

Second-Party Opinion

Raiffeisen Bank International Green Bond

Evaluation Summary

Sustainalytics is of the opinion that the Raiffeisen Bank International (RBI) Green Bond Framework is credible and impactful, and aligns with the four core components of the Green Bond Principles 2018. This assessment is based on the following:



USE OF PROCEEDS The eligible categories for the use of proceeds – Renewable Energy, Green Buildings, Energy Efficiency, Clean Transportation, Water Management and Waste Water Management – are aligned with those recognized by the Green Bond Principles. Sustainalytics considers the use of proceeds as impactful. RBI uses recognized third-party standards for green buildings, such as BREEAM, LEED and DGNB.



PROJECT EVALUATION / SELECTION RBI’s internal process for evaluating and selecting eligible loans is aligned with market practices, including a dedicated Green Bond Committee comprised of extended management and expert team representatives.



MANAGEMENT OF PROCEEDS RBI’s process for management of proceeds is aligned with market best practices, including a Green Bond Register to track the allocation of green bond proceeds and an independent auditor to verify the selection and tracking of eligible loans.



REPORTING RBI intends to annually publish a green bond report including allocation of proceeds and impact indicators, including relevant indicators such as installed renewable energy capacity, estimated annual GHG emissions avoided, and annual water savings. In Sustainalytics’ view reporting on these metrics is in line with market practice.

Evaluation date	12 June 2018
Issuer Location	Vienna, Austria

Report Sections

Introduction.....	2
Sustainalytics’ Opinion	3
Appendices	8

For inquires, contact the Sustainable Finance Solutions Project Team:

Lili Hocke (Amsterdam)
 Project Lead
 lili.hocke@sustainalytics.com
 (+31) 20 205 00 40

Mihai Cojocaru (Timisoara)
 Project Lead
 mihai.cojocaru@sustainalytics.com
 (+40) 35 60 89 978

Charlotte Peyraud (New York)
 Sales Manager
 charlotte.peyraud@sustainalytics.com
 (+1) 646 518 0184

Introduction

Raiffeisen Bank International AG (RBI) is a universal bank operating primarily in Austria and greater Central and Eastern Europe through the segments corporate customers, retail customers, and markets and investment banking.

RBI has developed the Raiffeisen Bank International Green Bond Framework (the “framework”) under which it is considering to issue multiple green bonds and use the proceeds to finance and refinance, in whole or in part, loans for existing and future projects that foster sustainable businesses in Central and Eastern Europe. The framework defines eligibility criteria in five areas:

- Renewable Energy
- Green Buildings
- Energy Efficiency
- Clean Transportation
- Water Management and Waste Water Management

RBI engaged Sustainalytics to review the Raiffeisen Bank International Green Bond Framework and provide a second-party opinion on its alignment with the Green Bond Principles 2018 (the “GBP”), as administered by the International Capital Market Association (the “ICMA”)¹, and the framework’s environmental credentials. This framework has been published in a separate document².

As part of this engagement, Sustainalytics held conversations with various members of RBI’s Treasury, Sustainability, Investor Relations and Legal Department to understand the sustainability impact of their business processes and planned use of proceeds, as well as management of proceeds and reporting aspects of RBI’s green bond. Sustainalytics also reviewed relevant public documents and non-public information.

This document contains Sustainalytics’ opinion of the Raiffeisen Bank International Green Bond Framework and should be read in conjunction with that framework.

