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FIT FOR THE FUTURE  
THROUGH  
SUSTAINABILITY

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RZB Group  
Sustainability Report 2014



# RZB Group Sustainability Report 2014

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# Foreword

## Dear readers,

Fit for the future through sustainability. This is the central message upon which this report is based. From our perspective, remaining successful in the future will depend on the consideration of related aspects in the areas of business, the environment, our employees and society in general. We therefore view sustainability as a guiding principle for our business activity. After all, we are shaping the future today.

Which topics are considered important by our stakeholders is of great interest to us for fully integrating sustainability into our business activities. We are also guided by this in our interactions with our customers, owners, employees, business partners and other stakeholders. As a confirmation of our commitment, we joined the UN Global Compact several years ago. In addition to respect for human rights and workers' rights, this also includes combating corruption and working to protect the environment.

As a banking group, we operate in a very challenging environment. One of our key duties is therefore to adapt to situations and act in a way that allows us to continue being successful in the future. With our sustainability strategy "We create sustainable value", we have established a consistent framework for the entire RZB Group. We engage in responsible business practices in order to generate sustainable value. In our view, this encompasses more than just the value creation process itself. Environmental and social responsibility are integral aspects as well. We do this entirely in the spirit of Friedrich Wilhelm Raiffeisen. He clearly demonstrated his belief in helping others to help themselves as well as in the principles of charity, community and solidarity. Now, as before, we recognize the importance of selfmanagement, the principles of identity and subsidiarity as well as sustainability and business ethics based on a spirit of solidarity.

In this report, we follow the new G4 guidelines of the international Global Reporting Initiative (GRI). These guidelines from GRI place even stricter reporting requirements than before on the integration of stakeholders and the focus on key sustainability aspects.

In our Sustainability Report 2014, you will learn how we have consistently implemented and improved upon our standards of sustainability and responsibility even in a difficult market environment. In the section on value creation, we also report on the economic performance and fiscal contribution of the RZB Group in Austria.

Important changes have been implemented at Raiffeisen Zentralbank Österreich AG (RZB AG). In the year

2013, the RZB restructuring program "ZukunftPLUS" (FuturePLUS) was launched with a focus on achieving better cooperation within the Raiffeisen Banking Group in Austria, defining clear processes, structures and decision paths and strengthening the core competences within the affiliated companies. "ZukunftPLUS" was brought to a successful completion at the end of 2014. We expect that the savings goal of € 25 million per year can be achieved even earlier than planned by the end of 2015/beginning of 2016.

At RZB AG, Michael Höllerer, previously General Secretary, was appointed to the Managing Board on July 1, 2015.

At the start of 2014, Raiffeisen Bank International AG (RBI AG) received a clear demonstration of trust from the capital market when it raised roughly € 2.72 billion in new capital. With this measure, we strengthened our capital base and were able to completely repay the state held and privately placed participation capital. RZB AG, whose results are heavily influenced by RBI AG as the largest strategic participation, has also clearly passed the stress test and the asset quality review of the European Central Bank. We have significantly exceeded the required capital ratios despite particularly strict scenarios for our home market of Central and Eastern Europe in comparison with other European regions.

For the first time in its history, the RBI Group was forced to report a negative result for 2014. The intensified geopolitical, economic and regulatory conditions prompted a decision to adapt the Group strategy at the start of 2015. The focus of this shift lies on the sale or redimensioning of the business of some subsidiary banks as well as the business activities in Asia by the end of 2017 and in the USA by the end of 2016, with the goal of significantly downsizing or eliminating altogether certain areas of the business. With the significant reduction of risk-weighted assets (total RWA) by the end of 2017, we want to achieve a hard core capital ratio (common equity tier 1 ratio, fully loaded) of twelve per cent, and we also intend to compensate for this through growth in other business fields. After completing these measures, the RBI Group will not only enjoy a better capital situation, it will also be more efficient, less complex and carry less risk. This puts us on the best path to become a more highly focused universal bank, which will secure our long-term profitability. We would also like to inform you of a change in the Managing Board of RBI AG. Aris Bogdaneris left RBI AG of his own accord on May 31, 2015. Andreas Gschwenter from Raiffeisen Bank Aval JSC in Ukraine was appointed as his successor on July 1, 2015. The introduction of the environmental and social



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management system (ESMS) in multiple RBI network banks in 2014 in accordance with the exclusion criteria and performance standards of the International Finance Corporation (IFC) marks a further improvement to our sustainability management. In addition, the Multilateral Investment Guarantee Agency (MIGA), a company of the World Bank Group, recently provided guarantees in the amount of € 457 million to the network banks in Albania, Belarus, Bosnia and Herzegovina as well as Kosovo and Serbia. By reducing the risk of our network banks, it is possible to maintain local lending, stimulate economic growth, improve the labor market situation and reduce poverty. The involvement of MIGA is based on the implementation of an environmental and social management system, assuming such a system is not already in place at the corresponding network banks.

We consider the adoption of the green bond principles of the International Capital Market Association (ICMA) by RBI AG to be another positive development of the past fiscal year. The principles comprise voluntary guidelines promoting transparency and disclosure arising from the rapidly growing market for green bonds.

The renewed inclusion in the VÖNIX sustainability index as well as our recent recognition by the Carbon Disclosure Project and inclusion in the Carbon Performance Leadership Index thanks to the reduction of our CO<sub>2</sub> emissions all serve to affirm our current course. We were also pleased that our Sustainability Report 2011/12 was recognized with the gold award in the category of "Sustainability and CSR Reports" at the international Econ Awards in October 2014 in Berlin. The RZB Group's sustainability update from last year was also recognized in the Austrian Sustainability Reporting Awards in the category "Large Companies" as one of the best sustainability reports by an Austrian company in the year 2013.

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



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We place a special focus on the inclusion of our employees in order to promote the topic of sustainability. Accordingly, we developed a special e-learning tool for new employees. The internal Raiffeisen blog on the topic of "Sustainability and Corporate Responsibility" has become well established. In addition, all employees were able to contribute their voice in a survey about their mobility habits in commuting and business travel, which included the entire RZB Group for the first time.

Even 130 years ago, when Raiffeisen was founded, the goal was not quick profits but promotion of its members. This set of Raiffeisen values remains the foundation on which our business is built. We have always understood ourselves as a customer bank, and we have never become disconnected from the real economy. Our business is based on honest and respectful interactions. This fair partnership is made possible through mutual appreciation and trust.

Especially when it comes to remaining fit for the future, continuous communication with our stakeholders is a very important factor. One example of this is the recent focus group on the topic of "RZB Group 2025: Sustainable Future Scenarios and Strategies". Thanks to strong participation, we were able to obtain numerous constructive recommendations. We invite you to remain in contact, and we thank you for the stimulating dialog we have enjoyed to date. We would like to sincerely thank the Sustainability Management team and all employees for their engagement in the area of sustainability. After all, the Raiffeisen motto holds true on our path towards a sustainable future: "Many can achieve what one alone cannot."

Dr. Karl Sevelda  
Chief Executive Officer  
Raiffeisen Bank International AG



INFORMATION  
ABOUT THE  
SUSTAINABILITY  
REPORT



# Overview

## About the report

In this Sustainability Report, we assess the economic, environmental and social impact of our business activities in 2014 and present our current activities in the area of sustainability. The goal of the report is to provide a comprehensive account of how the RZB Group has met its sustainability objectives during this reporting period and what it plans to implement and improve upon in the future with regards to sustainability. The report lays out the sustainability strategy together with corresponding management approaches and measures and describes specific sustainability activities that have been carried out during the reporting period. In addition, we present our sustainability program for the next reporting period. The current reporting period follows on seamlessly from the RZB Group Sustainability Report for 2011/2012 and the update for the year 2013.

The Sustainability Report is addressed to all stakeholders of the RZB Group, as shown in our stakeholder diagram (see page 28). Many stakeholders were involved in selecting the most important topics for this report. We refer you in particular to the section "Materiality Analysis and Stakeholder Inclusion" starting on page 23.

The Sustainability Management Department of the RZB Group is your point of contact concerning this report. Comments, ideas and suggestions for improvements can be sent to the following email address: [nachhaltigkeitsmanagement@rzb.at](mailto:nachhaltigkeitsmanagement@rzb.at)

### GRI G4

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

### Verification of the report's contents

The contents of this Sustainability Report have undergone external examination by Lloyd's Register Quality Assurance (LRQA) (see page 173 et seq.). LRQA has examined the accuracy, completeness, comparability, clarity and relevance of the environmental and social data in the Sustainability Report in accordance with the GRI G4 guidelines.

### Materiality and presentation of the information

This report contains information describing the specific effects of a bank on the economy, society and the environment. The contents of the update were selected using the principle of materiality. The materiality analysis forms the basis for the key topics. In addition, the internal and external sustainability requirements and expectations on the RZB Group are grouped into relevant fields of activity, analyzed in detail and summarized in a materiality analysis. The materiality analysis is based on an online survey carried out in 2013. It differs from the materiality matrix presented in the Sustainability Report 2011/2012 insofar as the 44 topical areas surveyed at that time have been consolidated into 19 key topics corresponding to the Group's fields of business. The materiality analysis is intended to ensure that the contents of the report cover all topics and indicators that could influence the appraisals and decisions of internal and external stakeholders. In order to assess the materiality of the various topics and determine the contents of the report, the following aspects were considered by the RZB Group:

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

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

## Report scope and data collection

We have expanded the scope of the report compared to the Sustainability Report 2011/2012 and the 2013 update. As in previous years, the report includes Raiffeisen Zentralbank Österreich AG (RZB AG), Raiffeisen Bank International AG (RBI AG) and the 15 network banks in Central and Eastern Europe (CEE). Newly added are the key participations of RZB AG in Austria for which the RZB AG's participation share was increased to 100 per cent as part of the group-wide "ZukunftPLUS" program. These are Raiffeisen Bausparkasse Gesellschaft m.b.H., Raiffeisen Kapitalanlage-Gesellschaft m.b.H. and Raiffeisen-Leasing GmbH. These companies are included together with RZB AG (as in the Annual Report of the RZB Group under the title of Raiffeisen Banking Group in Austria (RBG\*)). You can find more information on the structure of the entire RZB Group on page 10.

Compared with the Sustainability Report 2011/2012 as well as the 2013 update, the report has also been changed in that we are following GRI version G4 for the first time rather than version 3.0. This increases the number of reported indicators based on a representation of all material GRI aspects. We also make reference in this report to specific topics and sustainability initiatives that were important during this reporting period. For instance, we also report on selected sustainability initiatives of other participations of RZB AG that are nominally outside the scope of the report and over which RZB AG has a material and qualified influence, insofar as these are of strategic importance. Furthermore, these companies are members of our most important sustainability platform – the Raiffeisen Climate Protection Initiative.

