWh was required for electricity and around 68 GWh for heating. The average energy consumption per employee per year is 4,480 kWh.



RBI's proportion of green energy is 38 per cent.



Mobility generates 10,025 t of CO₂e, which corresponds to around twelve per cent of emissions (28 per cent less than in the previous year and 47 per cent less than in 2011). Travel is thus RBI's second biggest source of emissions. It arises in both Scope 1 and Scope 3.

Business travel at RBI amounted to around 44 million pkm in 2020 (passenger kilometers; pkm are calculated on the basis of the number of persons carried and the distance covered). The average per employee per year is 1,002 pkm.

Comparing the means of transport (in terms of pkm), business travel by car accounts for the largest proportion at 51 per cent, followed by air travel at 43 per cent, and travel by train at around six per cent. RBI's vehicle fleet causes an average of 118 g of CO₂ emissions per km.



At 5,913 t CO₂e, material consumption accounts for around seven per cent of emissions (down 24 per cent on the previous year and 50 per cent compared with 2011), making it the third biggest source of emissions. The impacts are felt solely in Scope 3. The proportion of recycled materials in paper purchasing is 69 per cent.

In total, RBI used around 1,628 tons of paper in 2020. Paper consumption per employee amounted to 7,502 sheets per year.



At 3,809 t CO₂e (down 23 per cent on the previous year and 36 per cent compared with 2011), waste is also negligible and accounts for just under five per cent of emissions. The impacts are felt solely in Scope 3.

The quantity of waste produced at RBI amounts to around 6,377 tons per year or 147 kg per employee and consists of 96 per cent non-hazardous waste. Around 63 per cent of waste is brought to landfill sites, approximately 18 per cent is incinerated and around 15 per cent is recycled. Electrical devices account for almost four per cent.

Waste disposal is performed by external companies. Compliance with legal and contractual requirements is ensured by concluding corresponding agreements. Some of the network banks require on-site visits and the documentation of waste disposal in the form of photographs. Subcontractors must present the certificates and permits that qualify them for this task. In addition, contractual partners in most countries are required by law to protect the environment and handle waste with due care.

Waste levels are collected using calculations as well as by reference to the capacity of the waste containers. Waste reduction measures range from regularly informing employees and purchasing recyclable goods (e.g. replacing plastic plates at the canteens) and longer-lived items (e.g. LED lights) through to providing bins for waste separation. Some network banks are already seeing a reduction in waste. Unfortunately, the infrastructure at some network banks is still not sufficiently advanced. Precise waste data is only available for smaller locations in some cases and for large office buildings in others.



Parcel delivery and the transport of goods accounts for less than one per cent of emissions at 376 t CO₂e (a comparison with 2011 is not possible because this indicator was not recorded for the entire group in 2011). The km/tkm values reported in the supplier survey were collected internally but not included due to insufficient verifiability. The impacts of the emissions are felt primarily in Scope 3.

Parcel delivery and the transport of goods at RBI amounts to around 224,370 tkm.



Water use (exclusively fresh water from the municipal pipe network) takes last place at 110 kg, thereby causing almost zero per cent of all emissions. Total water consumption in 2020 amounted to 344 million liters, or 7,914 liters per employee per year. The consumption data was collected via water meters. The water consumed did not have a significant negative impact on water sources. None of the office locations is in a country where water is scarce, and all of the office locations have access to water. The primary objective of water management is to reduce water consumption in order to minimize the physical risk that the municipal water supply could be insufficient for the locations to operate in the event of low rainfall. The water reduction targets are implemented through employee information and technical controls, such as sensors in sanitary installations to regulate water consumption. The watering of plants in outdoor areas is kept to a minimum.

Overview of key performance indicators

The inhouse ecology key figures of RBI and RBI AG are shown in the following table. Since the 2019 financial year, the environmental figures have included the data for the head offices as well as the branches of the network banks, thus covering more than 90 per cent of all employees. The data for the branches has been extrapolated backwards in order to improve comparability with the prior-year figures and the base year. Extrapolation is also performed when a network bank enters key figures for the first time that it was not possible to collect in previous years due to insufficient data quality. This means the figures shown are not comparable with last year's report.

	RBI*					RBI AG	
	2020	2019	Change to previous year	Base year 2011	Change from 2020 to 2011	2020	2019
Material							
Non-recycled paper in t	510	841	-39 %	1,745	-71 %	10	19
Recycled-paper in t	1,117	1,715	-35 %	3,498	-68 %	19	35
Total papier in t	1,628	2,556	-36 %	5,244	-69 %	30	54
Paper consumption in sheets/employee	7,502	10,927	-31 %	17,734	-58 %	1,842	3,542
Energy							
Total energy consumption in MWh	194,782	215,866	-10 %	245,265	-21 %	16,146	16,956
Share of renewable electricity	38 %	38 %	0 PP	31 %	7 PP	100 %	100 %
Total energy consumption in kWh/employee	4,480	4,605	-3 %	4,139	8 %	4,996	5,523
Water							
Water consumption in million liters	344	353	-3 %	522	-34 %	29	38
Water consumption in liters/employee	7,914	8,297	-5 %	8,808	-10 %	9,066	12,313
Waste							
Hazardous waste for incineration in t	0.0	0.0	0 %	0.2	-79 %	0.6	0.0
Hazardous waste for landfill in t	4	4	-9 %	7	-40 %	0.0	0.0
Hazardous waste for recycling in t	3	19	-85 %	31	-91 %	0.0	0.0
Non-hazardous waste for incineration in t	1,135	1,300	-13 %	2,016	-44 %	262	249
Non-hazardous waste for landfill in t	4,029	4,934	-18 %	6,020	-33 %	0.0	0.0
Non-hazardous waste for recycling in t	980	1,355	-28 %	1,303	-25 %	233	379
Old-electronic devices for recycling in t	221	296	-25 %	329	-33 %	0.6	0.8
Total hazardous waste in t	7	24	-70 %	38	-81 %	0.4	0.4
Total non-hazardous waste in t	6,148	7,589	-19 %	9,339	-34 %	495	628
Waste in kg/employee	147	169	-13 %	164	-10 %	153	205
Business travel							
1,000 pkm total	43,557	63,991	-32 %	79,223	-45 %	6,599	14,260
Business travel in pkm/employee	1,002	1,365	-27 %	1,337	-25 %	2,042	4,645
CO₂ emissions¹							
Scope 1 emissions in t	6,221	7,455	-17 %	10,405	-40 %	256	221
Scope 2 emissions location based in t	46,427	49,708	-7 %	70,684	-34 %	1,622	1,361
Scope 2 emissions market based in t	50,764	54,545	-7 %	n.a.	n.a.	3,344	3,166
Scope 3 emissions in t	33,371	41,345	-19 %	53,549	-38 %	1,816	3,153
Scope 1+2 emissions loc. based in t	52,648	57,163	-8 %	81,089	-35 %	1,878	1,582
Scope 1-3 emissions loc. based in t	86,019	98,508	-13 %	134,638	-36 %	3,695	4,735
Scope 1+2 emissions loc. based in kg/employee	1,211	1,220	-1 %	1,368	-12 %	581	515
Scope 1-3 emissions loc. based in kg/employee	1,978	2,102	-6 %	2,272	-13 %	1,143	1,542
Fleet							
CO ₂ emissions of the fleet in g/km	118	122	-4 %	n.a.	n.a.	133	135
Purchasing							
Procurement from local suppliers	83 %	85 %	-2 PP	n.a.	n.a.	100 %	100 %

* Due to a change in data availability in the networkbanks TBSK, RBHU, RBAL, RBBG, RBKO and AVAL, the values were recalculated for the previous years and the base year. The values consist of the figures for the companies listed in the Overview chapter (Report scope and data collection).

¹ CO₂ emissions for all years are calculated on the basis of the ecoinvent v3.4 factors.

Field of action Engaged citizen: As a designer of a sustainable society and the environment



Interesting facts at a glance

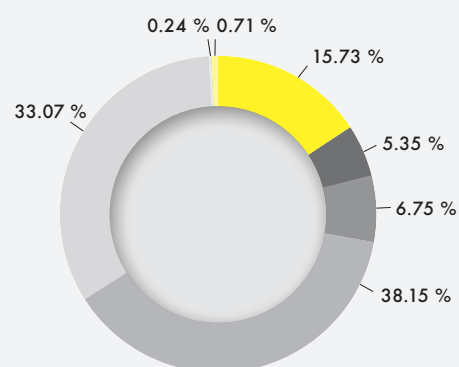
The numerous actions of the Engaged citizen predominantly contributed to the following SDGs in 2020:



Die RBI defines its mission with respect to its Sponsorship and Donations Policy as follows:

- RBI works to strengthen democracy, the rule of law, and social cohesion and diversity.
- RBI is engaged in advancing international exchange and understanding with a strong focus on the European Union in general and CEE in particular ("bridging").
- RBI supports the pursuit of excellence as a means of promoting relevant progress in society – be it in civic, economic, academic or cultural life.
- RBI supports initiatives that address social causes.

Monetary donations of RBI 2020, by topic



	in €	in %
(Financial) Education	719,864	15.73
Art and culture	244,715	5.35
Other	308,917	6.75
Social	1,746,553	38.15
Sports and health	1,513,893	33.07
Environmental protection	10,906	0.24
Science and research	32,711	0.71

Investments in the community in 2020 totaled € 4.6 million. The donation focus was on health care and social projects due to the pandemic.

Of the community investments, a significant portion was used to combat COVID-19.

Key indicator (in €)	2020	2019	2018
Investments in the community	4,649,000	2,326,329	2,721,646



Amount raised to fight COVID-19 (in €):

1,578,000

In active dialog with politicians and public administration, we advocate sustainable framework conditions. Via selected memberships and activities, we become involved in organizations that promote sustainable business and the relevant framework conditions.

In January 2021 RBI has signed the UN Principles for Responsible Banking - a single framework for a sustainable banking industry developed through an innovative partnership between banks worldwide and United Nations Environment's Finance Initiative.

Last voluntary commitment undertaken

Signatory of:



PRINCIPLES FOR
RESPONSIBLE
BANKING

Engaged citizen

The mission defined by RBI in 2019, which includes the promise to the public to “act in a socially responsible manner and contribute to the long-term wellbeing of people and companies in our markets”, also clearly shows that RBI puts people at the heart of all its activities.

It considers itself to be an engaged corporate citizen that actively champions sustainable development in society. RBI’s commitment as a corporate citizen goes beyond its core business. It aims to counteract social problems, promote cultural life, and protect the environment. Diversity, tolerance, and a strong focus on people are the constants of its efforts to shape the sustainable development of society. As defined in its sustainability strategy, RBI’s key areas of action – including in its role as a committed corporate citizen – always take economic, social and environmental factors into consideration.

At RBI AG, a policy that applies to all employees governs the procedure for donations, sponsorship and advertising requests as well as memberships. Most recently revised at RBI AG for RBI in 2019, this regulation again underlines the fact that RBI strives to promote the long-term wellbeing of people and companies in the markets in which it operates. RBI’s role is based on the following three pillars:

- the understanding to act in harmony with the cooperative mission of its owners and towards sustainable entrepreneurship, active civil society and an environmentally friendly society;
- the assertion of the group’s own set of principles and beliefs;
- the specific regional requirements of RBI’s subsidiaries.

RBI defines its mission with respect to its Sponsorship and Donations Policy as follows:

- RBI works to strengthen democracy, the rule of law, and social cohesion and diversity.
- RBI is engaged in advancing international exchange and understanding with a strong focus on the European Union in general and CEE in particular (“bridging”).
- RBI supports the pursuit of excellence as a means of promoting relevant progress in society – be it in civic, economic, academic or cultural life.
- RBI supports initiatives that address social causes.

Accordingly, RBI actively seizes opportunities to meet the challenges within the European Union. This includes its membership of “European Movement International” (EMI), the largest pan-European network of pro-European organizations.

Founded more than 70 years ago, EMI continuously advocates in favor of European cooperation and integration based on the principles of peace, democracy, liberty, solidarity, equality, justice, respect for human rights and the rule of law. EMI is present in 30 countries and encompasses 38 international associations.

EMI has created a platform to encourage and facilitate the active participation of citizens and stakeholders from a cross section of sectors in the development of European solutions to common challenges. EMI considers itself to be the place where civil society, business, trade unions, NGOs, political parties, local authorities and academia come together to craft a way forward for the European Union. It develops new ideas to address economic and political challenges. EMI enables its members to discuss the bigger issues with organizations representing other parts of society and shape the debate on the future of Europe.

While national rules are in place at the network banks, the Code of Conduct (see page 23 onward) forbids any Group employee from using charitable contributions as a condition or means of influencing decisions or public officials under any circumstances.

In our role as an engaged citizen, we champion issues that are essential to becoming a sustainable society. In this context, sustainability is not limited to environmental protection, but rather combines this with economic progress and social justice.