¹ ICMA’s Green Bond Principles 2018: <https://www.icmagroup.org/green-social-and-sustainability-bonds/green-bond-principles-gbp/>

² <http://investor.rbinternational.com/index.php?id=552&L=1>

Sustainalytics' Opinion

Section 1: Sustainalytics' Opinion on the Raiffeisen Bank International Green Bond

Summary

Sustainalytics is of the opinion that the Raiffeisen Bank International Green Bond Framework is credible and impactful, and aligns with the four core components of the Green Bond Principles 2018 (GBP). Sustainalytics highlights the following elements of the framework:

- Use of Proceeds:
 - The use of proceeds (Renewable Energy, Green Buildings, Energy Efficiency, Clean Transportation, Water Management and Waste Water Management) are recognized by the GBP. In addition, RBI uses recognized third-party standards for green buildings, i.e. BREEAM, LEED and DGNB, of which a detailed analysis of the standards is disclosed in [Appendix 1](#). In addition, RBI uses market best practice for financing geothermal energy by limiting the eligible projects to projects with direct emissions lower than 100g CO₂/kWh³ and hydropower generation to units with up to 20MW.
 - While RBI does not indicate a lookback period in its green bond framework, it has committed to provide transparency on the green loan origination timeframe in its annual reporting. In addition, the company clarified to refinance existing loans to ensure investors the immediate use of the funds, and committed to strive to replace the mature eligible green loans with new ones.
- Project Selection Process:
 - RBI has a dedicated Green Bond Committee comprised of extended management and expert team representatives from Corporate Finance, Group Corporate Credit Management, Group Treasury, Group Sustainability Management, Group Compliance, and Group Investor Relation, responsible for project selection, which is aligned with market standards.
- Management of Proceeds:
 - RBI uses its Green Bond Register to track the allocation of green bond proceeds and discloses that unallocated proceeds are invested in money market instruments, cash and/or cash equivalents instruments. An independent auditor will verify the selection and tracking of eligible loans which is aligned with market best practice.
- Reporting:
 - RBI states that it has the ambition to publish an annual report on the amount of allocated and unallocated proceeds, as well as the eligible categories that the proceeds were allocated to. This is aligned with market practice.
 - Also, aligned with market practice, RBI intends to report annually on the environmental impact of its green portfolio on a category level, including indicators such as installed renewable energy capacity, estimated annual GHG emission avoided and annual water savings. Sustainalytics' view reporting on these metrics is in line with market practice.

Alignment with Green Bond Principles 2018

Sustainalytics has determined that the RBI's green bond framework aligns with the four core components of the Green Bond Principles 2018. For detailed information please refer to [Appendix 2: Green Bond/Green Bond Programme External Review Form](#).

³ Sustainalytics highlights that geothermal projects comply with emission thresholds set by Climate Bonds Initiative's Geothermal Standard. CBI recognizes the 100gCO₂/kWh carbon intensity threshold as impactful for geothermal projects: <https://www.climatebonds.net/standard/geothermal>.

Section 2: Sustainability Performance of the Raiffeisen Bank International

Contribution of framework to RBIs sustainability strategy and targets

Sustainability represents an integral component of RBI's business activities and management responsibilities, and is overseen by RBI's Sustainability Council, which encompasses board members. RBI's commitment to sustainability is further reinforced by being signatory to the UN Global Compact, PRI and UNEPFI and through its sustainability targets. These targets include an increase in the number of environmentally friendly products and services by 25% and a reduction of GHG emissions in customer investments by 25% by 2030 compared to 2015. RBI also set goals to reduce its own carbon emissions by 30% by 2030, and 60% by 2050, compared to 2011. Furthermore, RBI reports on its environmental performance; for instance, in 2017, its volume of sustainable investments grew by roughly 26% to approximately EUR 2.9 billion and its financing portfolio in 2017 comprised investments in renewable energy of approximately EUR 156 million and EUR 317 million in green real estate.⁴

RBI's targets and performance reporting underline the company's commitment to sustainability and sustainable finance. Moreover, given RBI's sustainability strategy, high level responsibility for sustainability, as well as RBI's sustainability goals and progress reporting, Sustainalytics believes that RBI is well positioned to issue green bonds and that its green bonds will support RBI advance its sustainability strategy.