### Economy

The information on economic circumstances contained in this report is primarily based on the information in the 2014 Annual Reports of the RZB Group and the RBI Group. The information and data contained therein, from which parts were taken for this report, have been examined by external auditors. Further information can be found in the relevant annual financial reports.

### Ecology

As in the previous year, quantitative data relating to the inhouse ecology has been largely collected with the software "mona" ("Monitoring Sustainability"). Additional data published in the report was gathered by means of standardized questionnaires and discussions with individuals.

### Employees

Employee data is gathered using the Cognos software, which is standardized across the RBI Group. Where this data is also contained in the "mona" software, which is used throughout the RZB Group, it has been imported via an interface. Those companies that are not part of the RBI Group enter their data directly into the "mona" software. Additional data published in the report was gathered by means of standardized questionnaires and discussions with individuals.

## Comparability of the information

The comparability of the 2014 report with the 2011/2012 report and the 2013 update is limited since GRI version G4 is being followed now for the first time in place of version 3.0. As a result, additional indicators not included in the previous years are reported on here in order to cover all material aspects, and some employee figures are broken down by gender for the first time. In addition, three participations of RZB AG that are part of the Raiffeisen Banking Group in Austria have been included in the figures for the first time. The tables should enable a comparison with the figures and companies contained in the previous report and now cover a period of four years for the first time. It should be noted here that, in contrast to the 2013 update, the figures included here under

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\* This designation is used in the tables of figures.

inhouse ecology no longer cover the parcel service and transport of goods since these are not yet available for all companies.

## Wording

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

## Exclusion of liability

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

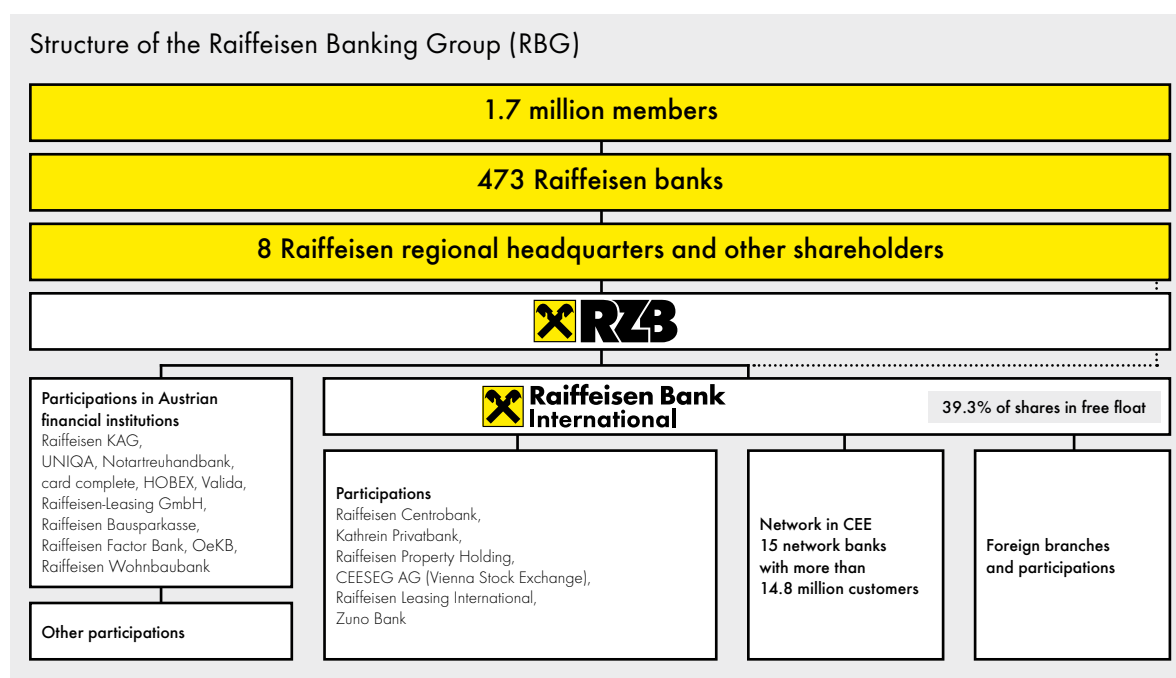
# Interesting facts about the RZB Group

## Ownership relationships and structure

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

The organically grown structure of the RBG consists of 473 independently responsible Raiffeisen banks with 1,587 bank branches that form the foundation of the entire Group. These Raiffeisen banks are universal banks that offer all banking services and are also the owners of the eight Raiffeisen regional headquarters. The regional headquarters are in turn shareholders of RZB AG and control the further development of the RBG.

One key success factor for the good development of the RBG was the creation of various special institutes, such as Raiffeisen Bausparkasse Gesellschaft m.b.H., Raiffeisen Kapitalanlage-Gesellschaft m.b.H. and Raiffeisen-Leasing GmbH. These institutes make it possible for the local Raiffeisen banks to offer their customers all desired and required financial products. The Raiffeisen brand is by far the strongest banking brand in Austria, and the RBG is Austria's largest and strongest banking group.



RZB AG has one of the largest banking networks in CEE through its listed subsidiary RBI AG. RBI AG shares have been listed on the Vienna Stock Exchange since April 25, 2005 – until October 12, 2010, they were listed as shares of Raiffeisen International AG. RZB AG holds roughly 60.7 per cent. The remaining 39.3 per cent is in free float. The shares of RBI AG are represented in some of the most important national and international indices, such as the ATX and the EURO STOXX Banks. It is also one of only 22 companies listed on the Vienna Stock Exchange's first sustainability index, the VÖNIX.

## About RZB AG

RZB AG performs important controlling and service functions to ensure efficient cooperation within a decentralized cooperative banking association.

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

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

In this role, RZB AG coordinates the restructuring the "ZukunftPLUS" program for optimizing the Austria-wide collaboration within the RBG. This program, which pursued the goal of optimizing processes, structures and decision paths, was completed successfully at the end of 2014 and included, in addition to RZB AG, the affiliated companies Raiffeisen Bausparkasse Gesellschaft m.b.H., Raiffeisen e-force GmbH, Raiffeisen Factor Bank AG, Raiffeisen Kapitalanlage-Gesellschaft m.b.H., Raiffeisen-Leasing GmbH, Raiffeisen Versicherung AG, Raiffeisen Wohnbaubank Aktiengesellschaft and Valida Holding AG. The resulting synergies not only improve long-term value creation within the RBG, they have also boosted the level of collaboration.

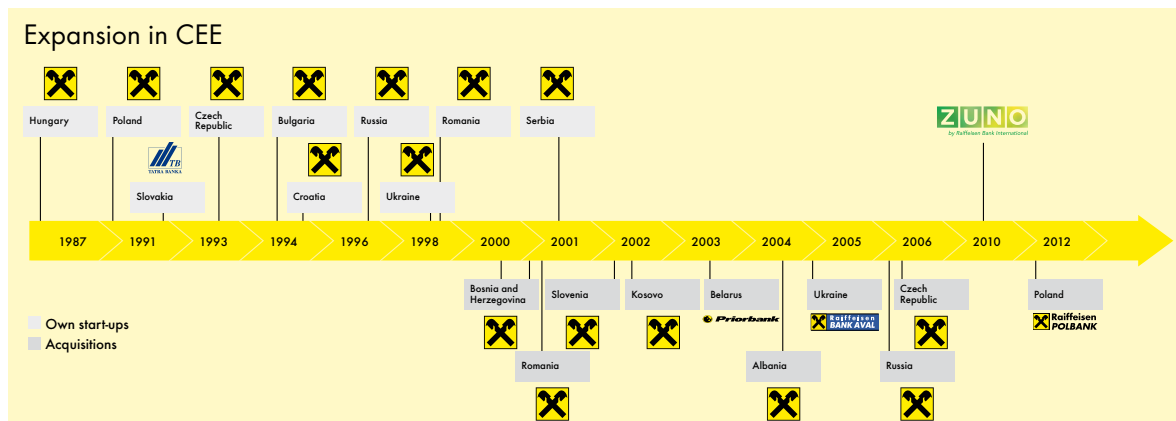
Another of RZB AG's responsibilities is managing the sustainability agendas for the entire Group. Based on the principles and values of the Raiffeisen concept, the RZB Group is committed to sustainable business management and to the social responsibility associated with this.

## About the RBI Group

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

As a universal bank, the companies of the RBI Group number among the top 5 banking institutions in many countries of the region. This role is supported by the Raiffeisen brand, one of the best-known brands in the region. As a fully integrated corporate and retail banking group, the RBI Group is very well positioned in the CEE region.

In Austria, RBI AG is one of the country's leading commercial and investment banks. It serves mainly Austrian customers but also international customers and large multinational companies, particularly those that are active in the CEE region. In total, the RBI Group employed around 55,000 people at the close of 2014. These employees looked after 14.8 million customers in more than 2,900 business outlets, the majority of them in the CEE region.



The challenges faced within the business environment require continuous adaptation of the business model and flexibility within the organization. Strict group-wide capital management is a key success factor here. Against this background, the Group passed a packet of measures focused on structural changes to strengthen the capital base and reduce risk. (See also the section "Responsible Banker", starting on page 49.)

## The fundamental values of the RZB Group

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

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

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

### RZB Group principles

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

#### **A future always needs a past: Sustainability in the spirit of the founder**

As one of the first responsible bankers, Friedrich Wilhelm Raiffeisen showed that a sustainably managed circulation of money can create value and be meaningful for everyone involved. Socially aware and responsible attitudes and actions formed the basis of this strategy. Social solidarity, self-help and sustainability have always been the guiding principles for doing business at Raiffeisen.

The Raiffeisen values are the pillars of the business model of “helping people to help themselves” and also form a key aspect of our self-image, specifically our belief that we are stronger together. The principle of community-based self-help is what has made cooperatives so successful on a long-term basis. Raiffeisen embodies local connectedness and international strength. The common goal is lasting economic improvement. Fast results do not always serve this goal. Community-based self-help is the basis for successful and sustainable business activities particularly in difficult economic times, making it a perfect answer to crises. In unity lies strength. What an individual cannot achieve on his own becomes possible when many like-minded individuals work together.



The Gable Cross is part of the trademark of almost all companies of the RZB Group, in Austria and abroad. It represents two stylized horse heads crossed together on the roof gable of a house – an ancient European symbol of protection. The Gable Cross was chosen as a trademark while Friedrich Wilhelm Raiffeisen was still alive and symbolizes the security enjoyed by members of the Raiffeisen banks through their self-determined cooperation. The Gable Cross is one of Austria’s best known brands and is used throughout the world.

### **We are here to create lasting value**

We feel responsible toward regions and people. The RZB Group is a strong and consistent business group, with a stable ownership structure and a development strategy that is geared towards the long term. With the principle of “We are here to create lasting value”, we want to express the sustainability inherent in our business practices. Because security, stability and being fit for the future are important to us, we pursue only long-term strategies at all levels and give priority to sustainability over an unconditional maximization of profits.