As an international banking group, we believe it is important for us to play a part in ensuring that future issues relating to a sustainable financial economy are discussed openly and deliberated with our stakeholders and the wider public (see page 44 onwards).

Cooperation with the relevant socio-political representatives and stakeholders is extremely important, as new systems that also mean a new quality of economic activity can only be created through cooperation.

The RBI Group champions active citizenship and the common good. It supports an open society and considers itself to be a promoter of integration, awareness, and openness. Social awareness is a driving force for sustainability. This is why RBI seeks to highlight the effects of social action and make the discussion of sustainable solutions public.

One of the current topics is the advance of digitalization. To interpret this as a purely technological advance – the provision of new tools to make people’s lives easier – would be overly simplistic. The digital shift is being accompanied by broad-based changes in society. From RBI’s perspective, digitization as a societal process can be successful only if people are included at every stage. As an example, this has led to the partnership with the “fit4internet” platform, which is implementing various projects under the motto “Road to Digital Austria”.

At Raiffeisen, protecting the environment and the climate has been incorporated into the “Raiffeisen Nachhaltigkeits-Initiative” (Raiffeisen Sustainability Initiative, RNI) since 2007 (see page 149) and is implemented through a multitude of projects and measures. At the network banks, too, environmental protection projects are not only raising awareness, but also giving rise to a growing number of opportunities to actively protect the environment – such as by supporting bicycle rentals.

Supported projects and initiatives

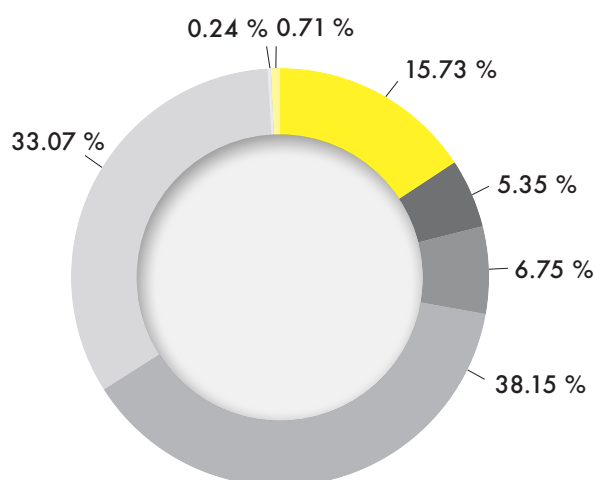


RBI invested a total of € 4,649,000 in the community in 2020, thereby supporting projects in the communities in which it is active as a bank. The projects supported are diverse and have different focal points depending on the respective countries. Of this investment amount, € 1.6 m were used to combat the COVID-19 pandemic.

Key indicator (in €)	2020	2019	2018
Investments in the community	4,649,000	2,326,329	2,721,646

Percentages of monetary donations by the RBI in 2020, by topic¹

	in €	in %
(Financial) Education	719,864	15.73
Art and culture	244,715	5.35
Other	308,917	6.75
Social	1,746,553	38.15
Sports and health	1,513,893	33.07
Environmental protection	10,906	0.24
Science and research	32,711	0.71



¹ Breakdown as recorded in the “mona” monitoring tool

In addition to the aforementioned donations, RBI supports numerous projects and activities through sponsorship as part of its social and cultural commitment. As the projects supported in this way are in a position to make a contribution to societal development, they are also included in this report.

To meet its social responsibility, RBI decided years ago not to restrict itself to only a few major aid projects, but instead to place factors such as personal commitment and regional societal challenges at the forefront of its decisions. RBI and its employees are involved in a wide range of projects and initiatives by providing financial support or fostering contacts. Every region has unique projects that improve people's lives at a local level.

In line with the principle of 'helping others to help themselves', RBI provides support in the fields of education, science and research, art and culture, sports, as well as charitable initiatives and environmental activities, often in cooperation with various NGOs.

An overview of the measures implemented in the "Engaged citizen" area by country can be found below:

Overview of measures

Topic	Austria							CE			SEE					EE				
	RBI AG	RBSK	RKAG	RL	Valida	RCB	Kathrein	TBSK	RBCZ	RBHU	RBAL	RBBH	RBBG	RBKO	RBHR	RBRO	RBRS	RBBY	RBRU	AVAL
Financial education/financial literacy								✓	✓	✓			✓							
Other education initiatives	✓		✓	✓				✓	✓		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Cultural initiatives	✓		✓				✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Social initiatives	✓	✓	✓	✓	✓			✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Corporate volunteering	✓							✓	✓		✓					✓	✓		✓	
Sports and health initiatives	✓		✓				✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Environmental initiatives	✓	✓	✓				✓	✓			✓	✓		✓	✓	✓				✓
Science and research initiatives	✓						✓	✓									✓		✓	
Other initiatives	✓							✓	✓	✓	✓	✓			✓	✓			✓	✓

Please see the list of abbreviations for the complete company designations.
The data of RBAL also includes Raiffeisen INVEST.

RBI sees it as particularly positive that many of its employees not only make the projects supported by RBI possible through their personal commitment, but also take on social activities in their free time. Due to the pandemic, many corporate volunteering projects could not be carried out in 2020.

The examples selected for this chapter are just a small sample of the many initiatives within the Group.

COVID-19

The outbreak of the COVID-19 pandemic in 2020 posed an unprecedented challenge for society and the economy. The extraordinary year was dominated by restrictions on many areas of professional, social, cultural, public and private life. The COVID-19 health crisis has developed into an economic crisis for many people. In addition, natural disasters devastated the health and economic wellbeing of many people in our markets. Despite sustained cost pressure, RBI adjusted the qualitative and quantitative focus of its donations at short notice so that it could help to relieve the urgent cases of suffering, with social and health projects in particular receiving support.

Our focal points during the pandemic



Healthcare

The importance of protecting your own and other people's health was illustrated all too clearly in 2020. The events of the year also showed that almost no healthcare system was adequately equipped to deal with the pandemic, and assistance in dealing with this exceptional situation was ultimately welcome everywhere. Throughout the Raiffeisen Group, efforts were made to alleviate the situation with donations totaling € 1.6 m.

For example, the Valida pension fund donated to the Red Cross.

Raiffeisenbank a.s. in the Czech Republic continued to provide financial support to its long-standing event partners. These measures included a financial contribution to the creation of websites to inform medical professionals about the latest findings on COVID-19 and current legal provisions.

Raiffeisen Bank Zrt. in Hungary supported the blood donation program of the Hungarian banking association and sponsored the city of Budapest in its purchase of COVID-19 tests for use in schools and healthcare facilities.

Raiffeisen Bank Sh.a. in Albania provided € 40,000 in funding to support the Ministry of Health and Social Protection in order to help combat the pandemic situation in the country.

Raiffeisen BANK d.d. Bosna i Hercegovina concentrated its support on projects for children and young people. Together with the banking association of Bosnia & Herzegovina, it worked to procure respirators for clinics.

Supporting pregnant women with COVID-19 was an important priority for Raiffeisen Bank Kosovo J.S.C. Accordingly, it worked on a campaign to promote healthcare for women and children in the Republic of Kosovo and provided equipment and materials to the clinical center in Pristina.

Raiffeisenbank Austria d.d. provided the Croatian Medical Association with masks and gloves. A donation was made to the Pali association to fund incubators for premature babies at the earthquake-hit Petrova Hospital.

Private individuals and companies donated to Romanian hospitals that were in need of personal protective equipment for doctors and medical staff as well as disinfectant to help combat the virus. Raiffeisen Bank S.A. joined this campaign, donating a total of around € 330,000 to 199 hospitals and emergency services in various regions of Romania. It also worked with its long-standing partners to combat the spread of the COVID-19 pandemic. It supported the employers' organization Concordia in assisting the official campaign to publicize the safety measures that were put in place. In addition, all of the donations originally collected by the members of the Foreign Investors Council for an education project - which Raiffeisen Bank S.A. had supported with € 10,000 - were instead directed to the Red Cross. Raiffeisen Bank S.A. also donated protective equipment worth around € 21,000 to 15 Romanian care homes. In May 2020, Raiffeisen Bank found a way of helping with its Raiffeisen Smart Mobile app: Customers of Raiffeisen Bank S.A. could support three NGOs in their fight against COVID-19 (Association for Community Relations, Regina Maria Foundation and SMURD Foundation).

Raiffeisen banka a.d. in Serbia responded immediately to the huge burden that was placed on the country's healthcare system, donating almost € 104,000 in total across the year as a whole.

Priorbank in Belarus also supported a total of 42 medical facilities and hospitals with medical equipment including devices and protective material, as well as computers.

To date, AO Raiffeisenbank in Russia has donated around € 118,000 to City Hospital No. 52. Under the motto "Let's stop coronavirus together!", employees of AO Raiffeisenbank in Russia collected around € 10,480 to help combat the pandemic. With Raiffeisenbank adding around € 60,149 to this amount, a total of around € 70,629 was donated to the Rusfond charity, which used it to purchase protective equipment, supplies and medical equipment for nine regional clinics.

For the first time since the "Choose to Help" campaign was initiated in 2009 (see also page 139), Raiffeisenbank (Bulgaria) EAD modified the focus of the campaign in response to the pandemic and collected donations solely for healthcare purposes - rather than for culture and education, social activities and environmental protection as usual. In 2020, the personal donations made by employees and the amount contributed by Raiffeisenbank to the established charity campaign "Choose to Help" were directed to the medical teams at the Military Medical Academy, Alexandrovska Hospital and Pirogov Hospital. The funds were used to purchase special equipment, accessories and disinfectant as well as laboratory supplies, including diagnostic tests. The campaign was also supported by external donors, with the amount collected ultimately exceeding € 168,000.

In Ukraine, Raiffeisen Bank Aval JSC supported various charity foundations with funding of around € 200,000. "Krona" used this to fund three heart-lung machines for City Hospital No. 9 in Kiev and Chernivtsi Regional Hospital, "Zaporuka" provided the necessary materials for protecting children with cancer, "Caritas Ukraine" provided protective equipment

and medicine for healthcare facilities as part of the “Red-White-Red” project, and the Ukrainian banking association supported the protection of the Kiev city emergency services.



Emergency aid

The Valida pension fund supported an emergency aid fund from the Red Cross to help people in precarious situations as a result of the COVID-19 crisis in particular.

With statistics from the National Bank of Slovakia showing that the country’s art scene was hardest hit by the crisis in economic terms, Tatra banka a.s. donated € 150,000 to the independent art scene in Bratislava, which encompasses more than 50 artists and performance artists.

The pandemic has made a healthy diet and day-to-day hygiene more important than ever. Raiffeisen BANK d.d. Bosna i Hercegovina therefore teamed up with World Vision International to help distribute 45 food and hygiene packages to extremely vulnerable children and their families in Sarajevo. As most of the families are larger in size, this measure reached at least 100 children.

Raiffeisen Bank Kosovo J.S.C. provided employees at family health centers with protective masks. As part of the BoneVET initiative, these were printed by young students using 3D printers.

Raiffeisenbank Austria d.d. in Croatia supported associations looking after children and families that were the hardest hit not only by COVID-19, but also by the earthquake in Zagreb. Its Christmas donation of around € 15,925 was used to roof orphanages.



Education

RBI AG switched its corporate volunteering program to virtual volunteering in spring 2020 and has since supported the “Station Wien” (Station Vienna) and “Hands on” associations. Station Wien helps children for whom online schooling during the current phase of COVID-19 has proved particularly challenging, while Hands on is a mentoring program that provides young people also with virtual assistance in finding a job or an apprenticeship at the moment.

To enable children to participate in online lessons during the COVID-19 pandemic, Raiffeisen BANK d.d. Bosna i Hercegovina supplied 25 tablet PCs in cooperation with the Austrian Embassy. The Stepic CEE Charity (see page 140) provided children in Bosnia and Herzegovina with 580 school kits as part of the “Horte der Hoffnung” (Day Care Centers of Hope) project.

COVID-19 also proved to be a challenge for the Bulgarian project of the Stepic CEE Charity, “Bildung für einen fairen Start ins Leben” (Education for a Fair Start to Life). As the children helped by the project were unable to attend the project’s four day care centers, the support provided was restructured in the form of distance learning, with tablet PCs being provided and digital courses offered.

Raiffeisen Bank Kosovo J.S.C. also modified its support for schoolchildren. Having donated school bags and supplies to more than 500 children in Pristina in 2019 as part of a joint project with the Stepic CEE Charity, it provided more than 150 tablet PCs in addition to more than 250 school kits for children in Prizren municipality.

Raiffeisen Bank S.A. in Romania helped children without access to distance learning equipment by providing computers and tablet PCs.

Long-term initiatives

Many of RBI's cooperations with its partners and its project and association work are geared toward continuity. This involves a wide range of focal points.