Well positioned to address common environmental and social risks associated with the projects

Sustainalytics recognizes that financial and lending services offered by RBI may expose the company to environmental and social risks stemming from controversial companies or projects it may finance. RBI implemented a set of policies focusing on mitigating environmental and social risks associated with its financed projects, namely:⁵

- RBI's lending policy and lending decision policy specifically exclude the financing of companies, projects or parties using forced or child labour or which contravene the European Human Rights Convention and other national or international regulations. As part of the same policy, RBI excludes the financing of projects with a negative environmental impact (e.g. destruction of rainforests or environmental and water pollution) and its employees are required to ensure strict compliance with the respective regional and EU environmental legislation during financing and project audits. RBI's lending decision process also includes: (i) an evaluation on whether the financed party is engaged in activities appearing on the International Finance Corporation (IFC) Exclusion List, (ii) categorizing the environmental and social risks specific to each financed project or entity and (iii) a social and environmental risk assessment for all transactions of high and medium risk seeking to determine their compliance with country regulations and other policies of the World Bank and the IFC.
- RBI's carbon policy excludes the financing of thermal coal mining projects and emphasizes the financing of environmentally friendly technologies.
- RBI's ecological product responsibility policy states the goal to reduce the negative impact of its business activities on the environment and lower the overall CO₂ emissions.
- RBI's social product responsibility policy specifically excludes transactions connected to forced or child labour or in violation of the European Convention of Human Rights and other national, regional and international regulations issued by international organization, including all relevant United Nations conventions.
- RBI's 2018 code of conduct⁶ requires all company employees to abide to RBI's corporate responsibility, human rights, environmental protection and societal obligations.
- RBI excludes energy efficiency improvements in fossil fuel technology and fossil fuel transportation from being financed with the use of proceeds, which mitigates risks to finance technology that facilitates a lock-in in fossil fuel based technology.

⁴ RBI Sustainability Report 2017: <https://www.rbinternational.com/eBusiness/services/resources/media/829189266947841370-NA-1314836217711314051-1-2-EN.pdf>

⁵ RBI Sustainability Report 2017: https://www.rbinternational.com/eBusiness/services/resources/media/829189266947841370-829188968716049154_923778918747875269_923779208926603950-1314836217711314051-1-2-EN.pdf

⁶ RBI Group Code of Conduct, published January 2018: https://www.rbinternational.com/eBusiness/services/resources/media/829189266947841370-829188968716049154_923778918747875269_923779208926603950-1303193610978120574-1-2-EN.pdf

- RBI confirmed that, in order to reduce the risk of unnecessary environmental interventions from flood mitigation infrastructure, financed projects are required to show their necessity through scientific studies.

Based on the above, Sustainalytics is of the opinion that RBI has a strong level of preparedness to manage and mitigate social and environmental risks associated with its green bond's use of proceeds.

Section 3: Impact of Use of Proceeds

RBI has banking and financial operations in Southeast Europe, Central and Eastern Europe which are regarded by the United National Environmental Programme and the European Environment Agency as lagging on their performance of environmental aspects such as the life-cycle impacts of food, sustainable electricity, heating and hot water and transport.⁷

Contribution of Renewable Energy, Green Buildings, Energy Efficiency and Clean Transportation financing towards the climate-related goals in RBI's operating markets

In the context of the EU GHG emission targets to reduce emissions by 40% by 2030 compared to 1990, the European Commission highlighted energy efficiency as one of the most cost-effective ways to achieve this target.^{8,9} Moreover, increasing renewable energy, energy efficiency in buildings and the decarbonisation of transport are important parts of the EU 2020 Energy strategy,^{10,11} highlighting their importance in relation to GHG reduction in the region.

Moreover, in the EU, buildings are responsible for approximately 40% of energy consumption and 36% of CO₂ emissions.¹² Reports indicate that some Eastern European states, e.g. Ukraine, have a significantly worth energy performance than neighbouring countries, such as Poland,¹³ further highlighting the importance of improving energy performance of buildings in the RBI's operational regions. In its green bond framework, RBI applies recognized third-party standards for green buildings such as LEED, BREEAM and DGNB and applies a minimum threshold of 30% energy improvement or two-step energy label improvement for refurbishment, which demonstrate the potential contribution to reducing energy use with the use of proceeds. In addition, while RBI limits investments to non-certified buildings to the top 15% most energy efficient buildings in a specific local context, RBI has so far not disclosed a methodology for individual markets to assess the buildings that fall into the top 15%.