In terms of employment and economic markets, this means that our top priority is to establish lasting roots in a region and a lasting relationship with the people that live and work there. Supporting a region, its businesses and its people is tremendously important to us. We endeavor to build up local expertise, use regionalism and decentralization to everyone’s advantage and create positive long-term prospects for us and our environment. We endeavor to improve the economic and social situation of regions and national economies and to produce positive long-term effects for these regions. By creating high-quality jobs, we can help keep qualified members of the workforce in the country and help prevent brain drain.

We succeed in delivering this impetus by means of many different approaches and measures. This is accomplished by making financial resources available for infrastructure projects and making fundamental investments. We also help actively shape our environment through donations, sponsorship and volunteering. We support long-term initiatives, projects and organizations such as the Red Cross and the “Wirtschaft für Integration” (“Business for Integration”) association in Austria. Through the “H. Stepic CEE Charity”, we support people in need in Central and Eastern Europe (CEE) who find themselves in social, financial or health-related difficulties. As a member of the United Nations Global Compact (UNGIC), we take a stand against corruption, human trafficking and money laundering.

For more details on the added value analysis of the RZB Group in Austria, see also the chapter “added value” starting on page 41.

### **We share a common goal with our customers: Success**

A bank can only be successful if its customers are successful. Our top priority is to safeguard the success of our customers in the knowledge that this also makes us stronger. As a banking group with a commercial and retail business, we contribute to the economic success and prosperity of our customers.

However, we have also internalized the realization that long-term success is only achieved when financial, environmental and social effects are in balance. If we want success, we also have to want sustainability. Sustainability is therefore rooted in our core business and is the foundation of our banking activities. We hold ourselves to the standard of being a responsible banker, a fair partner and an engaged citizen. Furthermore, we strive to do justice to this goal by endeavoring to consistently orient our business activities towards long-term

compatibility with the environment and society. The creation of a sustainability strategy as well as the establishment of a separate department for the ongoing development of sustainability work within the RZB Group ensures that these themes are carried steadily forward.

Our impressive base of 14.8 million customers in 2014 demonstrates that our efforts are appreciated. Our customers and staff have a right to comprehensive data protection, customer data confidentiality and access to secure products. Respecting the right to privacy is something that we take very seriously.

When advertising and marketing our products, we adhere to strict principles intended to protect our customers. We provide our customers with information in a clear and helpful manner, with the intention of minimizing any risks that may arise through the use of our products. The Internet, and the websites of RZB Group companies in particular, plays an important role in enabling open communication with the stakeholders.

### **The best become better with us: The RZB Group as a responsible employer**

A company's greatest potential is the commitment that employees invest in their work. And a bank's most important capital is its staff. For this reason, we want to employ the best and help them become even better!

We are committed to living by the principle of performance and to promoting team spirit. Accordingly, we offer our employees positions of responsibility, opportunities for further education (including in the field of sustainability), good career prospects and a respectful work environment. We also stand by our employees if they have personal or health problems or find themselves in difficulties not of their own making.

Alongside good opportunities for further education and training, we take care to encourage a motivational working environment. Moreover, team spirit and good social cooperation in the workplace improve employee satisfaction. We can only achieve our full potential as a team. As an employer, we are well known for both challenging and supporting our employees and helping them all realize their potential together.

### **A strong cultural mix: We embody diversity and equality of opportunity**

In recent years, we have become a group that can demonstrate cultural diversity and employees from a wide variety of nationalities. As the RZB Group, we are helping to realize a Central and Eastern European community in an economic sense. We are making the new Europe a reality. Decentralization, people-focused business activities at a local level and the principle of subsidiarity can only function if both sides respect and value the other's idiosyncrasies and way of life.

Equal opportunities go hand in hand with diversity. For us, real equality of opportunity in practice means making no distinction between people when it comes to pay or promotion prospects because of their origin or skin color, their gender, their religious affiliation or ethnicity, their ideology or any special needs they may have.

Prejudice and discrimination have no place in our organization. This is set out unequivocally in our Code of Conduct (CoC), which applies to every employee: We will not tolerate discrimination or harassment due to factors such as nationality, culture, religion, skin color, gender, sexual orientation, age or physical disability.

We need respect and curiosity for whatever is different and alien to us, and we need open eyes and ears if we want to become established as a company in other cultures and to operate successfully there.

### **Our values and principles implemented in established rules**

The RZB Group is one of the signatory companies of the UN Global Compact (UNGC) and is therefore committed to consistently complying with the ten UNGC principles of responsible business. These principles include the core areas of human rights, labor standards, environmental protection and combating corruption. The concomitant attitude of global responsibility is expected of all staff and managers as well as of partners and suppliers. In addition to the Sustainability Report, an annual Communication on Progress (COP) is published in accordance with the agreement to join the UNGC. Further information is available at: [www.unglobalcompact.org](http://www.unglobalcompact.org)



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

The Code of Conduct (CoC) for dealing with customers, business partners and employees, which is applicable across the Group, is a binding regulatory framework for all employees and, accordingly, is available on all web sites of the RZB Group in the respective national language. It is based on the fundamental Raiffeisen values and is oriented towards the specific requirements of everyday business at home and abroad. More information can be found in the section on "Compliance", starting on page 50, as well as at [www.rbinternational.com](http://www.rbinternational.com).

# Sustainable commitment, artistically realized



The artist at work, © Atelier 10

paintings and drawings are composed and that build precisely upon one another. Nehiba assembles them from the bottom up, varying the shape and size, density and color of the pieces and arranging them like layers of sediment. Very gradually they cease to be static and begin towering up in one place only to cascade down in another. Once the upper layers fall out of balance and start to meander, she ends the process.

The pieces are composed of circles, points and squares. Isolated images often arise: figures, cars or animals that can only barely be distinguished from within the labyrinth of pixels. Nehiba works with exceptional patience on small sheets as well as larger canvas formats up to 1.50 x 2.50 m. She prefers to use felt-tip pens, ballpoint pens and acrylic paints and markers.

## The artist Brigitte Nehiba



Brigitte Nehiba, © Atelier 10

As in the 2012 report, the RZB Group has once again sought to express its diverse involvement in societal, social and cultural interests through the graphic design of its sustainability report.

The idea of offering this publication as a platform for presenting the work of an artist led us this time to Brigitte Nehiba. We feel that her paintings and drawings reflect the very small steps necessary in the sustainability process. While they may appear somewhat laborious at first glance, they eventually coalesce into a stable whole.

Anyone studying the works of Brigitte Nehiba will be impressed by the countless small pieces of which her

Brigitte Nehiba was born in 1963 in Hainburg/Donau. She is self-taught as an artist and began to engage with artistic media in 2005 by attending a painting group at the Caritas activity center in Rannersdorf. Ten other people with disabilities are currently also active in this painting group.

Brigitte Nehiba works constantly, unfalteringly and self-confidently on her canvases. Her two-dimensional, ornamental style initially gives an indifferent or even overwrought impression. After a few moments of examination, however, the pieces assembled by Nehiba begin to interact vibrantly – a typical experience with Nehiba's creations.

## Atelier 10

Nehiba's compositions reveal a very unique signature, which is why she has also taken advantage of the artistic opportunities of Atelier 10 – a project of Caritas – since 2012. The atelier was planned and established with the goal of not only discussing the inclusion of persons with disabilities in the art world but also putting this into practice.

As part of the cultural offerings at the Brotfabrik Wien, a new hotspot for art and culture in Vienna's Favoriten district, Atelier 10 strives to bring the artistic abilities of social outsiders into the heart of society. The central focus

of this project lies on consistent support for the exceptional artistic potential of people with disabilities or mental illnesses.

In the industrial loft space of the former Ankerbrot bread factory, studio spaces as well as a presentation and sales gallery encompassing a total area of 1,000 m<sup>2</sup> are available to the atelier's 20 or so artists. The artists also have the opportunity to consult with art experts about their work, if they wish. In order to avoid manipulation of authentic processes, however, the consultants act with great restraint. The artists develop their own preferred techniques and subjects over the course of many years. This gives them the chance to achieve competence and autonomy through their work.

Many thanks to Florian Reese, the director of Atelier 10, for the professional and enjoyable collaboration.



SUSTAINABILITY  
STRATEGY,  
STAKEHOLDER  
INTEGRATION,  
MATERIALITY,  
COMMUNICATION  
AND AWARENESS-  
RAISING

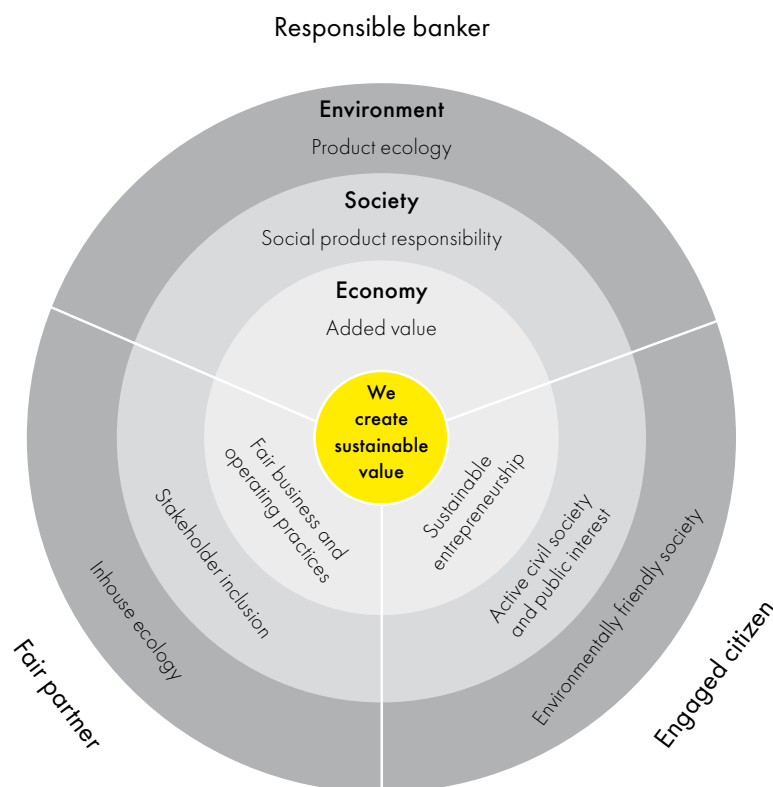
# Managing sustainability and corporate responsibility

## Sustainability concept and strategy

### Our understanding of sustainability

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

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



*Our approach as designers of a sustainable company and society*

In our sustainability guiding principles “We create sustainable value”, we have formulated how we approach sustainability strategically and how we wish to live up to this ambition within our business activities. Our sustainability guiding principles serves as a guide for all transactions, activities and services offered by the RZB Group or on its behalf. Our declared objective is to concentrate on those areas with significant potential for making a difference. This requires that we continuously improve the sustainability impact of our business activities and develop ways to measure and verify this impact. In this way, we hope to increase the long-term value of our Group while also actively contributing to the sustainable development of our society.