© Tatra banka

Tatra banka, a.s., in Slovakia formed the Tatra banka Foundation in 2004. With its programs and scholarships, the Tatra banka Foundation supports Slovakian students at foreign universities, brings worldrenowned academic experts to Slovakia, and develops and supports education projects and events at a high level. The main objective of the foundation and the projects it supports is to advance education for the long term: improving the education process at universities, supporting institutions that are dedicated to education and continuous development, and supporting individuals who achieve outstanding results. To this end, the Tatra banka Foundation continuously designs additional scholarship programs intended for children in secondary education, which involve scholarships being granted to exceptional pupils. The foundation helps middle-school pupils to participate in follow-up educational events to improve their language skills and supports students who want to deepen their knowledge in the area of their university studies. Another important objective and area of activity of the Tatra banka Foundation is promoting art and supporting outstanding artists and their works in the form of an art award with an attractive prize. The foundation recently decided to expand its activities to include visionary, creative, and experimental design projects by young Slovakian designers.



© Club Novi Grad

Since 2007, Raiffeisen BANK d.d. Bosna i Hercegovina has invited associations and institutions to apply for support for their projects in the form of donations or sponsorship once a year. In line with the public invitation rules, institutions that support children and people with disabilities are welcome to apply. The popularity of this initiative is underlined by the fact that around 400 applications are received every year. More than 640 projects have been supported to date, with 40 projects receiving funding of around € 44,000 in 2020 alone.



© RBBG

In 2009, Raiffeisenbank (Bulgaria) EAD developed the "Choose to Help" initiative in accordance with the Raiffeisen principle of helping people to help each other and has since supported projects in the regions in which it operates. By placing appeals for donations to support the poorest people in society via the media, the initiative actively engages customers and employees alike. In addition to their personal donations, which are boosted by Raiffeisenbank, employees actively participate in selecting and administering projects. The internet platform Izberi (izberi.rbb.bg) allows users to easily find information on the individual projects and donate directly to the bank account of the respective charitable organizations online.

In 2020, the focus of the donation drive – which is oriented towards the current needs of society – was altered for the first time since its launch in order to support measures aimed at curbing the spread of COVID-19 (see page 136 onwards). The campaign is expected to continue to focus on the consequences of the pandemic in Bulgaria in 2021.



In 2020, the "Choose to Help" campaign initiated by Raiffeisenbank (Bulgaria) EAD was presented with the "Investor in Society in 2019" award by the Bulgarian Business Leaders Forum – one of the most high-profile CSR organizations in Bulgaria – at the 17th Responsible Business Awards. It also received the "Best Donation Campaign in 2019" award from the Bulgarian Donors Forum.



Find more at:
www.izberi.rbb.bg



© RBRO

In addition to its financial education programs, Raiffeisen Bank S.A. in Romania organized the “Raiffeisen Communities” online contest for the tenth time in 2020. Non-governmental organizations, public schools and educational institutions are invited to apply for scholarships. All in all, eleven donations endowed with a total of € 100,000 were awarded to eleven education projects. The aim of this project is to improve the level of education, and hence the quality of life, of people living in Romania.

148 educational projects were submitted in 2020, of which 117 were eligible and 11 received scholarships – including a sustainability course for secondary schools in Cluj and a vocational workshop for teenagers living with disabilities in Târgu Jiu.

Find more at:
www.stepiccee-charity.org



Stepic CEE Charity – powered by Raiffeisen Bank International



© Stepic CEE Charity

Founded in 2006 by former RBI CEO Herbert Stepic, the Stepic CEE Charity supports children, young people and women in Central and Eastern Europe. The form of support is adjusted to reflect the respective requirements with a focus on education. Thanks to its deep local roots, its pragmatic approach and the active support of the RBI network banks, the charity gives people the prospect of an independent life away from poverty. Education is the key.

All of the charity’s projects are realized in cooperation with renowned local or international partner organizations and managed by voluntary employees of RBI in Vienna – as part of the corporate volunteering program since 2015 – and at its locations in Central and Eastern Europe. This serves to minimize administrative costs, with all of the financial contributions going directly to the projects.

The importance of the charity’s work is all the more evident in times of crisis. The schools and day care centers operated by the charity were closed during the coronavirus lockdown (see also page 138). Even a temporary interruption to schooling^{1, 2} can have a significant long-term

negative impact on children’s lives. It is girls who suffer the most, as they are pushed back into traditional roles that they need support to break free from.

Without the work of the charity, the children it cares for would return to a circle of poverty³ that is often accompanied by neglect and abuse. Working in close contact with children and parents, the charity ensures that the children are well looked after, thereby reducing the existential pressure that weighs heavily on many families.

¹ Open Society Foundations/Unicef/Roma Education Fund (2017): Roma Early Childhood Inclusion+, in: https://osf.sk/wpcontent/uploads/2017/07/RECI_Slovak-Republic-report_ENG-06-18-2017.pdf (11.02.2021)

² The World Bank (2017): Educating Girls, Ending Child Marriage, in: <https://www.worldbank.org/en/news/immersive-story/2017/08/22/educating-girls-ending-child-marriage> (11.02.2021)

³ Charbonneau, N. (2020): Wellmädchentag 2020: Elf Fakten über Mädchen, in: <https://www.unicef.de/informieren/aktuelles/blog/wellmaedchentag-elf-fakten-zu-maedchen/176128> (11.02.2021)

Education and financial education initiatives

Education remains one of the most important issues of the 21st century and an important tool in the fight against poverty. RBI contributes to the improvement of education by actively promoting an understanding of financial products and services and imparting banking expertise as part of its day-to-day advisory role. The nature of its core business means it has close links with the subject of financial education, i.e. the competent handling of money and financial matters, also known as “financial literacy”.

Appealing to various age groups and integrating employees into corporate volunteering programs makes it possible to reach everyone, from schoolchildren and students through to the wider public, via a variety of channels. Across various projects, considerable effort goes into improving individuals’ everyday lives and, through financial education, to laying the foundations for the responsible handling of money in the future.



Tatra banka, a.s., has developed a virtual reality (VR) app for iOS and Android smartphones in order to familiarize students at secondary schools in Slovakia with financial topics. Numerous studies have shown that financial literacy in the country is extremely low and previous efforts to improve it have been unsuccessful.



vr generation krabica1, © Tatra Banka, a.s

Based on the findings of the National Bank of Slovakia, Tatra banka, a.s., decided to focus on secondary school students (Generation Z), as they will be making their first financial decisions in their own right sooner or later. At the same time, another survey found that young people are not remotely interested in financial topics and that they have an attention span of just eight seconds or so. This situation demanded the development of an attractive educational solution.

The result was an innovative smartphone app. Users place their mobile phone into a cardboard 3D viewer before launching the app. Financial literacy is taught through play in the form of a virtual reality (VR) experience:

1. Download our app



© Adobe Stock

2. Insert smartphone into VR cardboard



© Adobe Stock

3. Enjoy VR experience



© TBSK

The use of the virtual reality enhances the student’s attention and enables a degree of immersion in the material. The content involves a VR role-playing game from a first-person perspective, where the life of a young photographer and his path to success is followed. This camera perspective gives the player power to see the game through their own eyes rather than controlling it from outside. The player is required to take important financial and life decisions that influence the progress of the game. These interactive VR films (like those used in the interactive Netflix movie “Black Mirror: Bandersnatch”) are intended not only to increase financial literacy, but also to encourage an appropriate attitude towards long-term life goals. The project is currently in the pilot phase, with six outstanding secondary schools in Slovakia using the app in lessons.

Find more at:
www.fenomenysveta.sk





© RBHU

In Hungary, the “Hungarian Money Week” financial literacy program continued in 2020 with the involvement of volunteers from Raiffeisen Bank Zrt. The partnership with the European Banking Federation took place for the sixth time. The program reached more than 217,000 schoolchildren in Hungary, helping them to develop their financial knowledge and aptitude and supporting their entrepreneurial education.



© RBCZ Zlatka.In

Since 2017, Raiffeisenbank a.s. in the Czech Republic has funded the development of the online financial literacy platform Zlatka.In, which is available free of charge to schoolchildren and teachers. It is already being used by more than 11,000 classes. The schoolchildren have used it to solve over three million tasks and spent more than 50,000 hours solving tasks and playing games on the topic of financial literacy.

The first wave of COVID-19 in spring 2020 required children to begin remote learning. This significant challenge for the Czech education system was also reflected in the fact that visitor numbers to the portal doubled. More than

100,000 users visited the website in 2020 – twice as many as before.

Zlatka.In has already been translated into English and Slovak. As a result, the platform has already begun attracting attention beyond the borders of the Czech Republic. Slovakia currently accounts for more than 20 per cent of the website’s users. In response to this, Raiffeisenbank funded an improved technical solution in the first half of the year. The Ministry of Finance of the Czech Republic established a national register for financial education projects, to which Zlatka.In was added in September. This means the platform meets the standards for financial literacy and can be officially used in school lessons.

At the same time, Raiffeisenbank a.s. expanded the website to include a module allowing secondary schools to use it in addition to primary school pupils, parents and teachers. The new module gives pupils the opportunity to try out roles that they might want to take on in real life, e.g. entrepreneur.

The website teaches financial literacy through play while also promoting a humanistic mindset. Among other things, children learn how to handle money using virtual “coins” that they earn for solving tasks, which they can choose to collect or spend on items. Raiffeisenbank a.s. conducted a donation campaign on the website for the second time. This allowed children to voluntarily “spend” their virtual coins in the form of a donation to charitable organizations. Raiffeisenbank converted this amount into “real” money and donated it to the organizations selected by the children. Around 700 children participating in the campaign raised some € 7,500 for socially disadvantaged children.



© RBBG

In the winter semester of 2020, Raiffeisenbank (Bulgaria) EAD held its “Learning from a Bank” program for the fourth year in succession, offering courses aimed at improving the general financial education of children and young people. In 17 workshops, 795 schoolchildren found out more about innovation and digital banking, the question of “what is money?”, bank cards, credit products, micro-enterprises and entrepreneurship, and information security.



© RBRO

Financial education is also an important pillar of the corporate citizenship strategy at Raiffeisen Bank S.A. in Romania. Its most important financial literacy program involves lessons at more than 600 Romanian schools, which it sponsors with around € 120,000 annually. The program is carried out in partnership with Junior Achievement Romania.

In the 2019/2020 school year, over 105,000 hours of financial lessons were delivered to more than 5,550 primary school pupils and 27,500 secondary school students at 271 middle and high schools in 89 cities across 39 counties and in Bucharest. They were taught about financially

responsible behavior through learning by doing and hybrid teaching modules. Practical activities, exercises, simulations and debates helped them to discover the tools and basic principles of financial planning and define a personal budget that is appropriate for their age.

The program encompasses two phases:

- The diligent, clever and prudent "Kids Club" helps primary school children to develop life and financial literacy skills through module-based learning.
- The "ABC of Banking", which teaches secondary school students about finance through hybrid learning that combines traditional tools with interactive digital resources.

The program was held for the tenth year in succession in the 2020/2021 school year.

Cultural initiatives

Commitment in the field of art is diverse and focused on different art forms as well as on national and international projects in order to promote widespread interest in art. It also focuses on the local art and culture communities. Despite the extensive restrictions imposed as a result of the pandemic, some events were still held as normal in 2020 or switched to creative online formats.



© Roman Ondak

Tatra banka, a.s. in Slovakia firmly believes that the movement away from waste and consumption is the right way to create a better future. For the first time, it therefore decided not to give its customers the traditional year-end Christmas gifts, but instead to fund a gift to all of the residents of the district as well as future generations.

The "Time Capsule" (2011) was selected. As a gift to the Slovak National Gallery's collection, it will be enjoyed by many generations to come. As Tatra banka is a partner of the Slovak National Gallery, entry to the gallery is free of charge.

The large-scale "Time Capsule" installation is a design masterpiece by the contemporary Slovakian artist Roman Ondak, a conceptual artist with a global reputation. Based on the original drafts, the artist constructed an exact replica of the "Fenix 2" capsule, which was used in 2010 to rescue 33 Chilean miners who had been trapped 700 meters below ground for 69 days. The rescue project, which attracted extensive media attention, fascinated Ondak to the extent that he created the replica as a symbol of hope and solidarity. The technical structure and the aesthetic of the artwork has a similar feel to the famous utopian projects of Slovakian conceptual art of the 1960s and 1970s related to the topic cosmic research.

Further information: www.umeniejedar.sk



© Narodni divadlo - H. Smejkalova

Raiffeisenbank a.s. has entered into a partnership with the Czech National Theater under which it will provide funding of around € 1.2 million a year until 2023.

The cooperation was concluded on the basis of the common values of the National Theater and the Raiffeisen brand, which are founded on a commitment to mutual respect. The partnership has been welcomed by customers and employees of Raiffeisenbank in equal measure. Almost 1,100 performances are held under the National Theater umbrella every year, playing to an audience of more than 650,000 people. The topic of culture

in society is absolutely relevant and requires corresponding support. The funds will be used for the cultural activities of all the ensembles playing under the National Theater banner (drama, ballet, opera, "Laterna Magika" black light theater, a combination of a film projection and live stage performance).