Furthermore, regarding renewable energy, the EU countries have committed to 27% renewable energy of final energy consumption 2030 as part of the EU's energy and climate goals for 2030.¹⁴ While some member and applicant states in central and eastern Europe have already reached their 2020 renewable energy targets or are above the EU average on renewable energy consumption, little incentive to further increase the percentage of renewable energy lead to low future targets.¹⁵ Therefore, investments in renewable energy in central and eastern Europe can contribute to the EU renewable energy targets and provide an incentive to further increase renewable energy production in the regions.

Overall, given the Central and Eastern European context, Sustainalytics is of the opinion that eligible projects will contribute to the GHG emission targets and to solve environmental challenges in the regions.

⁷ European Environmental Agency, Sustainable consumption and production in South East Europe and Eastern Europe, Caucasus and Central Asia, published 2007:

https://www.eea.europa.eu/publications/eea_report_2007_3/00_TOC_Executive_summary_and_Acknowledgements.pdf/view

⁸ European Commission, Energy: <https://ec.europa.eu/energy/en/events/energy-efficiency-buildings-how-accelerate-investmentst>

⁹ European Commission, EU taking steps to improve energy efficiency in Europe: <https://ec.europa.eu/energy/en/news/eu-taking-steps-improve-energy-efficiency-europe>

¹⁰ European Commission, EU 2020 Energy Strategy: <https://ec.europa.eu/energy/en/topics/energy-strategy-and-energy-union/2020-energy-strategy>

¹¹ European Commission, Clean Transport Systems: https://ec.europa.eu/transport/themes/urban/cts_en

¹² European Commission, Buildings: <https://ec.europa.eu/energy/en/topics/energy-efficiency/buildings>

¹³ Climate Action, Europe will be spending \$112 billion on energy efficient building technologies in 2026, October 2017:

<http://www.climateactionprogramme.org/news/europe-will-be-spending-112-billion-on-energy-efficient-building-technology>

¹⁴ European Commission, Renewable energy Moving towards a low carbon economy: <https://ec.europa.eu/energy/en/topics/renewable-energy>

¹⁵ Financial Times, Progress on renewables provokes backlash in central and eastern Europe, October 2017: <https://www.ft.com/content/67a080c2-7b6e-11e7-ab01-a13271d1ee9c>

Importance of Water Management, Waste Water Management and Flood mitigation in RBI's operating markets

Ensuring high quality and safe supply is considered to be of high importance for the EU and is an integral part of the EU's environmental policy. While the quality of potable water and the effectiveness of waste water treatment across the EU improved over the last years, the European Environmental Agency (EEA) in 2016, highlighted that the proportion of population connected to waste water treatment in Eastern and South-Eastern Europe is still relatively low compared to Central and Northern Europe.^{16,17} Sustainalytics considers the use of proceeds for improvements in water distribution systems, water recycling and waste water treatment plants to be impactful and contribute to improve water availability and quality in Central and Eastern Europe.

Regarding flood mitigation infrastructure, UNICEF in 2014 stated that Bosnia and Herzegovina and Serbia are amongst the South East European countries facing the worst floods due to the heaviest rains seen in the region.¹⁸ Moreover, credible studies suggest an increasing flood risk over most countries in Central and Western Europe due to climate change at all warming levels,¹⁹ indicating the importance of flood mitigation structures in RBI's operational markets.