## Our sustainability strategy

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

The financial services sector itself has been confronted in recent years in particular 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. Alongside classic banking risks, the stability of the financial system and reputation risks, topics such as corruption, money-laundering and high risk sectors come into play here as well. This includes, for example, CO<sub>2</sub>-intensive fields such as oil, gas and energy (e.g. shale gas), nuclear energy, the arms industry (e.g. weapons and cluster munitions), agricultural production of raw materials and food (e.g. palm oil, food speculation, monoculture).

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

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

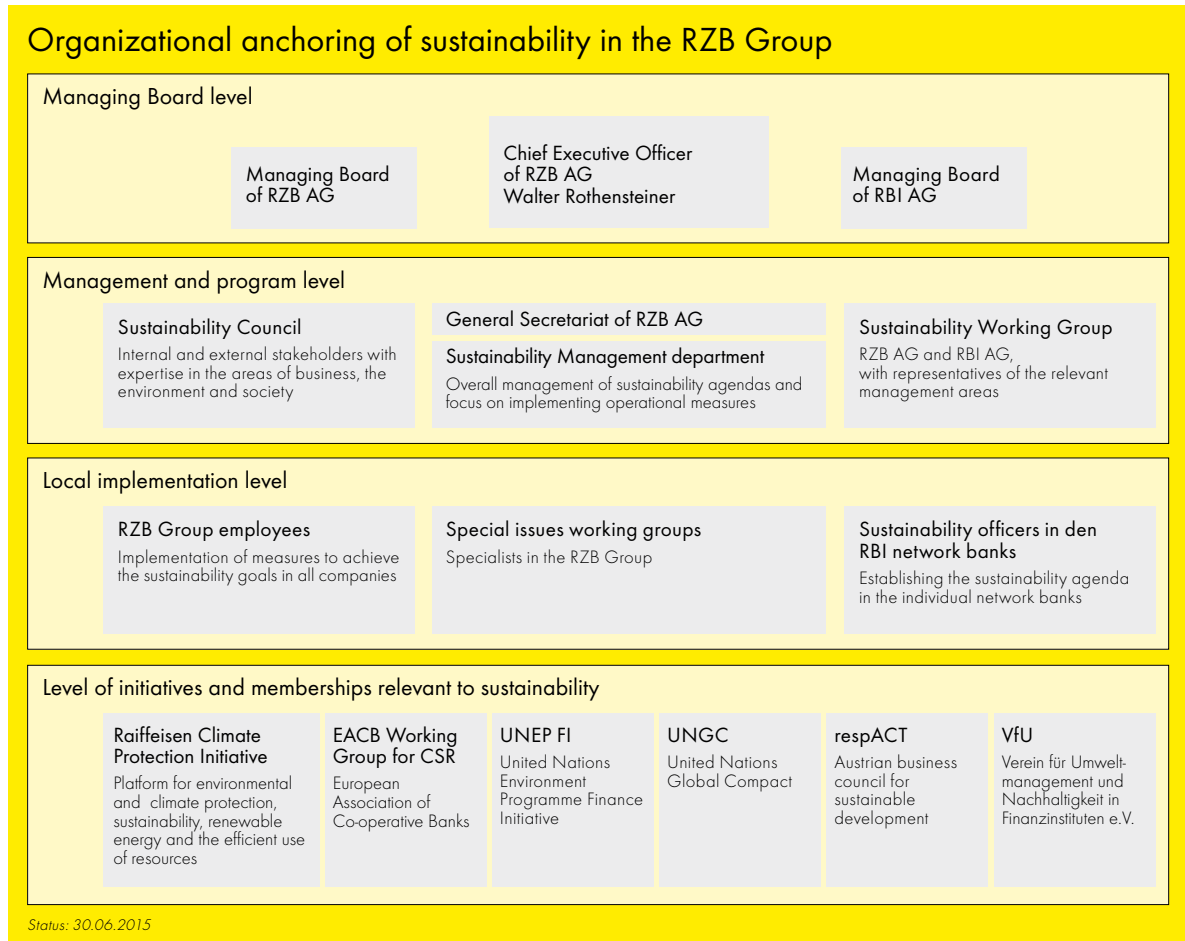
In order to live up to these requirements as well as to improve the effectiveness and the scope of our sustainability management across the entire RZB Group, we published the group-wide sustainability strategy “We create sustainable value” in 2013. This strategy consists of nine core action areas within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

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

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

## Sustainable management

Our sustainability management is organized as a continuous process of learning and improvement with the goal of systematically controlling and evaluating our sustainability strategy and our sustainability program. One important component involves aligning our management and organizational structures with these endeavors and defining corresponding responsibilities in all business areas concerned.



The group-wide management of the sustainability agendas and coordination of the operational implementation is assigned to the Sustainability Management Department of the RZB Group, which is supported by representatives of the specialized units and business fields as well as the sustainability officers at the network banks. The latter individuals function as an interface between the Sustainability Management team at the Vienna head office and the operational departments in the network banks.

The Sustainability Council of the RZB Group 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 evaluate their performance. It assists in defining important action areas and focal points (materiality approach), identifies targets and measures and makes recommendations on developing and implementing the annual sustainability program.



On December 31, 2014, the following internal and external persons were members of the Sustainability Council of the RZB Group:

- Walter Rothensteiner, Chief Executive and Chairman of the Managing Board of RZB AG
- Rudolf Bretschneider, Consultant at GfK Austria GmbH
- Klaus Buchleitner, Chairman of Raiffeisenlandesbank Niederösterreich-Wien
- Ralf Cymanek, Member of the Managing Board of Raiffeisen Bank Zrt. in Hungary
- Martin Essl, Chairman of the Supervisory Board of bauMax AG
- Franz Fischler, Chairman of the Raiffeisen Climate Protection Initiative
- Christian Friesl, Divisional Head of Social Policy in the Federation of Austrian Industry
- Sabine Haag, General Director of the Vienna Museum of Art History
- Michael Höllner, Chairman of the Board of RZB AG (as of July 1, 2015) – previously General Secretary of RZB AG (until July 1, 2015) and CFO of Raiffeisen Kapitalanlage-Gesellschaft m.b.H. (until June 16, 2015)
- Gregor Höppler, Head of the Managing Board Office of RBI AG
- Andreas Pangl, Managing Director of the Association of Raiffeisen Banks and General Secretary of the Austrian Raiffeisen Association
- Ernst Rosi, Senior Advisor to the Managing Board of RZB AG
- Georg Schöppl, Member of the Managing Board of Österreichische Bundesforste AG
- Johannes Schuster, Chairman of the Managing Board of RZB AG
- Karl Sevelda, CEO of RBI AG
- Alfred Strigl, Managing Director of plenum – gesellschaft für ganzheitlich nachhaltige entwicklung gmbh
- Andrea Weber, Head of Sustainability Management of the RZB Group and Managing Director of the Raiffeisen Climate Protection Initiative

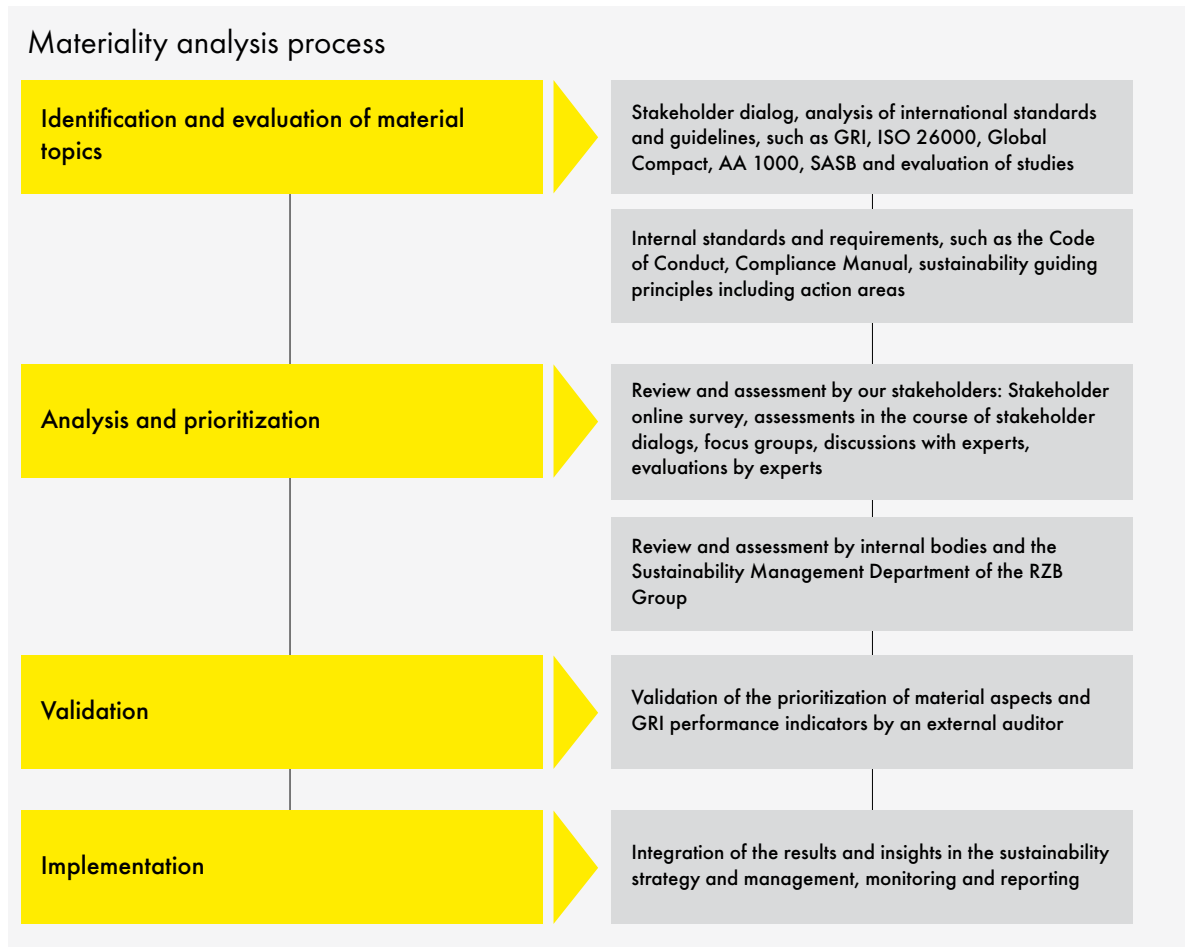
The ten principles of the UN Global Compact, which we joined several years ago, represent fundamental guidelines for our business activities. Our internal rules and regulations, such as our Code of Conduct (CoC), build upon this international reference framework as well as other international principles.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

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

## Materiality analysis

We pursue two approaches in the further development of our sustainability strategy and the definition of reporting content and focal points: On 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 material sustainability aspects.