Raiffeisenbank vigorously supported the National Theater with online campaigns throughout 2020 as cultural life in the Czech Republic came to a standstill due to COVID-19. The campaigns illustrated how the pandemic and the government regulations were reflected in the world of culture and called for financial support for the National Theater. In addition, Raiffeisenbank is currently producing online videos for charitable purposes as a tribute to all of the theater workers who are currently suffering from workplace closures as a result of COVID-19.



© Aleksandr Klimov

AO Raiffeisenbank in Russia adopted the goal of promoting cultural dialog between Russia and Austria. As part of this, it named 2020 as the Austro-Russian Year of Culture. A number of cultural projects took place under this banner, starting with the annual Music Film Festival in Yekaterinburg in August. The Austrian film festival "New Austrian Cinema" was held in Moscow in the fall. Activities on the topic of Austro-Russian literature and theater also took place in 2020. Furthermore, research on the subject of bread in Russian art and sculpture was conducted throughout Russia, the concept for an art project about the young generation of sculptors was developed in conjunction with the Myth Gallery in St. Petersburg, and writing, translation and biographical

work on Russian artists was performed in conjunction with Keith de Pury. AO Raiffeisenbank provided sponsorship of around € 49,000. More than 11,000 people took part in the various activities.

Social initiatives

The majority of the projects carried out during the reporting period were social initiatives. In conjunction with various national and international cooperation partners (such as Caritas), socially disadvantaged children and young people, along with single women, made up the majority of those offered aid.

SOS Children's Villages



© RBSK

SOS Children's Villages is a global relief organization that gives children and young people who are unable to grow up with their parents a loving home and support on their way to independence. SOS Children's Villages also supports families in difficult situations. Although children should ideally grow up with their biological families, sometimes this is not possible despite considerable efforts. In this case, children require appropriate alternative care until their families' circumstances improve sufficiently for them to return home. Orphans also need high-quality long-term care to help them develop into independent adults. There are now 541 SOS Children's Villages in 136 countries. More than 1.2 million children, young people and families around

the world are looked after and supported by SOS Children's Villages. Numerous Raiffeisen organizations are also doing their part.

Raiffeisen Bausparkasse Gesellschaft m.b.H. helped by making a donation to the SOS Children's Villages in Austria for every building savings agreement concluded between November 23 and December 31, 2020. A total of € 50,000 was donated to help make the children's Christmas wishes come true.

Valida Holding AG gave € 5,000 to the SOS Children's Villages as a Christmas donation.



© SOS vesnický

SOS Children's Villages have had a presence in the Czech Republic for 50 years. As well as offering high quality care for children, they work with the government and the municipalities to improve the alternative childcare system.

COVID-19 has increased the number of families at risk of needing to find a new home for their children. Parents who are struggling to keep their jobs and who do not have the funds to meet their children's basic needs require help. The "LOVING HOME" project aims to secure the necessary funding for the family support program. Raiffeisenbank a.s. became a partner of this project for the first time, and its donation is helping to provide effective assistance for 80 families. All in all, the project supports around 500 families and 800 vulnerable children every year.

The traditional volunteering project of Raiffeisen banka a.d. in Serbia ahead of the Christmas and New Year holidays, in which employees purchase gifts for socially disadvantaged children at various facilities, has become a fixed milestone. With working from home introduced as a result of the pandemic, this undertaking appeared to be at risk in 2020. However, the employees refused to let this discourage them and instead organized monetary donations to the SOS Children's Villages. These were used to fund the interior decoration of 15 SOS Children's Village homes where 93 children live. In response to the considerable need, Raiffeisen banka a.d. matched the employees' donations in order to allow the children to spend the winter in clean, warm and well-equipped homes. A total of around € 6,930 was donated to the SOS Children's Village in Kraljevo.

Social projects at Christmas time and New Year



© RKAG

In 2020, Raiffeisen Kapitalanlage-Gesellschaft m.b.H. again supported the non-profit association "e.motion Lichtblickhof", which gives young people in crisis situations and with incurable and life-limiting diseases access to therapy with specially trained animals, mainly horses.

Although the corporate volunteering measures planned for 2020 had to be canceled due to COVID-19, the construction work as part of the cooperation - redesigning the sheep pasture, renovating the entrance gate and, in particular, expanding a horse stable - was able to continue.

As well as renewing its sponsorship of a therapy horse and the associated costs, the amount of funding was increased and has now been agreed for several years to come. Finally, Raiffeisen KAG refrained from giving Christmas gifts for the first time, instead making an additional donation to e.motion Lichtblickhof.

Raiffeisen BANK d.d. Bosna i Hercegovina also took the religious holidays as an opportunity to help seven charitable organizations that support children and people with disabilities. For the first time, the traditional "New Year's donation" of € 5,113 was given to an association working to support people with intellectual disabilities in Banja Luka. The bank had already stopped sending out printed Christmas cards in 2012, with the amount saved being donated to good causes. Customers now receive electronic cards, while the organizations continue to be supported. Through this initiative, Raiffeisenbank in Bosnia and Herzegovina has already donated more than € 128,000 on the occasion of religious holidays and over € 111,000 at New Year.

AO Raiffeisenbank in Russia also implemented a successful New Year campaign. It allocated its annual New Year budget equally to all 9,015 employees, giving each of them 5,000 rubles. They were then invited to use them at a digital "New Year's market", where they were able to choose which aid projects to support and with how much (from 300 rubles up



to the full 5,000 rubles). A total of 29 non-profit organizations participated in the New Year's market, with 106 lots going toward support for children, recuperation for seriously ill family members, care for lonely older people, and help with environmental problems. More than 4,000 employees took part. The unused funds were then allocated to the organizations in the same proportion as the employee donations. Thanks to this initiative, AO Raiffeisenbank provided its partner "Kod Dobra" with funding of around € 550,000.

"Raiffeisen Step Challenge"

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€

© RBRU

The "Raiffeisen Step Challenge" began on August 1, 2020 with a focus on supporting older people. For a whole month, employees of AO Raiffeisenbank in Russia competed to record the most steps. At the end of the month, each step was converted into a donation to the non-profit foundation "Starost' v radost". The participants who got "closest" to the city of Vienna in terms of the number of steps taken were rewarded with gifts of sporting goods.

The inspiration behind the campaign was the shortage of wheelchairs for older and immobile people at staterun care homes. Pensioners who live in care homes only receive 25 per cent of their pension, making it too expensive for them to buy a wheelchair themselves. Thanks to the financial support from the campaign, the foundation purchased 50 wheelchairs for 20 care homes, giving many older people the opportunity to spend time outdoors. The

foundation also bought 40 air purifiers that can be used flexibly throughout the care homes to clean the air and kill off any germs.

2,215 employees took part in the "Raiffeisen Step Challenge". During the 31 days of the campaign, 21 teams walked far enough to reach quasi Vienna and cumulatively covered the distance from the Earth to the Moon - over 386,624 km. Around € 10,790 was added to the "Raiffeisen piggy bank" as a result. This was doubled and rounded up by AO Raiffeisenbank, meaning that the final donation to the "Starost' v radost" foundation was € 24,060.

Environmental initiatives

RBI has the goal of minimizing the negative environmental impact of its business activities and at its sites. It works continuously to improve the main environmental parameters in the most relevant areas. As an engaged citizen, it also seeks to contribute not only through its memberships, but also by actively supporting a wide range of environmental protection projects - including with the help of its employees - and engaging in recovery efforts following natural disasters.

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© RBAL

For more than eleven years, Raiffeisen Invest Sh.a. in Albania has made a continuous contribution to environmental issues with the support of its employees. It focuses on cleaning coastal areas. In 2020, four campaigns to clean the beaches in Spille, Talë, Zvërnec and Hamallaj were organized in conjunction with the "Free Thinking" forum. As well as keeping coastal areas clean, activities focused on raising awareness of environmental preservation.



© RBHR

Raiffeisenbank Austria d.d. again supported, the largest reforestation campaign in the areas of Dalmatia affected by the devastating forest fires of 2018. The initiative "Boranka", to repopulate thousands of hectares of destroyed forests is organized by the Scout Association of Croatia in cooperation with "Croatian Forests" and the Croatian Mountain Rescue Service. Over 6,300 people took part in the campaign in 2020, with more than 65,000 new trees being planted as seedlings and saplings. The ashes of the burnt pine trees were collected and made into crayons known as "Boralice". Although no Raiffeisen volunteers were able to take part in 2020 due to the public health measures imposed in response to COVID-19, the financial support continued: Raiffeisenbank Austria d.d. sponsored the campaign for the second year in succession, providing funding of around € 8,294.



© Zelena energetska zadruha

The "Green Energy" cooperative and Raiffeisenbank Austria d.d. launched a project inviting all interested citizens to participate in Croatia's first joint procurement of mini solar power plants via the www.nasunčanojstrani.hr platform in order to enable the provision of affordable solar energy to private households. The aim is to give easy access to the necessary information for interested parties who do not have the expertise they need to prepare and realize a solar power plant construction project of this kind themselves. The platform offers full service from a single source. The total funding provided by Raiffeisenbank was around € 56,400.



© RBRO

The Romanian partnership between Raiffeisen Bank S.A. and Tasuleasa Social on the "Via Transilvanica" project, a hiking trail similar to the famous "El Camino de Santiago", continued for the third time in 2020. Hikers, nature lovers and sports enthusiasts can explore the 1,400 km route from Putna to Drobeta Turnu-Severin on foot or by bike, discovering Romanian art, culture and tradition along the way. The project also aims to revitalize local communities. 800 kilometers of the "Via Transilvanica" are now complete. As the main partner of the project, Raiffeisen Bank provided sponsorship totaling € 300,000 between 2018 and 2020.



Sustainable entrepreneurship

Commitment to sustainable framework conditions

We maintain a culture of open dialog with a focus on the future issues of a sustainable financial sector. In doing so, RBI takes a stance against corruption and economic crime. It also seeks out active dialog with politics and public administration.

RBI also goes outside the Group to share specific types of knowledge and experiences with others in order to implement innovative ideas for charting a path into the sustainable future of the financial sector and our companies alike.

A further component of our commitment is collaboration with governmental and non-governmental organizations.

We stand for the promotion of sustainable thinking and action. We are strengthening the drive for sustainable development in our own sphere of influence by lobbying (see page 27 onward) where topics such as sustainability and safeguarding the future are concerned.



Principles for Responsible Banking

RBI has become an official Signatory of the UN Principles for Responsible Banking recently – a single framework for a sustainable banking industry developed through an innovative partnership between banks worldwide and United Nations Environment's Finance Initiative.

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 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 takes the form of partnerships and events, among other things.
- We encourage long-term success, competitiveness, and innovative strength in companies, which in turn boosts the regional economy.



© RBBY

For example, the Faculty of Economics at the Belarusian State University organizes the annual "Business Idea" competition, which Priorbank JSC has supported financially since it was launched in 2015. The aim of the competition is to identify promising start-up projects and bring them into the limelight.

Memberships

Via select memberships and activities, RBI becomes involved in organizations that promote sustainable business and the relevant framework conditions. Some of them are listed below:

ÖGUT

ÖGUT, or "Österreichische Gesellschaft für Umwelt und Technik" (Austrian Society for Environment and Technology), is an independent non-profit organization that has been committed to a sustainable economy and society for over 30 years. It develops, communicates, and networks knowledge to this end, focusing on energy, gender and diversity, green investment, innovative construction, and participation as well as resources and consumption. In order to achieve its goals, ÖGUT develops strategies and supports strategy-making processes, as well as researching and providing advice in its areas of expertise. It also supplies information on current developments and communicates innovative and sustainable solutions. It organizes and moderates working groups and platforms on sustainability issues and presents the annual ÖGUT "Umweltpreis" (Environmental Award). www.oegut.at

Raiffeisen Nachhaltigkeits-Initiative (Raiffeisen Sustainability Initiative)

With 22 member organizations including RBI AG as one of the founding members, "Raiffeisen Nachhaltigkeits-Initiative" (RNI) - the Raiffeisen Sustainability Initiative - is a platform for and driver of sustainable corporate management and social responsibility. For more than 13 years, initiatives and measures for a future worth living in have been conducted jointly in the action areas of the economy, the environment, and society.

COVID-19 meant that many projects were canceled or only held virtually. The measures realized in 2020 include, in particular, the continued implementation of the RNI climate strategy with its 21 fields of action in three core areas. In the "Products & Services" core area, the RNI member companies aim to increase the proportion of environmentally friendly products and services in the respective portfolio. Goals concerning energy efficiency, greenhouse gas emissions, mobility and renewable energies are pursued in the "Operation, Processes & Strategies" core area. In the "Dialog & Communication" core area, the members aim to play a pioneering role with regard to their competitors in the DACH region when it comes to communication on environmental matters and the climate dialog with stakeholders. The current challenge is to make the achievement of environmental goals measurable and to establish specific key figures at the companies.