Alignment with/contribution to SDGs

The Sustainable Development Goals (SDGs) were set in September 2015 and form an agenda for achieving sustainable development by the year 2030. This green bond advances the following SDG goals and targets:

Use of Proceeds Category	SDG	SDG target
Water Management and Waste Water Management	6. Clean Water and Sanitation	6.3 By 2030, improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally.
Renewable Energy Energy Efficiency Green Buildings	7. Affordable and Clean Energy	7.2 By 2030, increase substantially the share of renewable energy in the global energy mix 7.3 By 2030, double the global rate of improvement in energy efficiency
Clean Transportation	11. Sustainable Cities and Communities	11.2 By 2030, provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons.

¹⁶ European Environmental Agency, <https://www.eea.europa.eu/highlights/quality-of-europes-water-for>

¹⁷ European Environmental Agency, Urban Waste Water treatment, <https://www.eea.europa.eu/data-and-maps/indicators/urban-waste-water-treatment/urban-waste-water-treatment-assessment-4>

¹⁸ https://www.unicef.org/appeals/files/UNICEF_Consolidated_SitRep_Bosnia_and_Herzegovina_and_Serbia_21_May_2014.pdf

¹⁹ Alfieri, L.; Dottori, F.; Betts, R.; Salamon, P.; Feyen, L. Multi-Model Projections of River Flood Risk in Europe under Global Warming. *Climate* 2018, 6, 6: <http://www.mdpi.com/2225-1154/6/1/6>

Conclusion

Raiffeisen Bank International developed a green bond framework under which it is considering to issue multiple green bonds to finance and refinance loans for projects in (i) Renewable Energy, (ii) Green Buildings, (iii) Energy Efficiency, (iv) Clean Transportation and (v) Water Management and Waste Water Management to foster sustainable businesses in Central and Eastern Europe. The use of proceeds categories are aligned with those recognized by the GBP and Sustainalytics considers the use of proceeds to contribute to GHG emissions targets and to help to address environmental challenges in Central and Eastern Europe. RBI uses recognized third-party standards for green buildings, i.e. BREEAM, LEED and DNGB. While RBI does not indicate a lookback period for refinancing in its green bond framework, it has committed to provide transparency on the Green Loan origination timeframe in its annual reporting.

Additionally, RBI's project evaluation and selection process, management of proceeds and impact reporting is aligned with market practice.

Based on the above points, Sustainalytics considers the Raiffeisen Bank International Green Bond Framework to be robust and credible.

Appendices

Appendix 1: Overview and comparison of the Real Estate Certification Schemes

	LEED	BREEAM	DGNB
Background	Leadership in Energy and Environmental Design (LEED) is a US Certification System for residential and commercial buildings used worldwide. LEED was developed by the non-profit U.S. Green Building Council (USGBC) and covers the design, construction, maintenance and operation of buildings.	BREEAM (Building Research Establishment Environmental Assessment Method) was first published by the Building Research Establishment (BRE) in 1990. Based in the UK. Used for new, refurbished and extension of existing buildings.	The German Green Building Certification or DGNB was developed in 2007 by the non-profit German Sustainable Building Council in partnership with the German Federal Ministry of Transport, Building, and Urban Affairs in order to actively encourage sustainable building.
Certification levels	Certified Silver Gold Platinum	Pass Good Very Good Excellent Outstanding	Bronze Silver Gold Platinum
Areas of Assessment: Environmental Project Management	Integrative process, which requires, from the beginning of the design process, the identification and creation of synergies between the various project stakeholders regarding the construction choices and the technical systems.	Management (Man) addresses various aspects: project management, deployment, minimal environmental disturbance worksite and stakeholder engagement.	Technically, any project can be applied anywhere in the world through a tailored process of making appropriate local adaptations on a case-by-case basis.
Areas of Assessment: Environmental Performance of the Building	<ul style="list-style-type: none"> • Energy and atmosphere • Sustainable Sites • Location and Transportation • Materials and resources • Water efficiency • Indoor environmental quality • Innovation in Design • Regional Priority 	<ul style="list-style-type: none"> • Energy • Land Use and Ecology • Pollution • Transport • Materials • Water • Waste • Health and Wellbeing • Innovation 	<ul style="list-style-type: none"> • Environment • Economic • Sociocultural and functional aspects • Technology • Processes • Site
Requirements	Prerequisites (independent of level of certification) + Credits with associated points These points are then added together to obtain the LEED level of certification	Prerequisites depending on the levels of certification + Credits with associated points	Percentage-based performance index The total performance index (expressed as a percentage) is calculated by adding the six key areas of assessment. The environmental, economic, socio-cultural