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



## Identification of relevant topics

The material topics are selected with the assistance of internationally established lists of criteria and sustainability standards, such as the GRI, the United Nations Global Compact, SASB Sustainability Accounting Standards and ISO 26000. In addition, we consider feedback on the sustainability reports and evaluate dialogs with individual stakeholders, such as within the framework of the annual Stakeholder Council of the RZB Group and other communication forums. Two focus groups were also held in 2014: In the first of these focus groups, with the title of "RZB Group 2025: Sustainable future scenarios and strategies", medium- to long-term sustainability topics with relevance for the future were identified and discussed. The second focus group was dedicated to an impact and materiality evaluation based on the innovative method of the Socratic map. The goals of this focus group were to reveal business-relevant opportunities and risks in the context of sustainability and the future viability of the RZB Group, to shine a light on internal and external interdependencies and to derive areas in which action is required.

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

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

## Prioritization of the sustainability aspects and the materiality analysis

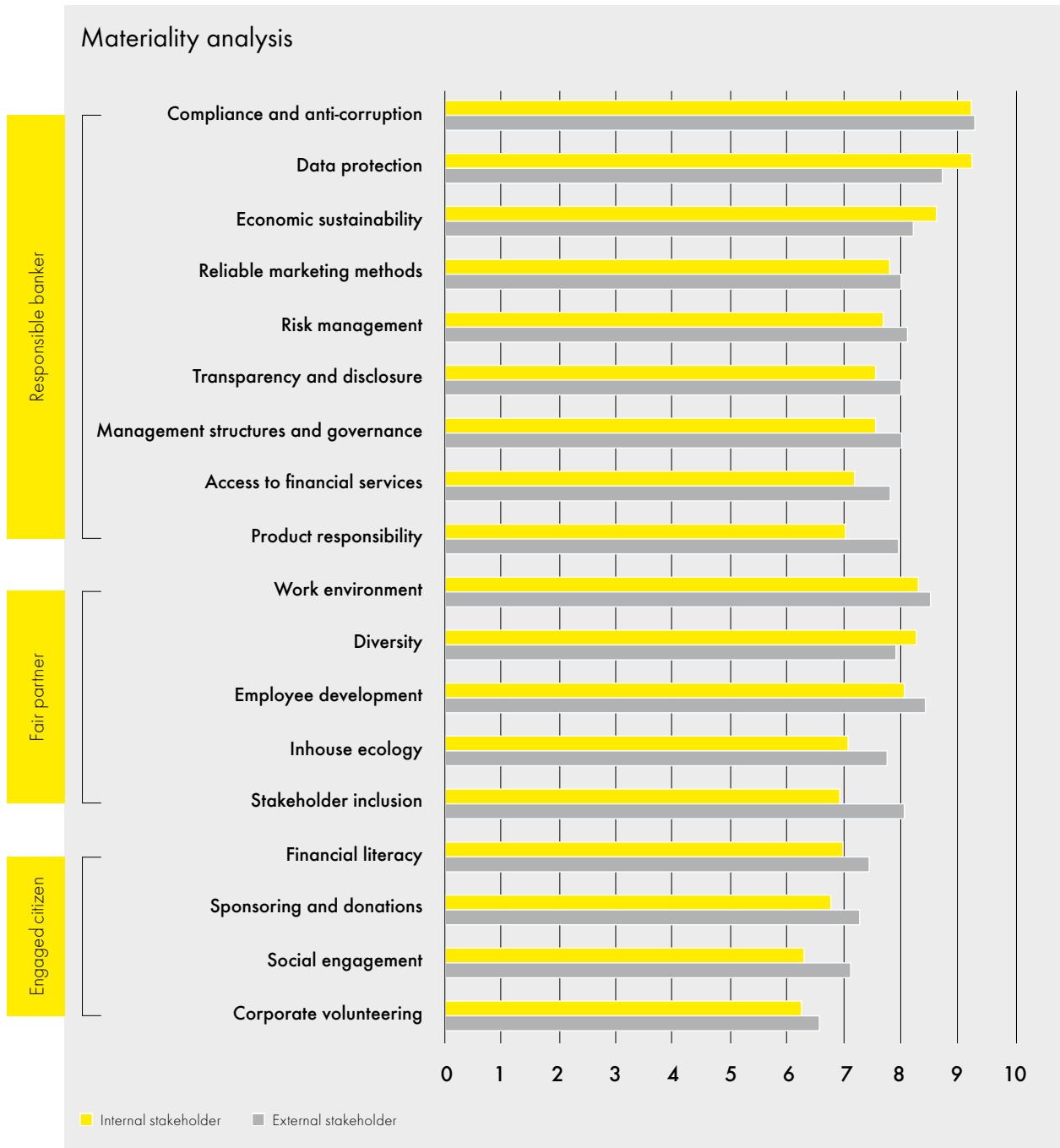
The prioritization of identified topics with regard to their materiality is based on a two-stage approach. At the Stakeholder Council 2012, we invited all internal and external participants to evaluate identified topics with regard to their level of materiality. In a second step in 2013, we also carried out a comprehensive online stakeholder survey for the prioritization of sustainability topics and evaluation of the perception of our sustainability performance. Internal and external stakeholders were asked about the relevance of pre-selected sustainability topics as well as the performance of the RZB Group in these areas. Participants were also allowed the opportunity to indicate any topics that were not covered.

Over 600 stakeholders were invited to participate in this online survey (a detailed description of the online survey can be found in the Sustainability Report 2011/2012). We then carried out a materiality analysis comparing the results of the online stakeholder survey with the results of a survey and discussion among the members of our sustainability committees. We published the results in the form of a materiality matrix for the first time in the Sustainability Report 2011/2012.

On the basis of our Stakeholder Council, selective evaluations of the materiality of sustainability aspects (which we carried out in 2014 by means of surveys completed primarily by internal stakeholders), personal conversations with stakeholders, sustainability experts and our sustainability officers in the RZB Group, we know that little has changed relative to the results of the 2013 online survey for the prioritization of material aspects. We have therefore decided not to undertake another comprehensive stakeholder survey for the purposes of this report. The next such survey will be held in 2015. Within the framework of this report, the material aspects and performance indicators were defined according to a procedure summarized as follows:

1. Evaluation of identified sustainability topics in the context of the Stakeholder Council 2012.
2. Performance and evaluation of a comprehensive online stakeholder survey in 2013, in which over 600 internal and external stakeholders from all stakeholder groups were invited to participate.
3. Performance of an internal online stakeholder survey in 2014 on material topics that are of special relevance for the further development and implementation of the sustainability efforts of the RZB Group.
4. Organization and evaluation of two focus groups:
  - The first focus group was dedicated to identifying and prioritizing medium- to long-term topics relevant to sustainability and future viability. The results were presented and discussed in the Stakeholder Council 2014.
  - Another focus group served to reveal the opportunities and risks relating to sustainability and the Group's business by means of the innovative and cooperative method of the Socratic map. The topics that have material impacts on the RZB Group from a social, environmental and economic perspective as well as their interrelations were discussed and evaluated. By demonstrating interrelated influences in the context of sustainable company development, it was possible to derive relevant action recommendations. The concrete result of the focus group was an internal discussion paper showing where the strengths and weaknesses of the RZB Group lie in terms of sustainable company development and identifying potential points of leverage for making improvements.
5. Holding of an internal workshop for representatives of Sustainability Management as well as external experts. The purpose of this workshop was:
  - Delineating all aspects classified as material with regard to their impacts inside and outside the organization
  - Checking all material aspects for completeness
  - Identifying implications of the materiality analysis for sustainability management and associated reporting
6. Validation of the material aspects in regard to GRI conformity by an external expert who has international experience as an auditor of sustainability reports by providers of financial services. This expert inspected the identified prioritization of aspects and performance indicators.

The results of the materiality analysis show what our sustainability management must be focused on. Accordingly, all topics prioritized as being material are covered under the nine core action areas of our sustainability strategy “We create sustainable value”.



The graph shows the sustainability aspects rated in our last survey in 2013 as they are thematically assigned to the core action areas of our sustainability strategy and ranked in descending order of stakeholder priority. In most cases, the sustainability aspects are considered to be of high or very high importance for our stakeholders and our company.

All aspects of the Global Reporting Initiative G4 (GRI G4) that were classified as material and that are covered in this report are listed in the following overview.

Material topics			
Areas of responsibility	Material topics	G4 material aspect	Scope of the aspects
Responsible banker	Compliance and anti-corruption	Compliance - society Compliance - product responsibility Anti-corruption Audit	Owners, employees, RBI investors, customers, supervisory authorities
	Data protection	Protection of customer data	Customers
	Economic sustainability	Economic performance Indirect economic impacts	Owners, network banks, employees, business partners, RBI investors, customers
	Reputable marketing methods	Anti-competitive behavior Marketing communications Labeling of products and services	Customers
	Risk management	Product portfolio	Owners, employees, RBI investors
	Transparency and disclosure	Public Policy	Employees, rating agencies, RBI investors
	Management structures and governance*	-	Owners, employees, rating agencies
	Access to financial services	Labeling of products and services Local communities	Customers
	Product responsibility	Active ownership Products and services Labeling of products and services	Customers
Fair partner	Work environment	Employment Freedom of association and collective bargaining Occupational safety and protection of health	Employees
	Diversity	Diversity and equal opportunity Equal remuneration for women and men Non-Discrimination	Employees
	Employee development	Training and development	Employees
	Inhouse ecology	Materials Energy Water Emissions Waste water and waste Transport	Civil society, NGOs and NPOs
	Stakeholder inclusion	Product portfolio	All stakeholder groups
Engaged citizen	Financial literacy	Labeling of products and services	Civil society
	Sponsorship and donations	Economic performance	Civil society, NGOs and NPOs, education and research
	Social engagement	Product portfolio	Civil society, NGOs and NPOs
	Corporate volunteering	Economic performance	Employees

\* This topic does not correspond to any aspect of the GRI G4 directive, but is nevertheless of material importance for the RZB Group.

