

Focus on renewable energy, phase-out of thermal coal

RBI is committed to promoting environmentally friendly technologies and will focus even more on renewable energy in the future. The strategic orientation's objective is to expand credit exposure primarily in the area of wind and solar technologies.

At the same time, the bank has imposed strict restrictions on itself in connection with the "exit from coal". In March 2021, the Management Board adopted a guideline according to which the RBI Group's carbon finance portfolio, i.e. the sum of loans relating to thermal coal and thermal coal trading, will be significantly reduced. In simplified terms, in the future no business will be done with companies that generate more than 25 per cent of their revenues from thermal coal mining. The same applies by analogy to energy and trading companies.

No new credit exposures will be entered into for existing such customers, and their outstanding balance must be repaid by 2030 at the latest. As of year-end 2020, the RBI Group's exposure for such customers amounted to approximately € 1.4 billion, which corresponds to around 0.65 per cent of the group-wide total exposure at that time. Furthermore, and with immediate effect, RBI undertakes not to provide any new financial services for new or existing thermal coal power plants or mines, nor to participate directly in (re-)financing for such companies. With this strategic decision, RBI is taking an important step on the way to achieving the EU's climate targets and is thus living up to its understanding as a responsible corporate citizen.

The strategic positioning regarding renewable energies follows the decision of the EU heads of state and government in December 2020, in which they agreed on a 55 per cent reduction of greenhouse gases by 2030 compared to 1990. Based on a comprehensive range of tailored financial products, RBI aims to increase the share of corporate loans extended from Vienna for ESG-compliant investments from around 10 per cent at year-end 2020 to around one-third by 2025. The benefits of sustainable financing for companies are obvious, including the expansion of financing sources and more favorable conditions in the short to medium term. RBI will make its contribution to decarbonization both through the development of sustainable products and by advising its customers on the transition to sustainable corporate governance and supporting them in green investments.

The renewable energy initiative is consistent with RBI's ESG program, which aims to achieve strong growth in the green and social finance segment in Austria and Central and Eastern Europe.

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