	<p>There are several different rating systems within LEED. Each rating system is designed to apply to a specific sector (e.g. New Construction, Major Renovation, Core and Shell Development, Schools-/Retail-/Healthcare New Construction and Major Renovations, Existing Buildings: Operation and Maintenance).</p>	<p>This number of points is then weighted by item²⁰ and gives a BREEAM level of certification, which is based on the overall score obtained (expressed as a percentage). Majority of BREEAM issues are flexible, meaning that the client can choose which to comply with to build their BREEAM performance score.</p> <p>BREAAAM has two stages/ audit reports: a 'BREEAM Design Stage' and a 'Post Construction Stage', with different assessment criteria.</p>	<p>and functional aspects and technical quality each account for 22.5% of the total, process accounts for 10% and the site quality is given a separate grade.</p> <p>Depending on the total performance index, a DGNB award will be given to the project, starting from Silver (at least 50%), then Gold (at least 65%) and finally Platinum (at least 80%). Bronze is awarded for already existing buildings and is conferred as the lowest rank with a total performance index of at least 35%.</p>
<p>Performance display</p>			
<p>Qualitative considerations</p>	<p>Widely recognised internationally, and strong assurance of overall quality.</p>	<p>Used in more than 70 countries: Good adaptation to the local normative context. Predominant environmental focus. BREEAM certification is less strict (less minimum thresholds) than HQE and LEED certifications.</p>	<p>DGNB certification is based on current European Union standards and norms and is being recommended by the German Federal Ministry of Transport, Building and Urban Development. DGNB System has partnerships in a number of countries, among which Bulgaria, Denmark, Austria, Thailand and Switzerland.</p>

²⁰ BREEAM weighting: Management 12%, Health and wellbeing 15%, Energy 19%, Transport 8%, Water 6%, Materials 12.5%, Waste 7.5%, Land Use and ecology 10%, Pollution 10% and Innovation 10%. One point scored in the Energy item is therefore worth twice as much in the overall score as one point scored in the Pollution item

Appendix 2: Green Bond / Green Bond Programme - External Review Form

Section 1. Basic Information

Issuer name:	Raiffeisen Bank International AG
Green Bond ISIN or Issuer Green Bond Framework Name, if applicable: <i>[specify as appropriate]</i>	Raiffeisen Bank International Green Bond Framework
Review provider's name:	Sustainalytics
Completion date of this form:	15 June 2018
Publication date of review publication: <i>[where appropriate, specify if it is an update and add reference to earlier relevant review]</i>	

Section 2. Review overview

SCOPE OF REVIEW

The following may be used or adapted, where appropriate, to summarise the scope of the review.

The review assessed the following elements and confirmed their alignment with the GBPs:

- | | |
|--|--|
| <input checked="" type="checkbox"/> Use of Proceeds | <input checked="" type="checkbox"/> Process for Project Evaluation and Selection |
| <input checked="" type="checkbox"/> Management of Proceeds | <input checked="" type="checkbox"/> Reporting |

ROLE(S) OF REVIEW PROVIDER

- | | |
|---|--|
| <input checked="" type="checkbox"/> Consultancy (incl. 2 nd opinion) | <input type="checkbox"/> Certification |
| <input type="checkbox"/> Verification | <input type="checkbox"/> Rating |
| <input type="checkbox"/> Other <i>(please specify)</i> : | |

Note: In case of multiple reviews / different providers, please provide separate forms for each review.

EXECUTIVE SUMMARY OF REVIEW and/or LINK TO FULL REVIEW *(if applicable)*

Please refer to Executive Summary above.