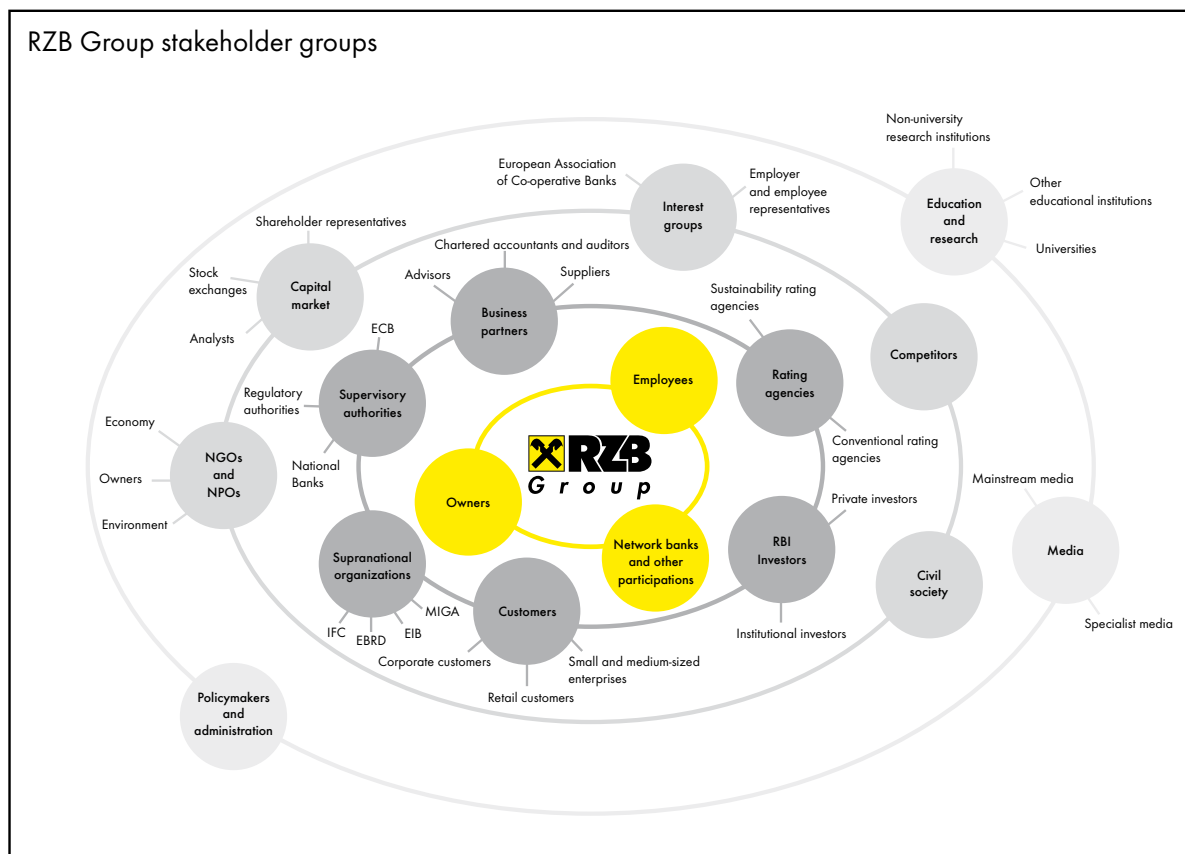
## Stakeholder inclusion

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

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

## Our stakeholders

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



## Dialog and information

For the inclusion of our stakeholders, we engage in many forms of dialog including the Internet, print media, workshops and interactive events, surveys, conversations with experts, trainings and participation in local, national and international discussions on sustainability and sustainability initiatives.

The materiality analysis is also an important tool for our annually held Stakeholder Council. This allows us to more directly select those topics that we will discuss in greater depth with our stakeholders.

Selected forms of dialog engaged in by the RZB Group			
Forms of inclusion	Information sharing	Dialog and consultation	Participation
<b>Objectives</b>	<b>Creating transparency, sharing information</b>	<b>Open exchange and dialog on perspectives, expectations and possibilities for solutions: Listening and learning</b>	<b>Active participation, cooperation, setting out initiatives, implementing projects</b>
	Sustainability report according to the GRI standard	Stakeholder Council Focus groups	Active launching of sustainability initiatives (e.g. via RKI)
	UNGC report "Communication on Progress"	Surveys and opinion polls on sustainability topics (e.g. online survey)	Participation in national initiatives (e.g. respACT)
	Participation in the Carbon Disclosure Project	eLearning tool (internal sustainability training)	Participation in international initiatives (e.g. UNEP FI, UNGC, EACB, VfU)
	Sustainability information on the company website	Social media (Facebook RKI, internal Raiffeisen blog on sustainability and corporate responsibility)	Supporting projects (e.g. cooperation with universities and other educational institutions, such as student workshops with oikos Vienna)
	External and internal communication (e.g. regular articles in the employee magazine INSIDE) as well as public relations work	Ad hoc dialogs with policymakers and diverse specialized lectures (e.g. at universities)	Inclusion of external stakeholder groups in company-internal bodies (e.g. in the Sustainability Council)
	Participation in agency sustainability ratings (e.g. oekom research, Sustainalytics, VIGEO)	Organization of events (e.g. RKI networking events, ICEP conferences)	Regular meetings (e.g. Group meeting)
	Articles in specialized publications		

## Stakeholder Council

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

### Stakeholder Council 2014: Contents, results and participants



The Stakeholder Council of the RZB Group was held for the fifth time in Vienna on November 12, 2014. The participants were 65 people from various stakeholder groups (customers and business partners, employees and owners, the world of finance and rating agencies, education and research, interest groups, media, policymakers and administration, NGOs and NPOs) as well as representatives from the Managing Boards of RZB AG and RBI AG.

In the run-up to the Stakeholder Council 2014, a focus group with 20 internal and external experts was held for the first time on the topic of "RZB Group 2025: Sustainable Future Scenarios and Strategies". The results of

this focus group were presented and discussed in the Stakeholder Council. This measure taken was in answer to the wish for more inclusion of stakeholders throughout the year, which was expressed at the previous year's Stakeholder Council, as well as the wish for more in-depth handling of topics relating to sustainability and future viability. The questions addressed by the focus group in moderated workshops were: What topics must a banking group deal with in order to remain viable in the future? What opportunities and risks arise from this, and what recommendations can be derived for the RZB Group in order for it to do business sustainably and successfully up to the year 2025?

A summary of the insights and recommendations from the focus group was presented at the Stakeholder Council 2014 by Brigitte Jandl, Head of RBI Investment Finance. Suggestions were provided in relation to the following topical areas:



Presentation of the results of the focus group by Brigitte Jandl, © RZB AG, wdw

1. Recommendations based on opportunities and risks connected with the highly fluid and changing nature of the banking business and the associated image transformation:

- Improve the bank image through transparency
- Intensify personal contact with customers and focus more on customer needs
- Communicate regulatory requirements to the public

2. Recommendations based on new sales channels in the financing and financial services business:

- Evaluate the potential use of social media in sales
- Evaluate multi-channeling as an opportunity for financial competence
- Make greater use of opportunities arising from bank-internal data networking
- Evaluate alternative forms of financing (e.g. crowd financing) and support these, if appropriate

3. Recommendations based on the increased demand for sustainable banking products:

- Further improve awareness of sustainability issues in the RZB Group
- Further promote sustainability in the core business (e.g. by complying with sustainable lending criteria, transparent communication of existing standards as well as systematic identification of sustainable financing projects)
- Increase the share of sustainable assets and minimize potential reputation risks through increased application of uniform international sustainability standards

4. Recommendations based on the changed needs of people in working life:

- Promote employee appreciation as part of employee loyalty and motivation measures
- Promote meaningful work (e.g. make better use of the experience of older employees through "mentoring")



- Offer corporate volunteering projects
- Bank should make better use of the potential offered by higher education rates among women
- Improve career path offerings

Another new aspect of the event was a materiality and impact assessment concerning the effects and opportunities of a model sustainability management system in the RZB Group in the form of interactive real-time voting. The questions asked covered topics such as the relevance of a consistently followed sustainability strategy for the Group, future issues and the most important stakeholder groups in the implementation of the ambitious sustainability strategy.

The results of the assessment were as follows:

- Roughly 80 per cent of all stakeholder group representatives consider an established sustainability strategy and its implementation to remain relevant for the RZB Group in terms of being competitive and fit for the future.
- The greatest advantages for the RZB Group of a consistent sustainability management system integrated into the business strategy were listed as: improved image and reputation, risk reduction and increased attractiveness as an employer.
- Out of ten preselected topics, the stakeholder representatives identified the greatest challenges facing the RZB Group in the context of sustainable company development over the short to medium term as the following: digitalization, cost reduction as well as customer retention and loyalty.

Another point on the agenda of the Stakeholder Council was a podium discussion by high-level experts on the topic of "The future of the banking industry". Reinhard Friesenbichler (CEO of rfu Unternehmensberatung) moderated the discussion by Eveline Balogh (Director of Organization, Construction, Environment and Safety at Österreichische Kontrollbank), Peter Lennkh (Member of the RBI AG Managing Board responsible for Corporate Banking), Johannes Schuster (Member of the RZB AG Managing Board) and Leo Seiler (CEO of Seiler Asset Management GmbH).

Selected content of the discussion: In the trend of alternative providers posing increasing competition for banks, Eveline Balogh sees an opportunity to bring new momentum to banking processes. Johannes Schuster fears that Europe is increasingly becoming the "museum of the world" due to sluggish political processes, regulatory challenges and lack of innovation. He sees the only opportunity in a radical rethinking of current practices and the hope of a new generation of managers with courageous ideas. Leo Seiler sees an opportunity in the great shift toward individuality – mass banking is no longer in demand. Peter Lennkh stated that we are in a time of transformation; he sees the greatest risk in the increasing "dehumanization". In an environment in which everything is regulated and people are primarily considered a risk factor, he notes an decreasing willingness to take on personal responsibility. But this is exactly what is needed – on the part of both banks and customers.



Podium discussion (from left to right): Eveline Balogh (OeKB), Peter Lennkh (RBI AG), Reinhard Friesenbichler (rfu Unternehmensberatung), Johannes Schuster (RZB AG), Leo Seiler (Seiler Asset Management GmbH), © RZB AG, wdw

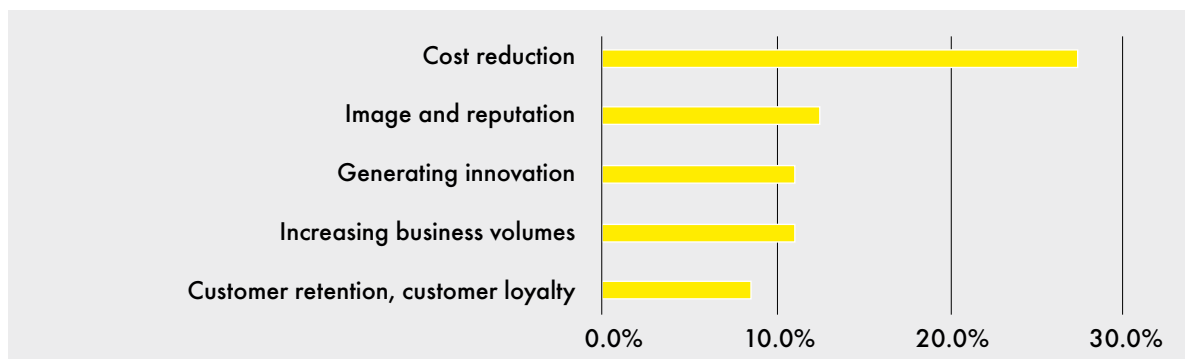
## Stakeholder survey

In order to reach as many stakeholder groups as possible, we regularly carry out a comprehensive stakeholder survey. Most recently in 2013, over 600 representative individuals from the areas of employees, owners, affiliated companies, customers and business partners, civil society, media representatives, sustainability experts, policymakers and government administration were invited to participate. With no limitations to specific groups, all interested parties were asked to assess the relevance of sustainability topics for our company.