RNI again supported the Austria-wide "Jugend Innovativ" (Innovative Youth) competition, to which apprentices and students between the ages of 15 and 20 are invited to submit their ideas, by sponsoring the "Raiffeisen Sustainability Award". In 2020, this category was won by the "Green H2" project from HTL Dornbirn, which investigated the production of hydrogen using carbon fiber instead of platinum as the electrode material. Other sustainability-related initiatives - like the "Vienna passathon" and the creation of a podcast series by Love Zero Waste on making a city zero waste - were also supported. Another annual measure by RNI is the vehicle fleet assessment conducted in conjunction with Raiffeisen-Leasing GmbH. This gives the participating organizations an overview of their vehicle fleet's average CO₂ emissions as well as a corresponding benchmark. www.raiffeisen.at/nachhaltigkeit

UNEP

The United Nations Environment Programme was founded in 1972 and is headquartered in Nairobi, Kenya. Its tasks include the evaluation and collection of global, regional, and national environmental data, the development of political instruments for environmental protection, the strengthening of institutions that undertake important environmental management, and the improvement of the quality of people's lives without burdening future generations. www.unenvironment.org

The financial initiative UNEP FI (United Nations Environment Programme Finance Initiative) has operated as a global partnership between the Environment Programme of the United Nations and the private financial sector since 1992. Headquartered in Switzerland, it is dedicated to sustainable financing. RBI has been a member of this initiative since 1998. Its membership has since grown to include more than 350 financial institutions and over 100 supporting institutions (other companies in the financial system with sustainability as a key competence). Since it was established, a "global round table" has been held each year with the aim of promoting exchange on sustainability topics. www.unepfi.org

UNGC

The UNGC - United Nations Global Compact - is the world's largest initiative for corporate responsibility and sustainability. It is based on the pledges of CEOs to comply with universal sustainability principles. Those who pledge to uphold the UNGC also declare their support of the UN goals, such as the UN Sustainable Development Goals (SDGs). Sustainable economics and measures to promote social goals are achieved by orienting the strategy and business activities of the companies to the ten principles (in the core areas of human rights, labor, environment and anti-corruption) with the help of the UN Global Compact (see page 17). In this way, signatories of the UN Global Compact contribute to making the globalization process fairer.

The vision of the UN Global Compact is a worldwide movement of sustainable companies and stakeholders. At present, 12,354 companies in 158 countries have signed up to this initiative. 75,799 reports have been written so far, testifying to the high level of commitment. The UNGC celebrated its 20th anniversary in 2020. www.unglobalcompact.org

VfU

The VfU, or "Verein für Umweltmanagement und Nachhaltigkeit in Finanzinstituten e.V." (Association for Environmental Management and Sustainability), was founded in 1995 and is oriented toward sustainability professionals in financial institutions. The VfU supports the contribution of the financial sector to sustainable development through its functions as an industry network, organizer, and think tank for its 49 members. RBI AG has been a member since 2006. The association seeks to create a competition-free, confidential space in which the member institutions can exchange viewpoints regarding sustainability topics and the integration of sustainability into their business operations. The VfU also offers networking opportunities with science, society, and politics. In 2015, a Scientific Advisory Board composed of researchers from the cross-sectional business areas of business management, banking, finance, and sustainability was formed with the role of inspiring and assisting in the work of the VfU. www.vfu.de

In addition, there were a number of other memberships in 2020. They are listed on the next page:

Memberships and voluntary commitments

Raiffeisen Bausparkasse-Gesellschaft m.b.H.

Raiffeisen Nachhaltigkeits-Initiative (Raiffeisen Sustainability Initiative - RNI)	www.raiffeisen.at/nachhaltigkeit
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Raiffeisen Kapitalanlage-Gesellschaft m.b.H.

Eurosif	www.eurosif.org
Forum Nachhaltige Geldanlagen (Forum for Sustainable Investments - FNG)	www.forum-ng.org/en/
Forum per la Finanza Sostenibile (Italian Sustainable Investment Forum - ItaSIF)	www.finanzasostenibile.it/forum-finanza-sostenibile-eng
Association of Austrian Investment Companies (VÖIG)	www.voeig.at
Montreal Carbon Pledge	www.montrealpledge.org
Raiffeisen Nachhaltigkeits-Initiative (Raiffeisen Sustainability Initiative - RNI)	www.raiffeisen.at/nachhaltigkeit
UN Principles for Responsible Investment (UNPRI)	www.unpri.org
CDP and CDP Water	www.cdp.net
Green Bond Principles/Investor	www.icmagroup.org/green-social-and-sustainability-bonds/green-bond-principles-gbp
Green Infrastructure Investment Coalition	www.giicoalition.org
Investor Statements on Green & Climate Bonds	www.climatebonds.net/get-involved/investor-statement

Membership of Valida Holding AG

Fondsfrauen	www.fondsfrauen.de/en
Austrian Society for Environment and Technology (ÖGUT)	www.oegut.at/en
Raiffeisen Nachhaltigkeits-Initiative (Raiffeisen Sustainability Initiative - RNI)	www.raiffeisen.at/nachhaltigkeit
UN Global Compact (UN GC)	www.unglobalcompact.org

Memberships in the network banks

American Chamber of Commerce in Bulgaria (Bulgaria)	www.amcham.bg
American Chamber of Commerce in BIH (Bosnia and Herzegovina)	www.amcham.ba
American Chamber of Commerce in Hungary (Hungary)	www.amcham.hu
American Chamber of Commerce in Russia (Russia)	www.amcham.ru
American Chamber of Commerce in Ukraine (Ukraine)	www.chamber.ua
Association of BH Croatians (Bosnia and Herzegovina)	www.udruga-prsten.hr
Aspen Institute Romania (Romania)	www.aspeninstitute.ro
Bulgarian Donation Forum (Bulgaria)	www.dfbulgaria.org
Burov Foundation (Bulgaria)	www.atanasburov.org/en/home
Business Leaders Forum (Slovakia)	www.blf.sk
Debt Advisory Center - Counselling in Stringency (Czech Republic)	www.financnitisen.cz/english_resume.php
Kosovo CSR Network (Kosovo)	www.csrkosovo.org/en-us/Home?
Renewable Energy Association (Belarus)	www.energy-aven.org
Romanian Business Leaders (Romania)	www.rbls.ro

You can find an overview of other memberships on our website at www.rbinternational.com/en/homepage.html

Sustainability documented and audited: for transparency and clarity



Sustainability program

Excerpt from the Sustainability program

SDGs	Objective	Measure	Status	Progress
Responsible banker – general objectives: Anchoring sustainability within the business processes and promoting sustainable products and services				
	Proper identification and evaluation of money laundering risks	Development of a comprehensive money laundering framework and publication of a Group anti-money laundering declaration		
	Positioning RBI as a responsible banker and a pioneer in CEE	Signature of the UNEP FI Principles for Responsible Banking as the first Austrian bank and implementation of the six principles over the next four years		
	Reduction of RBI's thermal coal portfolio	Revision of the existing group-wide carbon policy		
	Enhancement of digital products to improve the customer experience despite COVID-19	During the COVID-19 crisis, a monthly newsletter and a website containing webinars and information on research, products and services were introduced for institutional customers		
	Visualization of our CO ₂ emissions from corporate loans	Ongoing calculation of our CO ₂ emissions from corporate loans and improvement of the data quality		
	Increasing the share of environmentally friendly products and services	Use of an incentive model for sustainable financing		
	Portfolio expansion for future green/social bonds	Training on green finance products to increase awareness among relationship managers		
	Promotion of the topic of sustainable finance within the Group	Continuous dialog with ESG contact persons for the core business area at all network banks		
	Classification of customer groups based on ESG criteria	Implementation of portfolio segmentation and classification and enhancement of the internal model for the individual ESG performance measurement of our corporate customers		
	Comprehensive consideration of human rights concerns related to the core business	Elaboration and publication of a group-wide human rights policy		
	Contribution to the Sustainable Development Goals (SDGs)	Expansion of financing to support the SDGs 1, 3, 4, 7, 8, 9, 10, 13, 16 and 17		
	Building infrastructure and promoting innovation	Promoting an internal culture of innovation at RBI through the intrapreneurship program and expanding activities at a local level (local intrapreneurship programs)		
	Entering into global partnerships for sustainable development	Partnerships between the accelerator programs at the network banks to connect local and global start-up ecosystems		
	Increased integration of ESG research in funds managed by Raiffeisen KAG	Expansion of resources in process innovation – ESG database		
	Expanding the top position and increasing the volume of sustainable investments of Raiffeisen KAG	Establishing/convertng further funds, further integration of ESG research in all managed funds		
	Development into a sustainable, climate-neutral asset management company	Measurement of/reduction in carbon footprint of inhouse ecology and product portfolio (funds)		

SDGs	Objective	Measure	Status	Progress
Fair partner/Employees – general objective: Inclusive employer, high employer attractiveness				
	Establishment of a corporate culture based on Vision 2025, the mission and the corporate values	Performance of further workshops and training for managers and employees and at team level		
	Implementation of the Group-wide diversity policy as part of establishment as an inclusive employer	Implementation of local diversity strategies		
	Increase in the proportion of women in executive management of the RBI Group to 35 per cent by 2024	Revision and re-prioritization of measures. Focus: designing the New World of Work to be gendersensitive; talent and career development for women, mentoring; focus on appointment of managers at RBI AG and Management Board members at RBI		
	Inclusion of people with disabilities and generation management	RBI AG: Raising employee awareness through training; close cooperation in recruitment with companies that work with employees; development of a generation management concept		
	Maintain employee enablement and engagement at a minimum of 75 % and eNPS at 39	Development of packages of measures based on the employee surveys conducted in 2020		
	Comprehensive consideration of human rights concerns in relation to employees	Development and publication of a human rights policy		
	Raising awareness of sustainability among employees – define target	Updating and further development of the "Sustainability Competence" online training course		
	Further development of the "Sustainability and corporate responsibility" blog	Regular publication of sustainability articles, expansion of author pool		
	Establishment of a newsletter for sustainability and diversity at RBI in Austria	Quarterly preparation and distribution of a newsletter with articles on sustainability and diversity		
Fair partner/Inhouse ecology – general objective: Reduction in environmental impacts				
	Implementation of a climate strategy in inhouse ecology	Elaboration of a Group-wide environmental policy		
	Energy reduction	Increase in energy efficiency and the proportion of renewable energy		
	Increase the proportion of energy-efficient office locations	Consideration of energy efficiency in new buildings or rent of a building		
	LED lighting at all locations	Replacement of incandescent bulbs with LED lighting		
	Increasing the share of renewable energy	Foster the purchase of green electricity as far as available and feasible		
	Reduction in business travel	Establishment of videoconferencing systems, software for video and voice calls in the workplace, etc.		
	More environmentally friendly fleet cars	Conversion of fleet to more environmentally friendly vehicles with lower CO ₂ emissions		
	100 % paper with an eco label	Increasing the share of paper with an eco-label		
	Waste management systems at all sites	Implementation of a waste management systems at all sites		
	Increase in proportion of recycled materials in waste	Cooperation with partner companies offering corresponding waste recycling		
	Survey of the status of the top suppliers with regard to their environmental and social aspects	Implementation of a supplier survey, in which they receive a corresponding questionnaire once a year		
	Revision of RBI's environmental goals	Adaptation of the goals in accordance with the elaborated climate strategy as part of the Raiffeisen Sustainability Initiative		

SDGs	Objective	Measure	Status	Progress
	Expansion of employee information	Integration of awareness information on the intranet		
	Audit of climate-relevant emissions	Collection of inhouse ecology related figures for the calculation of RBI's CO ₂ e emissions		
	Supplier policy	Elaboration of a group-wide supplier policy		
	Raising awareness of sustainability among employees	Expansion of the existing online training to the subsidiaries in Austria and CEE		
	Contribution to the Sustainable Development Goals (SDGs)	Annual reduction of CO ₂ emissions by 2.5 per cent and implementation of appropriate measures		

Engaged citizen – general objectives: Addressing social issues, strengthening democracy, and climate protection measures

	Fostering the relevant progress in society – in civic, economic, academic, and cultural life – and supporting initiatives relating to social causes	Focused use of donation and membership resources in order to satisfy the objective. In 2020, further support was granted due to COVID-19 (see page 134 onwards)		
	Strengthening digital literacy in Austria	Prominent companies, including RBI AG, are supporting the "fit4internet" association, which is planning further courses and certificates of competence in 2021 (see page 133)		
	Strengthening cyber security	Support of the association "Kuratorium Sicheres Österreich"		
	Fostering international exchange and understanding with a particular focus on the European Union in general and CEE in particular	Focusing of support funding in EU and CEE in cooperation with the network banks, e.g. support and participation in the European Movement International (EMI), the Open Medical Institute (OMI) program and the European Forum Alpbach		
	Strengthening of democracy	Support of ICEUR-Vienna International Center for Advanced and Comparative EU-Russia-NIS Research and the Institut for the Danube Region and Central Europe		
	Steering and care of the corporate volunteering program of RBI AG (migration/integration in Austria, Stepic CEE Charity, education)	Year-round continuation, pandemic-related focus on virtual engagement		
	Intensify cooperation with NGOs and scientific organizations	Cross-industry cooperation, in particularly with NGOs and universities		
	Depict our understanding of democratic and social rights including the human rights impacts of climate change	Development and publication of a human rights policy		
	Involvement in various projects for the protection of the environment	For example, by promoting the rental of bicycles (e.g. l'Velo Relax in Romania) and via memberships		