Section 3. Detailed review

Reviewers are encouraged to provide the information below to the extent possible and use the comment section to explain the scope of their review.

1. USE OF PROCEEDS

Overall comment on section (*if applicable*):

RBI has developed the Raiffeisen Bank International Green Bond Framework (the “framework”) under which it is considering to issue multiple green bonds and use the proceeds to finance and refinance, in whole or in part, existing and future projects in the following categories: (i) Renewable Energy, (ii) Green Buildings, (iii) Energy Efficiency, (iv) Clean Transportation and (v) Water Management and Waste Water Management. The eligible categories are aligned with the GBP and RBI uses recognized third party standards for green buildings, i.e. BREEAM, LEEAD and DGNB. While RBI does not indicate a lookback period in its green bond framework, it has committed to provide transparency on the green loan origination timeframe in its annual reporting. In addition, the company clarified to refinance existing loans to ensure investors the immediate use of the funds, and committed to strive to replace the mature eligible green loans with new ones.

Use of proceeds categories as per GBP:

- | | |
|--|--|
| <input checked="" type="checkbox"/> Renewable energy | <input checked="" type="checkbox"/> Energy efficiency |
| <input type="checkbox"/> Pollution prevention and control | <input type="checkbox"/> Environmentally sustainable management of living natural resources and land use |
| <input type="checkbox"/> Terrestrial and aquatic biodiversity conservation | <input checked="" type="checkbox"/> Clean transportation |
| <input checked="" type="checkbox"/> Sustainable water and wastewater management | <input type="checkbox"/> Climate change adaptation |
| <input type="checkbox"/> Eco-efficient and/or circular economy adapted products, production technologies and processes | <input checked="" type="checkbox"/> Green buildings |
| <input type="checkbox"/> Unknown at issuance but currently expected to conform with GBP categories, or other eligible areas not yet stated in GBPs | <input type="checkbox"/> Other (<i>please specify</i>): |

If applicable please specify the environmental taxonomy, if other than GBPs:

2. PROCESS FOR PROJECT EVALUATION AND SELECTION

Overall comment on section (if applicable):

RBI has a dedicated Green Bond Committee comprised of extended management and expert team representatives of Corporate Finance, Group Corporate Credit Management, Group Treasury, Group Sustainability Management and Group Compliance, Group Investor Relation. This is aligned with market practice.

Evaluation and selection

- | | |
|--|---|
| <input checked="" type="checkbox"/> Credentials on the issuer's environmental sustainability objectives | <input checked="" type="checkbox"/> Documented process to determine that projects fit within defined categories |
| <input checked="" type="checkbox"/> Defined and transparent criteria for projects eligible for Green Bond proceeds | <input checked="" type="checkbox"/> Documented process to identify and manage potential ESG risks associated with the project |
| <input checked="" type="checkbox"/> Summary criteria for project evaluation and selection publicly available | <input type="checkbox"/> Other (<i>please specify</i>): |

Information on Responsibilities and Accountability

- | | |
|--|--|
| <input checked="" type="checkbox"/> Evaluation / Selection criteria subject to external advice or verification | <input type="checkbox"/> In-house assessment |
| <input type="checkbox"/> Other (<i>please specify</i>): | |

3. MANAGEMENT OF PROCEEDS

Overall comment on section (*if applicable*):

RBI has a Green Bond Register, to track the allocation of green bond proceeds and discloses that unallocated proceeds are invested in money market instruments, cash and/or cash equivalents instruments, which is aligned with market practice.