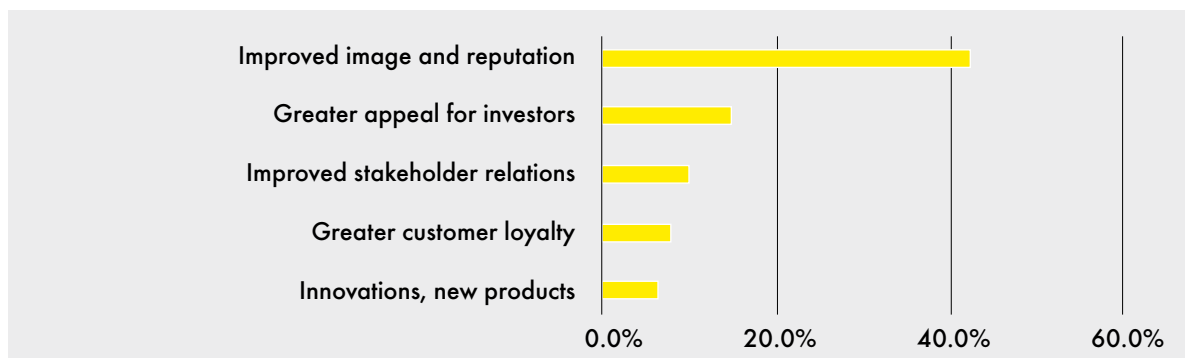
We will carry out the next comprehensive international stakeholder survey in 2015. In internal surveys and based on feedback discussions with selected stakeholder representatives, it was determined that no significant shifts in perspective have taken place with regard to the key topics in the time since the online survey in 2013. We therefore carried out a focused online survey of only internal stakeholders at the end of 2014. The target group for this survey consisted of 206 persons from the groups of RZB and RBI managers, sustainability officers and network bank CEOs.

In other words, we concentrated primarily on those internal stakeholders who act as decision-makers and opinion shapers and who work in the operational implementation of sustainability. With this survey, we wanted to evaluate and make transparent which significant topics the aforementioned stakeholders see as important in advancing the sustainability performance of the entire RBI Group over the short to medium term and how sustainability can best contribute to company development. Selected results of the survey were:

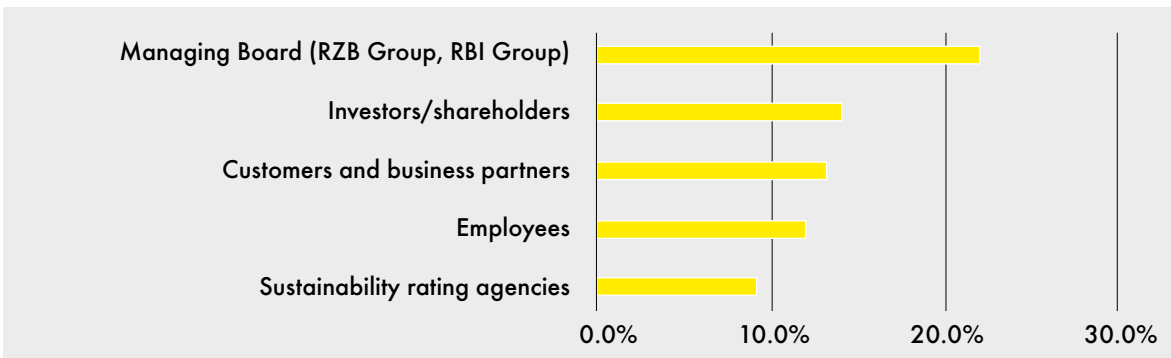
- The greatest challenges for sustainable and successful company development over the short to medium term (top 5 answers):



- Advantages of a consistently followed sustainability management system embedded in the core business (top 5 answers):



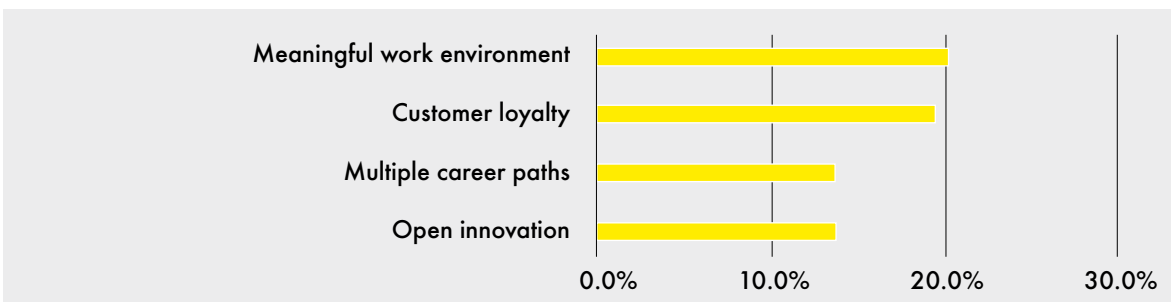
- Ranking of the stakeholder groups according to their impact on the sustainability agenda of the RZB Group (top 5 answers):



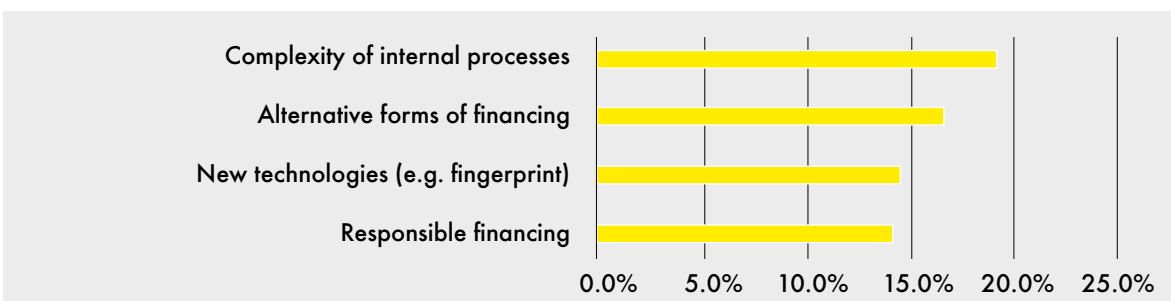
30 per cent of survey participants are of the opinion that the measures taken in the area of sustainability contribute to business success.

- Medium- to long-term orientation: Topics relevant to sustainability with the greatest impact on the RZB Group up to 2025 (top 4 answers):

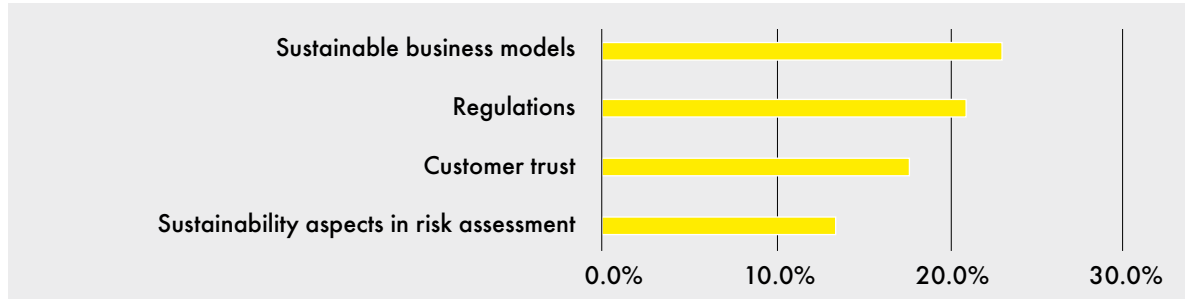
- ... with a focus on “people and their needs”:



- ... with a focus on “market trends, new business models and new technologies”:



- ... with a focus on “changes in general conditions, policy and governance”:



## Impacts on sustainability management

The results of our stakeholder surveys are reflected in our materiality analysis and are integrated into our sustainability management alongside the results from focus groups, discussions with experts and the annual Stakeholder Council. At the Stakeholder Council and within the context of our reporting, we share information about the progress we have achieved in our sustainability performance. Our objective is to transparently disclose the most important expectations and recommendations of the stakeholders as well as our responses and associated measures. Here as well, we focus primarily on those topics and aspects that have been identified as material by us and the stakeholder groups.

# Monitoring und controlling

A good sustainability management system is based on robust data and facts that make the performance of an organization transparent and comparable. The collection, aggregation and calculation of the relevant key figures becomes a time-consuming and error-prone process without the support of suitable software. For this reason, the RZB Group has decided to collaborate with research partners as a development partner in order to develop innovative software based on the GRI (Global Reporting Initiative) for the purpose of monitoring and reporting on sustainability in a practical manner and with scientific expertise. The development work was completed in 2013. The software “mona” has been used for data collection throughout the RZB Group since the Sustainability Report Update 2013.

“mona” is an abbreviation of the English word monitoring and the German word for sustainability. This application enables the simple and professional collection, aggregation, calculation and presentation of selected material sustainability indicators from the GRI guideline. In addition to environmental indicators, these include economic, social (employees, society) and sector-specific indicators in German and English. The tool serves as a basis for the Sustainability Report, enabling professional controlling and a detailed presentation of the environmental impacts.

With “mona”, the data of the RZB group can be entered in a structured fashion and in some cases collected automatically from upstream systems via interfaces. In addition to the high degree of user-friendliness, integrated information buttons and a clear manual simplify the high-quality collection of data. The work is made much easier thanks to a display of the degree of completion and the data quality.

The actual controlling – and thereby the sustainability management – begins in the analysis phase. Analyses can be individually configured, different periods and sites can be compared and footprint indicators can be calculated. Company sites are compared in terms of their economic, environmental and social performance. This enables “hot spots” to be identified, efficiency-enhancing measures to be put in place and goal achievement to be tracked.



In the year 2014, “mona” was updated for the new GRI version G4 in order to live up to all the associated requirements. We also have the ability to import data via an interface in order to optimize the efficiency and further improve the user-friendliness as well as the analysis possibilities. Preliminary work has begun to enable data collection and analysis for the Carbon Disclosure Project (CDP) as well.

# Communication and awareness-raising

## Blog on sustainability and corporate responsibility

It is important for the RZB Group to continuously improve staff awareness in the area of sustainability. Communication is a key element for raising awareness. In order to offer as many colleagues as possible the opportunity to participate actively in this, we have chosen the format of a blog. The internal Raiffeisen “Blog on sustainability and corporate responsibility” has been established since September 2013.