New
 In progress
 Complete
 Constantly
 Status [25% of target achieved per box filled]

SDGs

No poverty	Zero hunger	Good health and well-being	High quality education	Gender Equality	Clean water and sanitation	Affordable and clean energy
Decent Work and Economic Growth	Industry, innovation and infrastructure	Reduced inequalities	Sustainable cities and communities	Responsible consumption and production	Climate action	Life below water
Life on land	Peace, justice and strong institutions	Partnerships for the goals				

GRI content index

Universal Standards			
GRI Code	Description	Reference	Explanation
Organizational Profile			
102-1	Name of the organization	Publication details	
102-2	Activities, brands, products, and services	13, 48-49, 53-55, 72-74, 78-83 AR RBI: 18-21, 78	
102-3	Location of headquarters	Publication details	
102-4	Location of operations	13, 51	
102-5	Ownership and legal form	12-13 AR RBI: 22-25, 69-71	
102-6	Markets served	48-49, 51, 53-54	
102-7	Scale of the organization	12-13, 51 AR RBI: 3	
102-8	Information on employees and other workers	114	Temporary workers and security staff do not constitute a substantial part of the activities. The number of employees is shown in headcount unless otherwise stated.
102-9	Supply chain	125-126	
102-10	Significant changes to the organization and its supply chain	AR RBI: 24, 56-57	There were no significant changes in fiscal year 2020.
102-11	Precautionary Principle or approach	4, 6, 16-17, 19, 22, 35-36, 49, 60, 65, 77-78, 87, 100-101, 104, 148-151	
102-12	External initiatives	11, 17, 28-29, 56, 69-70, 99, 101, 147-149	
102-13	Membership of associations	19, 26-28, 103, 105, 149-151	Relates solely to the organizations relevant for sustainability.
Strategy			
102-14	Statement from senior decision-maker	4-7	
102-15	Key impacts, risks, and opportunities	4-7, 22, 46-48, 89, 118-119 AR RBI: 8-17, 50-60, 196-227	Voluntary disclosure.
Ethics and Integrity			
102-16	Values, principles, standards, and norms of behavior	15-19, 23-26, 56, 65, 91, 98, 101, 108, 125, 133	
102-17	Mechanisms for advice and concerns about ethics	23-27, 95-97, 101	Voluntary disclosure.
Governance			
102-18	Governance structure	19-20, 22-23 AR RBI: 26-42	
102-19	Delegating authority	19-20	Voluntary disclosure.
102-20	Executive-level responsibility for economic, environmental, and social topics	19	Voluntary disclosure. The CEO of RBI is the Chairman of the Sustainability Council. The CRO of RBI is a member of the Sustainability Council.
102-21	Consulting stakeholders on economic, environmental, and social topics	19-20, 41, 66-67, 76-77, 87, 95 AR RBI: 24	Voluntary disclosure.
102-22	Composition of the highest governance body and its committees	AR RBI: 26-39	Voluntary disclosure.
102-23	Chair of the highest governance body	AR RBI: 26-30	Voluntary disclosure.
102-24	Nominating and selecting the highest governance body	AR RBI: 27-32, 42-43	Voluntary disclosure.
102-25	Conflicts of interest	AR RBI: 44	Voluntary disclosure.
102-26	Role of highest governance body in setting purpose, values, and strategy	4-7, 19-20, 23-24 AR RBI: 32-39	Voluntary disclosure.
102-27	Collective knowledge of highest governance body	4, 20 AR RBI: 16	Voluntary disclosure.
102-28	Evaluating the highest governance body's performance	VB 4.2.3, RR 2.4.1.7 et seq., 2.9 15-16	
102-29	Identifying and managing economic, environmental, and social impacts	4-7, 19-20, 29-31, 38-43 AR RBI: 24	Voluntary disclosure.
102-30	Effectiveness of the risk management process	4, 5-7 AR RBI: 35	Voluntary disclosure.
102-31	Review of economic, environmental, and social topics	4, 5-7, 9 AR RBI: 10, 13, 15, 35	Voluntary disclosure. The CEO of RBI is the Chairman of the Sustainability Council and the Diversity Committee. The Chairwoman of the Audit Committee is a member of the Sustainability Board.
102-32	Highest governance body's role in sustainability reporting	4, 7, 9, 19, 162-163 AR RBI: 16, 36, 44	Voluntary disclosure. The sustainability report is approved by the members of the Management Board of RBI AG. Key points are discussed in the Sustainability Council. Pursuant to §96 AktG, the Supervisory Board examines the Sustainability Report.
102-33	Communicating critical concerns	20, 95-96 AR RBI: 24, 35-39	Voluntary disclosure. Critical concerns are also communicated directly to the Management Board.
102-35	Remuneration policies	4 AR RBI: 37 RR, RP	Voluntary disclosure. Information relates to Supervisory Board and Executive Board [currently no reporting on senior executives].
102-36	Process for determining remuneration	AR RBI: 37 RR 4, RP 2.2. et seqq. 6 et seqq., 2.9.	Voluntary disclosure. No external advisor was involved in determining the remuneration.
102-37	Stakeholders' involvement in remuneration	AR RBI: 37 RR 9, RP 2.8. 14, 2.9. 15 www.rbiinternational.com/en/investors/events-overview/annual-general-meetings.html	Voluntary disclosure.

General Disclosures

	GRI Code	Description	Reference	Explanation
General Disclosures	Stakeholder Engagement			
	102-40	List of stakeholder groups	38	
	102-41	Collective bargaining agreements	96	
	102-42	Identifying and selecting stakeholders	38	
	102-43	Approach to stakeholder engagement	29-33, 38-41, 62-65, 95-97, 125-126	
	102-44	Key topics and concerns raised	31-34, 41, 62-65, 88, 118, 153-155	
	Reporting Practice			
	102-45	Entities included in the consolidated financial statements	11 AR RBI: 245-262	
	102-46	Defining report content and topic boundaries	11, 29-31	
	102-47	List of material topics	30, 32-33, 37	
	102-48	Restatements of information	9, 61, 131	
	102-49	Changes in reporting	29-31	
	102-50	Reporting period	9	
	102-51	Date of most recent report	9	
	102-52	Reporting cycle	9	
	102-53	Contact point for questions regarding the report	9	
	102-54	Claims of reporting in accordance with the GRI Standards	9	
102-55	GRI content index	156-160		
102-56	External assurance	164-166		
Responsible banker	Material Topic: Commitment to society and the environment			
	GRI 103-1,-2,-3 2016	Management approach	4-7, 15-17, 22, 46, 51-61, 84-85	
	GRI 412 – 2016: Human Rights Assessment			
	412-2	Employee training on human rights policies or procedures		In 2020, 44 per cent of employees received training on human rights as part of compliance training totaling 7,808 hours were invested.
	412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening		Human rights aspects are set out in our Code of Conduct, which must be observed by all employees and in all business transactions.
	Disclosures for the sector			
	G4-FS14	Initiatives to improve access to financial services for disadvantaged people	84-85	
	Material Topic: Organizational management			
	GRI 103-1,-2,-3 2016	Management approach	4-7, 15-19, 22, 51-61, 64-66, 75-77, 80	
	GRI 417 – 2016: Marketing and Labeling			
	417-2	Incidents of non-compliance concerning product and service information and labeling	64-65	
	Disclosures for the sector			
	Active Ownership			
	G4-FS11	Percentage of assets subject to positive and negative environmental or social screening	73, 78-79	This indicator applies only to companies involved in asset management.
	Product portfolio			
	G4-FS1	Policies with specific environmental and social components applied to core business	23-24, 51-53, 55-61	
	G4-FS3	Processes for monitoring clients' implementation of and compliance with environmental and social requirements included in agreements or transactions	58	The agreed credit terms are also assessed as standard as part of the annual analyses all risk-relevant transactions
	G4-FS4	Process(es) for improving staff competency to implement the environmental and social policies and procedures as applied to business lines	24-25, 60-61, 67-68, 87, 94, 154	
	Material Topic: Economic added value			
	GRI 103-1,-2,-3 2016	Management approach	4-7, 15-19, 22, 46-56, 59-61, 66-68, 72-80, 82-83	
	GRI 201 – 2016: Economic Performance			
	201-1	Direct economic value generated and distributed	50 - 51	
201-2	Financial implications and other risks and opportunities due to climate change	46-48, 51-52, 61-62, 68-70, 72-83, 118-119		
GRI 203 – 2016: Indirect Economic Impacts				
203-1	Infrastructure investments and services supported	58, 68-72, 82		
203-2	Significant indirect economic impacts	46, 50, 68-72, 82-83		

GRI Code	Description	Reference	Explanation
Disclosures for the sector			
Product portfolio			
G4-FS6	Percentage of the portfolio for business lines by specific region, size and by sector	51, 59-62, 68-72, 81-82 AR RBI: 202 et seqq.	
Material Topic: Sustainability in the core business			
GRI 103-1,-2,-3 2016	Management approach	4-7, 15-19, 22, 46-49, 51-61, 66-68	
Disclosures for the sector			
Product portfolio			
G4-FS7	Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose	68, 70-72	
G4-FS8	Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose	61-62, 68-70, 72-74, 78-83	
Material Topic: Regulations and controlling			
GRI 103-1,-2,-3 2016	Management approach	4-7, 15-19, 22, 24-27, 54-56, 59-61, 65-66, 75-77, 83	
GRI 205 – 2016: Anti-Corruption			
205-1	Operations assessed for risks related to corruption	25	In 2020, we assessed all 20 group units included in this report, i.e. 100%, as part of a threat analysis.
205-2	Communication and training about anti corruption policies and procedures	24-25, 87	
205-3	Confirmed incidents of corruption and actions taken	25	
GRI 206 – 2016: Anti-competitive Behavior			
206-1	Legal actions for anti-competitive behavior, antitrust, and monopoly practices	66	
GRI 418 – 2016: Customer Privacy			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	55-56	
GRI 419 – 2016: Socioeconomic Compliance			
419-1	Non-compliance with laws and regulations in the social and economic area	27	
Disclosures for the sector			
Labeling of products			
G4-FS15	Policies for fair design and sale of financial products and services	39, 51-53, 55-56, 62-66, 84	
Material Topic: Risk management			
GRI 103-1,-2,-3 2016	Management approach	4-7, 22, 46-49, 59-66, 76-77, 161	
Disclosures for the sector			
Product portfolio			
G4-FS2	Procedures for assessing and screening environmental and social risks in business lines	46-48, 51-52, 56-61, 75-77	
G4-FS5	Interactions with clients, investees and business partners regarding environmental and social risks and opportunities	62-68, 76-77	
Audit			
G4-FS9	Coverage and frequency of audits to assess implementation of environmental and social policies and risk assessment procedures	25-27, 59-61, 76, 83, 85	
Material Topic: Stakeholder engagement			
GRI 103-1,-2,-3 2016	Management approach	4-7, 29-34, 38-41, 62-68, 76-77	
Disclosures for the sector			
Active Ownership			
G4-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	76-77	
Product portfolio			
G4-FS5	Interactions with clients, investees and business partners regarding environmental and social risks and opportunities	62-68, 76-77	
Material Topic: Transparency and disclosures			
GRI 103-1,-2,-3 2016	Management approach	4-7, 15-19, 22, 27-28, 59-61	
GRI 415 – 2016: Public Policy			
415-1	Political contributions	28	