Tracking of proceeds:

- | |
|---|
| <input checked="" type="checkbox"/> Green Bond proceeds segregated or tracked by the issuer in an appropriate manner |
| <input checked="" type="checkbox"/> Disclosure of intended types of temporary investment instruments for unallocated proceeds |
| <input type="checkbox"/> Other (<i>please specify</i>): |

Additional disclosure:

- | | |
|--|---|
| <input type="checkbox"/> Allocations to future investments only | <input checked="" type="checkbox"/> Allocations to both existing and future investments |
| <input type="checkbox"/> Allocation to individual disbursements | <input type="checkbox"/> Allocation to a portfolio of disbursements |
| <input type="checkbox"/> Disclosure of portfolio balance of unallocated proceeds | <input type="checkbox"/> Other (<i>please specify</i>): |

4. REPORTING

Overall comment on section (*if applicable*):

RBI states that it has the ambition to publish an annual report on the amount of allocated and unallocated proceeds, as well as the eligible categories that then proceeds were allocated to. This is aligned with market practice.

Aligned with market practice, RBI also intends to report annually on the environmental impact of its Green Portfolio on a category- level, including indicators such as installed renewable energy capacity, estimated annual GHG emission avoided, annual water and waste savings.

Use of proceeds reporting:

- | | |
|--|--|
| <input type="checkbox"/> Project-by-project | <input type="checkbox"/> On a project portfolio basis |
| <input type="checkbox"/> Linkage to individual bond(s) | <input checked="" type="checkbox"/> Other (<i>please specify</i>): Eligible category level |

Information reported:

- | | |
|---|---|
| <input checked="" type="checkbox"/> Allocated amounts | <input checked="" type="checkbox"/> Green Bond financed share of total investment |
| <input type="checkbox"/> Other (<i>please specify</i>): | |

Frequency:

- | | |
|--|--------------------------------------|
| <input checked="" type="checkbox"/> Annual | <input type="checkbox"/> Semi-annual |
| <input type="checkbox"/> Other (please specify): | |

Impact reporting:

- | | |
|--|---|
| <input type="checkbox"/> Project-by-project | <input type="checkbox"/> On a project portfolio basis |
| <input type="checkbox"/> Linkage to individual bond(s) | <input checked="" type="checkbox"/> Other (please specify): Eligible category level |

Frequency:

- | | |
|--|--------------------------------------|
| <input checked="" type="checkbox"/> Annual | <input type="checkbox"/> Semi-annual |
| <input type="checkbox"/> Other (please specify): | |

Information reported (expected or ex-post):

- | | |
|---|---|
| <input checked="" type="checkbox"/> GHG Emissions / Savings | <input checked="" type="checkbox"/> Energy Savings |
| <input checked="" type="checkbox"/> Decrease in water use | <input checked="" type="checkbox"/> Other ESG indicators (please specify): Installed renewable energy, expected annual renewable energy generation, number of people using public mass transportation, number of retail vehicles financed, volume of waste water treated. |

Means of Disclosure

- | | |
|--|---|
| <input type="checkbox"/> Information published in financial report | <input type="checkbox"/> Information published in sustainability report |
|--|---|

Raiffeisen Bank International Green Bond

- Information published in ad hoc documents
 Other (please specify):
 Reporting reviewed (if yes, please specify which parts of the reporting are subject to external review):

Where appropriate, please specify name and date of publication in the useful links section.

USEFUL LINKS (e.g. to review provider methodology or credentials, to issuer's documentation, etc.)

Raiffeisen Bank International- corporate website: Sustainability:
https://www.rbinternational.com/eBusiness/01_template1/826124957350877869-826099278278263040_923749606938229028-923749606938229028-NA-1-NA.html

SPECIFY OTHER EXTERNAL REVIEWS AVAILABLE, IF APPROPRIATE

Type(s) of Review provided:

- Consultancy (incl. 2nd opinion)
 Certification
 Verification / Audit
 Rating
 Other (*please specify*):

Review provider(s):

Date of publication:

ABOUT ROLE(S) OF REVIEW PROVIDERS AS DEFINED BY THE GBP

- i. Consultant Review: An issuer can seek advice from consultants and/or institutions with recognized expertise in environmental sustainability or other aspects of the issuance of a Green Bond, such as the establishment/review of an issuer's Green Bond framework. "Second Party Opinions" may fall into this category.
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