	GRI Code	Description	Reference	Explanation
Fair partner – Employees	Material Topic: Employee concerns			
	GRI 103-1,-2,-3 2016	Management approach	4-7, 15-19, 22, 87-113	
	GRI 401 – 2016: Employment			
	401-1	New employee hires and employee turnover	114-115	
	GRI 404 – 2016: Training and Education			
	404-1	Average hours of training per year per employee	115	
	404-3	Percentage of employees receiving regular performance and career development reviews	115	
	GRI 405 – 2016: Diversity and Equal Opportunity			
	405-1	Diversity of governance bodies and employees	87, 114-115 AR: 42-43	
	GRI 407 – 2016: Freedom of Association and Collective Bargaining			
	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	97	In Austria and the countries where this is required by law, the staff councils represent the employees in all matters of labor and employment law. All legal conditions are strictly complied with in all countries.
	Material Topic: Risk management			
	GRI 103-1,-2,-3 2016	Management approach	6, 88-89, 98-101, 107-110	
	GRI 403 – 2018: Occupational Health and Safety			
	403-1	Occupational health and safety management system	87, 107-110	
	403-2	Hazard identification, risk assessment, and incident investigation	89, 107-109	
	403-3	Occupational health services	108-109	
	403-4	Worker participation, consultation, and communication on occupational health and safety	96, 109	
	403-5	Worker training on occupational health and safety	96, 109	
	403-6	Promotion of worker health	107-110	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		Not applicable due to the business model of RBI.	
403-9	Work-related injuries	107		
GRI 406 – 2016: Non-Discrimination				
406-1	Incidents of discrimination and corrective actions taken	97-98	No incidents of discrimination were reported to the whistle blowing hotline in the 2020 financial year.	
Material Topic: Stakeholder engagement				
GRI 103-1,-2,-3 2016	Management approach	4-7, 29-34, 38-41, 88-89, 95-97		
Fair Partner – Inhouse ecology	Material Topic: Inhouse ecology			
	GRI 103-1,-2,-3 2016	Management approach	4-7, 15-19, 22, 118-130, 154-155 www.rbinternational.com/en/who-we-are/sustainability/inhouse-ecology	
	GRI 301 – 2016: Material			
	301-1	Materials used by weight or volume	122, 129, 131 www.rbinternational.com/en/who-we-are/sustainability/inhouse-ecology	
	301-2	Recycled input materials used	122, 129, 131	
	GRI 302 – 2016: Energy			
	302-3	Energy intensity	122, 129, 131 www.rbinternational.com/en/who-we-are/sustainability/inhouse-ecology	
	GRI 303 – 2018: Water			
	303-1	Water withdrawal by source	130 www.rbinternational.com/en/who-we-are/sustainability/inhouse-ecology	RBI uses only drinking water (fresh water through the municipal pipeline network) provided by the regional supply. Water consumption does not lead to any significant impairment of water sources.
	303-2	Management of water discharge-related impacts	130-131	Only wastewater comparable to domestic wastewater is generated in the rules. Recovery does not take place.
	303-5	Water consumption	131	
	GRI 305 – 2016: Emissions			
	305-1	Direct (Scope 1) GHG emissions	121, 122, 131 www.rbinternational.com/en/who-we-are/sustainability/inhouse-ecology	
	305-2	Energy indirect (Scope 2) GHG emissions	121, 122, 131 www.rbinternational.com/en/who-we-are/sustainability/inhouse-ecology	
	305-3	Other indirect (Scope 3) GHG emissions	121, 122, 131 www.rbinternational.com/en/who-we-are/sustainability/inhouse-ecology	
305-4	GHG emissions intensity	131 www.rbinternational.com/en/who-we-are/sustainability/inhouse-ecology		
305-5	Reduction of GHG emissions	120-122, 128, 131 www.rbinternational.com/en/who-we-are/sustainability/inhouse-ecology		

	GRI Code	Description	Reference	Explanation
Fair Partner – Inhouse ecology	GRI 306 – 2016: Effluents and Waste			
	306-2	Waste by type and disposal method	129-131 www.rbinternational.com/en/who-we-are/sustainability/inhouse-ecology	
	Material Topic: Stakeholder engagement			
	GRI 103-1,-2,-3 2016	Management approach	4, 7, 22, 29-34, 38-41, 125-126	
	Disclosures for the sector			
Fair Partner – Inhouse ecology	Product portfolio			
	G4-FS5	Interactions with clients, investees and business partners regarding environmental and social risks and opportunities	125-126	
	Material Topic: Commitment to society and the environment			
	GRI 103-1,-2,-3 2016	Management approach	4, 7, 15 19, 22, 133-151	
	Disclosures for the sector			
Engaged citizen	Marketing and Labeling			
	G4-FS16	Initiatives to enhance financial literacy by type of beneficiary	136; 141-143	
	Material Topic: Stakeholder engagement			
	GRI 103-1,-2,-3 2016	Management approach	7, 29-34, 38-41, 134-135, 148	
	Disclosures for the sector			
Engaged citizen	Product portfolio			
	G4-FS5	Interactions with clients, investees and business partners regarding environmental and social risks and opportunities	148-151	

Key							
AR	Annual report	CoC	Code of Conduct	FS	Financial Sector	GRI	Global Reporting Initiative
RBI	RBI Group	RP	Remuneration Policy	RR	Remuneration Report		

TCFD Disclosure Index

The Financial Stability Board of the G20 created the Task Force on Climate-related Financial Disclosures (TCFD) to improve and increase reporting of climate-related financial information. The TCFD has developed a framework to help public companies and other organizations more effectively disclose climate-related risks and opportunities through their existing reporting processes. RBI welcomes these recommendations.

In the course of reporting climate protection-relevant data to CDP, we report comprehensively on climate-related risks and opportunities. To manage our greenhouse gas emissions, we launched a project in 2020 to evaluate long-term scenarios that adjust for different levels of global warming. Climate-related risks are identified, assessed and managed as part of the general risk management process.

Recommendations	Topic	Chapter/Further Information	Reference	
Governance	Board's oversight of climate related risks and opportunities	Foreword of the Management Board and Supervisory Board	page 4-7	
	Management's role in assessing and managing climate related risks and opportunities	CDP	C1.1	
		Chapter Sustainable corporate management	page 19-20	
		Chapter Governance and Compliance	page 22-23	
		Chapter Responsible banker (Business strategy)	page 48-49	
		Annual report	page 26-41	
Strategy	Climate related risks and opportunities the organization has identified over the short, medium, and long term	Remuneration report	4.2.3	
		Remuneration policy	2.4.1. 7ff, 2.9 15-16	
	Impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning	CDP	C2.1a	
		CDP	C2.1b, C2.3a, C3.1e	
		Chapter Responsible banker (Impacts, risks and opportunities)	page 46-48	
	Resilience of the organization's strategy, taking into consideration different climate related scenarios, including a 2°C or lower scenario	Chapter Responsible banker (Business strategy)	page 48-49	
		Chapter Responsible banker (Sustainable financing, Sustainable investment products)	page 68-80	
		CDP	C-FS14.3	
		Risik management	Organization's processes for identifying and assessing climate related risks	CDP
	Organization's processes for managing climate related risks		Chapter Responsible banker (Economic sustainability)	page 50-51
Chapter Responsible banker (Ecological product responsibility)			page 51-52	
How processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management	Chapter Responsible banker (Lending policy and lending decision policy)		page 56-61	
	Chapter Responsible banker (Responsibility in the core business for products and services)		page 51-52	
	Chapter Responsible banker (Lending policy and lending decision policy)		page 56-61	
Key figures and goals	Metrics used by the organization to assess climate related risks and opportunities in line with its strategy and risk management process	Chapter Responsible banker (Business strategy)	page 48-49	
	Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks	CDP	C11.3	
		Chapter Inhouse ecology	page 118-122, 128-131	
	Targets used by the organization to manage climate related risks and opportunities and performance against targets	CDP	C79, C6, C8, C-FS14.1	
		Chapter Inhouse ecology	page 120	
		Foreword of the Supervisory Board	page 4-5	
	Specific key figures for the banking sector:	CDP	C4.1, C4.2	
		Compensation report	4.2.3	
		Compensation policy	2.4.1. 7ff, 2.9 15-16	
		• Weighted average carbon intensity	Chapter Responsible banker (Business strategy, Sustainable investment products)	page 48-49, 61-62, 72-81
• Total carbon emissions		Chapter Responsible banker (Business strategy, Sustainable investment products)	page 48-49, 72-81	
• Carbon footprint		Chapter Responsible banker (Business strategy, Sustainable investment products)	page 48-49, 72-81	
• Carbon intensity	CDP	C6.10		
	Chapter Responsible banker (Business strategy, Sustainable investment products)	page 48-49, 72-81		

Statement of all legal representatives

We confirm to our best knowledge that the summarized, consolidated, non-financial report provided in accordance with the international framework "GRI Standards" (option "core") contains that information pursuant to sections 267a(2), 243b(2) of the Austrian Commercial Code that is necessary for an understanding of the course of business, business results and position of RBI as well as the impacts of its activities and at least refers to environmental matters, social matters, employee matters, the respect of human rights and the fight against corruption. The information comprises a description of the business model of RBI as well as the concepts followed with regard to the concerns of inclusively applied due diligence processes essential risks that will probably have negative impacts on the matters as well as the results from the concepts and the most important performance indicators.

Vienna, 2 March 2021

The Management Board



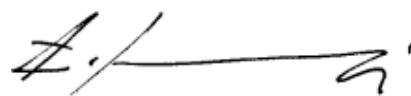
Johann Strobl

Chief Executive Officer responsible for Group Marketing, Active Credit Management, Group Sustainability Management, Legal Services, Chairman's Office, Group Communications, Group Executive Office, Group & Organisational Innovation, Group Internal Audit, Group Investor Relations, Group Planning & Finance, Group Subsidiaries & Equity Investments, Group Tax Management, Group Treasury and Group Strategy & Innovation



Andreas Gschwenter

Member of the Management Board responsible for Group Core IT, Group Data, Group Efficiency Management, Group IT Delivery, Group Procurement, Outsourcing & Cost Management, Group Security, Resilience & Portfolio Governance and Head Office Operations



Łukasz Januszewski

Member of the Management Board responsible for Group Capital Markets Corporates & Retail Sales, Group Capital Markets Trading & Institutional Sales, Group Investment Banking, Group Investor Services, Group MIB Business Management & IC Experience, Institutional Clients and Raiffeisen Research



Peter Lennkh

Member of the Management Board responsible for Corporate Customers, Corporate Finance, Group Corporate Business Strategy & Steering, International Leasing Steering & Product Management and Trade Finance & Transaction Banking



Hannes Mösenbacher

Member of the Management Board responsible for Financial Institutions, Country & Portfolio Risk Management, Group Advanced Analytics, Group Compliance, Group Corporate Credit Management, Group Regulatory Affairs & Data Governance, Group Risk Controlling, Group Special Exposures Management, International Retail Risk Management and Sector Risk Controlling Services



Andrii Stepanenko

Member of the Management Board responsible International Retail Business Management & Steering, Sales & Distribution, International Premium & Private Banking, International Retail CRM, International Retail Lending, International Retail Online Banking, International Retail Payments and International Small Business Banking

Assurance report



Raiffeisen Bank International AG, Vienna, Austria
Independent Assurance Report on the Non-financial Report according to
§§ 243b and 267a UGB as to 31 December 2020
2 March 2021

To the Board of Directors of
Raiffeisen Bank International AG,
Vienna, Austria

This English language independent assurance report is a translation provided for information purposes only. The original German text shall prevail in the event of any discrepancies between the English translation and the German original. We do not accept any liability for the use of, or reliance on, the English translation nor for any errors or misunderstandings that may derive from the translation.

Independent Assurance Report on the Non-financial Reporting according to §§ 243b and 267a UGB

We have performed an independent limited assurance engagement on the combined consolidated non-financial report according to §§ 243b and 267a UGB ("NFI report") for the financial year 2020, which has been published as Sustainability Report 2020 of

**Raiffeisen Bank International AG,
Vienna, Austria**
(referred to as "RBI" or "the Company").

Management's Responsibility

The Company's management is responsible for the proper preparation of the NFI report in accordance with the reporting criteria. The Company applies the legal requirements of the Austrian Sustainability and Diversity Improvement Act (§§ 243b and 267a UGB) and the sustainability reporting guidelines of the Global Reporting Initiative (GRI Standards) Option "Core" as reporting criteria.

The Company's management is responsible for the selection and application of appropriate methods for non-financial reporting (especially the selection of significant matters) as well as the use of appropriate assumptions and estimates for individual non-financial disclosures, given the circumstances. Furthermore, their responsibilities include the design, implementation and maintenance of systems, processes and internal controls that are relevant for the preparation of the sustainability report in a way that is free of material misstatements – whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to state whether, based on our procedures performed and the evidence we have obtained, anything has come to our attention that causes us to believe that the Company's NFI report is not in accordance with the legal requirements of the Austrian Sustainability and Diversity Improvement Act (§§ 243b and 267a UGB) and the sustainability reporting guidelines of the Global Reporting Initiative (GRI Standards) Option "Core" in all material respects.

This report is a translation of the original report in German, which is solely valid.



Raiffeisen Bank International AG, Vienna, Austria

*Independent Assurance Report on the Non-financial Report according to
§§ 243b and 267a UGB as to 31 December 2020
2 March 2021*

Our engagement was conducted in conformity with the International Standard on Assurance Engagements (ISAE 3000) applicable to such engagements. These standards require us to comply with our professional requirements including independence requirements, and to plan and perform the engagement to enable us to express a conclusion with limited assurance, taking into account materiality.

An independent assurance engagement with the purpose of expressing a conclusion with limited assurance ("limited assurance engagement") is substantially less in scope than an independent assurance engagement with the purpose of expressing a conclusion with reasonable assurance ("reasonable assurance engagement"), thus providing reduced assurance. Despite diligent engagement planning and execution, it cannot be ruled out that material misstatements, illegal acts or irregularities within the non-financial report will remain undetected.

The procedures selected depend on the auditor's judgment and included the following procedures in particular:

- Inquiries of personnel at the group level, who are responsible for the materiality analysis, in order to gain an understanding of the processes for determining material sustainability topics and respective reporting thresholds of the Company;
- A risk assessment, including a media analysis, on relevant information on the Company's sustainability performance in the reporting period;
- Evaluation of the design and implementation of the systems and processes for the collection, processing and monitoring of disclosures on environmental, social and employees matters, respect for human rights, anti-corruption as well as bribery, including the consolidation of data;
- Inquiries of personnel at the group level, who are responsible for providing, consolidating and implementing internal control procedures relating to the disclosure of concepts, risks, due diligence processes, results and performance indicators;
- Inspection of selected internal and external documents, in order to determine whether qualitative and quantitative information is supported by sufficient evidence and presented in an accurate and balanced manner;
- Assessment of the local data collection, validation and reporting processes as well as the reliability of the reported data through a sample survey of the network banks Raiffeisen Bank Zrt. (Hungary), Tatra banka, a.s. (Slovakia) und Raiffeisen Bank Aval (Ukraine);
- Analytical evaluation of the data and trend of quantitative disclosures regarding the GRI Standards listed in the GRI-Index, submitted by all locations for consolidation at the group level;
- Evaluation of the consistency of the Austrian Sustainability and Diversity Improvement Act (§§ 243b and 267a UGB) and the GRI Standards, Option "Core" to disclosures and indicators of the NFI report, which apply to the Company;
- Evaluation of the overall presentation of the disclosures by critically reading the NFI report.

This report is a translation of the original report in German, which is solely valid.



Raiffeisen Bank International AG, Vienna, Austria
*Independent Assurance Report on the Non-financial Report according to
 §§ 243b and 267a UGB as to 31 December 2020
 2 March 2021*

The procedures that we performed do not constitute an audit or a review. Our engagement did not focus on revealing and clarifying of illegal acts (such as fraud), nor did it focus on assessing the efficiency of management. Furthermore, it is not part of our engagement to audit future-related disclosures, prior year figures, statements from external sources of information, expert opinions or references to more extensive external reporting formats of the Company. Disclosures audited within the scope of the annual financial statement were assessed for correct presentation (no content examination). Third party data used for the disclosure of financed CO₂ emissions of corporate loans and for CO₂ reduction of the Green Bond portfolio was also not part of our engagement.

Conclusion

Based on the procedures performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the NFI report of the Company is not in accordance with the legal requirements of the Austrian Sustainability and Diversity Improvement Act (§§ 243b and 267a UGB) and the sustainability reporting guidelines of the Global Reporting Initiative (GRI Standards) Option "Core" in all material respects.

Restriction on use

Because our report will be prepared solely on behalf of and for the benefit of the principal, its contents may not be relied upon by any third party, and consequently, we shall not be liable for any third party claims. We agree to the publication of our audit certificate together with the NFI report.

General Conditions of Contract

Our responsibility and liability towards the Company and any third party is subject to paragraph 7 of the General Conditions of Contract for the Public Accounting Professions.

Vienna, 2 March 2021

KPMG Austria GmbH
 Wirtschaftsprüfungs- und Steuerberatungsgesellschaft

Peter Ertl
 Austrian Chartered Accountant

p.p. Michaela Schmiedchen, MSc
 Senior Manager Sustainability Services

This report is a translation of the original report in German, which is solely valid.
 This document was signed with a qualified electronic signature and only this electronic version is valid.

Abbreviations

ABC	Anti-Bribery and Corruption
AIDS	Acquired Immune Deficiency Syndrome
AktG	Aktiengesetz (Stock Corporation Act)
AML	Anti Money Laundering
API	Application Programming Interfaces
AR	Annual Report
ASVG	Allgemeines Sozialversicherungsgesetz (General Social Security Act)
AT	Austria
ATM	Automatic Teller Machine
AVAL	Raiffeisen Bank Aval JSC, Ukraine
AWS	Austria Wirtschaftsservice Gesellschaft mbH
B	Board
B-1	"Board minus 1" – direct management level (or first management level) under the Management Board
B-2	"Board minus 2" – second management level under the Management Board
BIC	Bildungszentrum (Education Center)
BMSVG	Betriebliches Mitarbeiter- und Selbstständigenvorsorgegesetz (Corporate Staff and Self-Employment Provision Act)
BREEAM	Building Research Establishment Environmental Assessment Methodology
CC	Corporate Citizenship
CDP	Carbon Disclosure Project
CE	Central Europe
CEE	Central and Eastern Europe
CEO	Chief Executive Officer
CEF	Customer Experience Framework
CG	Corporate Governance
CIS	Commonwealth of Independent States
CMC	Certified Management Consultant
CO₂e	CO ₂ -equivalent
CoC	Code of Conduct
COFAG	COVID-19-Finanzierungsagentur des Bundes GmbH (COVID-19 Federal Financing Agency GmbH)
COP 21	21 st Conference of the Parties (21. Climate Conference 2015 in Paris)
CRO	Chief Risk Officer
CRM	Customer-Relationship-Management
CSSP	Center for Social and Sustainable Products AG
CSR	Corporate Social Responsibility
CTF	Counter-Terrorism Financing
DACH	Deutschland, Österreich und Schweiz (Germany, Austria and Switzerland)
DAX	Deutscher Aktienindex (German Stock Index)
DGNB	Deutsche Gesellschaft für Nachhaltiges Bauen (German Sustainable Building Council)
EACB	European Association of Co-Operative Banks
EBA	European Banking Authority
EBRD	European Bank for Reconstruction and Development
ECB	European Central Bank
EE	Eastern Europe
EEA	European Economic Area
EIB	European Investment Bank
EM	Emerging Markets
EMAS	Eco Management and Audit Scheme
EMEA	Europe, Middle East, Africa
EMI	European Movement International
ESG	Environment Social Governance
E&S	Environmental & Social
ESMA	European Securities and Markets Authority
ESMS	Environmental and Social Management System
ESC	European Staff Council
EstG	Einkommensteuergesetz (Income Tax Act)
EU	Europäische Union (European Union)
EUROFI	The European think tank dedicated to financial services
EUROSIF	European Sustainable Investment Forum
EZB	Europäische Zentralbank (European Central Bank)
FATF	Financial Action Task Force
FAQ	Frequently Asked Questions
FFP	Filtering Face Piece
FH	Fachhochschule (University of Applied Sciences)

FH Bfi	Fachhochschule des Bundesförderinstitutes (University of Applied Sciences of the Federal Development Institute)
FH OÖ	Fachhochschule Oberösterreich (University of Applied Sciences Upper Austria)
FNG	Forum Nachhaltige Geldanlagen (Sustainable Investment Forum)
FTSE	Financial Times Stock Exchange
GDPR	General Data Protection Regulation
GFK	Growth from Knowledge
GHG	Greenhouse gas
GICS	Global Industry Classification Standard
GRI	Global Reporting Initiative
GWh	Gigawatt hour
HIV	Human Immunodeficiency Virus
HR	Human Resources
HTL	Höhere Technische Bundeslehranstalt (Higher Federal Technical College)
IC	Institutional Clients
ICC	International Chamber of Commerce
ICEUR	International Center for Advanced and Comparative EU-Russia-NIS Research
ICPC	International Collegiate Programming Contest
ICMA	International Capital Market Association
IFC	International Finance Corporation
IMAS	Institut für Markt-Sozialanalysen Ges.m.b.H. (Institute for Market and Social Analysis Ges.m.b.H.)
ISIN	International Securities Identification Number
ISO	International Organization for Standardization
ISS	Institutional Shareholder Services
Kathrein	Kathrein Privatbank AG
KCM	Kathrein Capital Management GmbH
Km	Kilometer
KfW	Kreditanstalt für Wiederaufbau (Reconstruction Credit Institute)
KPI	Key Performance Indicator
KRR	Rahmenkredit für Großunternehmen (Credit Line for Large Companies)
KYC	Know Your Customer
KWh	Kilowatt hour
LC	Large Corporates
LEED	Leadership in Energy and Environmental Design
LED	Light-emitting diode
LGBTI	Lesbian, gay, bisexual, transsexual, intersexual
LGBTIQ	Lesbian, gay, bisexual, transsexual, intersexual and queer
LobbyG	Lobbying- und Interessenvertretungs-Transparenz-Gesetz (Lobbying and Advocacy Transparency Law)
M&A	Mergers and Acquisitions
MIB	Management Information Base
MidCaps	Companies with less than 3,000 employees
MiFID	Markets in Financial Instruments Directive
MIGA	Multilateral Investment Guarantee Agency
mona	Sustainability Monitoring Tool
MS	Microsoft
MSCI	Morgan Stanley Capital International
MWh	Megawatt hour
NaDiVeG	Nachhaltigkeits und Diversitätsverbesserungsgesetz (Austrian Sustainability and Diversity Improvement Act)
NFI	Non-financial information
NGO	Non Governmental Organization
NIS	Newly Independent States and Russia
NPO	Non-Financial Information
NPS	Net Promoter Score
NWB	Netzwerkbanken (Network banks)
NWOW	New World of Work
OeKB	Oesterreichische Kontrollbank AG
ÖGNI	Österreichische Gesellschaft für nachhaltige Immobilien (Austrian Society for Sustainable Real Estate)
ÖGUT	Österreichische Gesellschaft für Umwelt und Technik (Austrian Society for Environment and Technology)
ÖHT	Österreichische Hotel- und Tourismusbank GmbH (Austrian Tourism Bank)
OpRisk	Operational Risk
ÖRV	Österreichischer Raiffeisenverband (Austrian Raiffeisen Association)
PACTA	Paris Agreement Capital Transition Assessment
PCAF	Partnership for Carbon Accounting Financials
PDF/UA	PDF/Universal Accessibility

PKG	Pensionskassengesetz (Pension Fund Act)
Pkm	Passengerkilometers
P&OI	Group People & Organisational Innovation
PP	Percentage Points
PRI	Principles of Responsible Investment
PV	Photovoltaics
RBAL	Raiffeisen Bank Sh.A., Albanien
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 in Austria
RBHR	Raiffeisenbank Austria d.d., Croatia
RBHU	Raiffeisen Bank Zrt., Hungary
RBI	Raiffeisen Bank International Group
RBI AG	Raiffeisen Bank International AG
RBKO	Raiffeisen Bank Kosovo J.S.C.
RBRO	Raiffeisen Bank S.A., Romania
RBRs	Raiffeisen banka a.d., Serbia
RBRU	AO Raiffeisenbank, Russia
RBSK	Raiffeisen Bausparkasse Gesellschaft m.b.H.
RCB	Raiffeisen Centrobank AG
RCM	Raiffeisen Capital Management
respACT	Austrian Business Council for Sustainable Development
RKAG	Raiffeisen Kapitalanlage-Gesellschaft m.b.H.
RL	Raiffeisen-Leasing GmbH
RNI	Raiffeisen Nachhaltigkeits-Initiative (Raiffeisen Sustainability Initiative)
SASB	Sustainability Accounting Standards Board
SDGs	Sustainable Development Goals
SEE	South Eastern Europe
SFDR	Sustainable Finance Disclosure Regulation
SME	Small and medium Enterprises
SMURD	Serviciul Mobil de Urgență Reanimare și Descarcerare (Mobile Emergency Service for Resuscitation and Extrication)
SRI	Socially Responsible Investment
STEM	Science Technology Engineering Mathematics
SWIFT	Society for Worldwide Interbank Financial Telecommunication
t	Ton
TBSK	Tatra banka, a.s., Slovakia
TCFD	Task Force on Climate-Related Financial Disclosures
TCO	Total Cost of Ownership
tkm	Ton kilometers
TOM	Target Operating Model
TU	Technische Universität Wien (Vienna University of Technology)
UGB	Unternehmensgesetzbuch (Austrian Commercial Code)
UK	United Kingdom
UN	United Nations
UNEP	UN Environment Programme
UNEP FI	UN Environment Programme Finance Initiative
UNGC	United Nations Global Compact
UNIQA	UNIQA Österreich Versicherungen AG (UNIQA Austria Insurance Ltd.)
UN PRI	UN Principles for Responsible Investment
US	United States (of America)
USD	United States Dollar
USP	Unique Selling Proposition
Valida	Valida Holding AG
VBV	VBV-Vorsorgekasse (Provident Fund)
VfU	Verein für Umweltmanagement und Nachhaltigkeit in Finanzinstituten e.V. (Association for Environmental Management and Sustainability)
VÖIG	Vereinigung Österreichischer Investmentgesellschaften
VR	Virtual Reality
WKO	Wirtschaftskammer Österreich (Austrian Economic Chamber)
WU	Wirtschaftsuniversität Wien (Vienna University of Economics and Business)
ZHS	ZHS Office- & Facilitymanagement GmbH

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