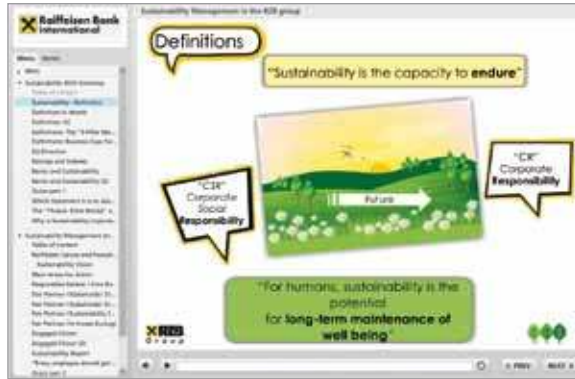
Since then, this platform has connected all interested parties within the RZB Group and at the various companies of the Raiffeisen Banking Group in Austria. It offers industry news, current studies and examples of best practices as well as news and event notices from the sustainability scene. The blog also provides information on current topics in our strategic spheres of activity: “Responsible banker”, “Fair partner” and “Engaged citizen”. Other focal points are “Values and Culture” and “Sustainability Management”. Authors include staff members in the

Sustainability Management Department, colleagues from regional headquarters and external experts. A cloud simplifies the location of individual topics. The blog is only available in German for now, but an English version for the network banks is planned for release in the medium term.



In the year 2014, the platform was updated to a new release and a more contemporary design. The voting for the RKI employee ideas competition “Sustainability Challenge 2014” (see page 36) also took place on the blog. Every month, a newsletter with the most recent articles is sent out to subscribers. Over 150 articles have already been posted.

## Online training for sustainability



Sustainability and corporate responsibility have traditionally played an important role in the RZB Group. We strive to include new employees in our activities from the very start and convey our strategy to them. In cooperation with the Human Resources Department, we began creation of an online training in sustainability topics in the RZB Group in 2014. It will provide general information on the topic of sustainability (such as the new EU directive 2013/34/EU on sharing of non-financial and diversity-related information by certain large companies and groups) as well as the "triple bottom line". Our sustainability strategy will also be described in detail, including presentation of our most important projects. The

training will allow participants to acquire basic knowledge of the subject and to understand what sustainability means for the RZB Group. The training should be mandatory for all new employees starting in summer of 2015 and will also include a required knowledge quiz. All other employees can complete the training on a voluntary basis.

## "Raiffeisen Sustainability Challenge 2014"

In order to involve employees in generating innovative, practical ideas relating to sustainability, the Climate Protection Initiative (RKI) started the "Raiffeisen Sustainability Challenge 2014" in September 2014. Ideas spanning the entire spectrum of sustainability topics were solicited. Three categories were available for submissions: Sustainable financial products & services, sustainable building, renovation & mobility and company-internal measures. In total, 174 project ideas were developed in 14 RKI member companies.

In a first step, the respective company-internal awards for the three best ideas in the individual RKI member organizations were given out. At RZB AG and RBI AG in the head office in Vienna, the winning proposals were "The Green Belt" and "Electronic Payroll Accounting".

The "European Green Belt" is a natural conservation initiative to protect border areas that have been left largely untouched. The idea of Harald Kreuzmair was to purchase areas for protection as ecological preserves. The submission is additionally relevant in consideration of the anniversary of the "fall of the Iron Curtain". This project idea was recognized with first place by the internal jury. Two employees, Astrid Strohbach and Ramin Mizani, independently submitted the idea of "Electronic Payroll Accounting", earning them the second place award. The electronic transmission of the pay slip to employees could in future not only save costs but also reduce resource use and CO<sub>2</sub> emissions.



Presentation of the prizes to the winners of RZB AG/RBI AG, © RBI AG, Reisenberger

In the next step, the 24 winning projects of the RKI member organizations were narrowed down to a shortlist of the ten best projects by an Austria-wide jury of external experts. From November 24 to December 5, 2014, Raiffeisen employees were able to cast their votes on the internal sustainability blog, and roughly 1,000 people took advantage of this opportunity. With 22 per cent of the votes, Leopold Figl from AGRANA was the clear winner with his project "Catch crop mixture". This project calls for the cultivation of a special catch crop mixture that is adapted to the sugar beet. This should loosen the soil, mobilize nutrients, reduce processing steps, activate the soil life and increase biodiversity in the field.

RKI also supported the nature conservation initiative “European Green Belt” as part of the idea competition by purchasing a 4,125 m<sup>2</sup> valley meadow in Bonisdorf at Raab nature park. The Nature Conservation Union is responsible for continuously tending to the meadow.

# Sustainability ratings, indices and awards

## Sustainability ratings and sustainability indices

In addition to financial indicators, sustainability criteria are increasingly involved in the investment decisions taken by investors. Analyses and ratings by agencies and index providers specializing in sustainability offer guidance and orientation.

### oekom research rating

oekom research evaluates a company’s social and ecological performance in the context of corporate ratings by applying over 100 industry-specific social and environmental criteria. oekom research ensures that the ratings are kept up to date through regular update cycles. In order to make the evaluations transparent, oekom research publishes not only criteria and processes but also important rating results. The sustainability rating of the RZB Group and the RBI Group was confirmed as “C-” for the year 2014.



### VÖNIX

RBI AG has been listed in the sustainability index of the Vienna Stock Exchange – the VBV-Österreichischer Nachhaltigkeitsindex (VÖNIX Index) – for several years. VÖNIX is calculated and published in real-time in euros on behalf of VINIS GmbH. The price index weighted by free float is comprised of those companies that are traded on the Vienna Stock Exchange and are leaders in terms of their social and environmental accomplishments.



## Awards

### Winning gold at the Econ Awards in Berlin

The RZB Group received a gold award on October 24 at the international Econ Awards 2014 in Berlin for its Sustainability Report 2011/2012 "We Create Sustainable Value" in the category Sustainability and CSR Reports. The Econ publishing house, part of Ullstein Buchverlage GmbH, has been giving awards in cooperation with the Handelsblatt newspaper since 2007 for outstanding performance in corporate communication in the German-speaking countries.

The annual Econ Awards search out the best work in the categories of Annual Reports, Sustainability and CSR Reports, Online Reporting, Image Publications, Digital Media (websites, social media activities, interactive apps), Film and Video, PR Activities, Magazines and contributions in integrated corporate communication and in the category of Printed Publications.



Receipt of the gold award by Andrea Weber, Head of Sustainability Management, RZB Group, © Econ Awards in Berlin

A jury of ten specialists in corporate communication discusses and evaluates the numerous submissions. The jury justified its decision primarily based on the highly detailed nature of the report and the special role of the stakeholders.

In this way, the jury came to the decision that "the Sustainability Report is a brilliant documentation of the program and measures of holistically-oriented engagement in the field of sustainability. New benchmarks are set here by the intensified involvement of the stakeholders achieved by the use of an extraordinarily broad range of dialog formats. Newly-developed approaches reflect great competence and the responsibility of the Group shown by its concern for sustainability. In addition, the artistic way that the networking and dialog with all interest groups is visualized is also worthy of praise."

### ASRA – Austrian Sustainability Reporting Award



Presentation of the ASRA award, © ASRA

The electronic update to the Sustainability Report for the reporting year 2013, which was published as a supplement to the Sustainability Report 2011/2012, won a prize at the Austrian Sustainability Reporting Awards (ASRA) in October 2014. In the category Large Corporations, the RZB Group again received an award for one of the best sustainability reports produced by Austrian corporations in 2013.

In Austria, the Austrian Chamber of Public Accountants presents this award together with the Institute of Austrian Certified Public Accountants and additional cooperation partners. This year, the journalistic style and the design of the reports were taken into account in the evaluation for the first time.



The jury was composed of thirteen leading experts. In its assessment of the RZB Group's 2013 Update, the jury emphasized once again the excellent stakeholder process for defining the sustainability strategy. It also viewed as positive the fact that the meaningful key performance indicators had improved in all areas.

## Carbon Disclosure Project



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


RBI AG was recognized for the second time in a row by the Carbon Disclosure Project (CDP) for its high level of CO<sub>2</sub> savings. Once per year, the non-profit organization collects data on CO<sub>2</sub> emissions in 60 countries and creates on this basis the Carbon Performance Leadership Index (CPLI), in which summaries are provided of the best-performing companies. Out of 350 companies in the region "Germany, Austria and Switzerland", RBI AG is one of 17 companies that was included once again in the CPLI. Since 2013, RBI AG been a member of CDP Reporter Services and has had its CDP-related data audited according to ISO 14064-3.

Precise knowledge of emission sources is essential for reducing them. This is why the CO<sub>2</sub> emissions<sup>1</sup> of RBI AG were assessed for the first time in 2009 by the

Sustainable European Research Institute (SERI), a leading Austrian institute in the area of sustainable development and updated in 2014 (see page 132 et seq.).

At 56 per cent, the area of "Energy" was the largest cause of CO<sub>2</sub>e emissions relating to RBI. This share has been reduced to 10 per cent by reducing electricity consumption, switching to green energy (excluding large hydropower) and increasing energy efficiency through the use of district cooling, among other measures. The paper-related CO<sub>2</sub>e emissions were also lowered by 93 per cent by reducing the paper consumption and switching to recycled paper. The category of "Transport" (business trips) now makes up the largest share of CO<sub>2</sub>e emissions.

<sup>1</sup> CO<sub>2</sub>e is the conversion of the hazard potential of the relevant climate-influencing gases into an equivalent quantity of CO<sub>2</sub>



ANALYSIS OF THE  
ADDED VALUE OF  
THE RZB GROUP  
IN AUSTRIA FOR  
THE YEAR 2013

# Added Value analysis of the RZB Group in Austria

The goal of this analysis is to quantify and make transparent the economic footprint left behind by the operations of the RZB Group in Austria in all its dimensions. Economic footprint refers here to the overall economic significance of the RZB Group. The purpose is to consider not only the economic contribution but also emanating effects. In other words, how much added value and employment are generated through the interrelating of intermediate inputs and income effects in other sectors within Austria. This chapter forms a part of a broad study of economic performance and the fiscal contribution of the Raiffeisen Banking Group (RBG) in Austria. For more information, you can find the entire added value report of RBG at [www.rzb.at/nachhaltigkeitsmanagement](http://www.rzb.at/nachhaltigkeitsmanagement).

The analysis was performed by the Economica Institute of Economic Research on behalf of the Sustainability Management Department of the RZB Group for the year 2013.

In order to calculate the economic effects, an input-output analysis was carried out based on the national input-output table of Statistics Austria. This is one of the most commonly used methods in empirical economic research, and the analysis was based on gross output value, gross added value and domestic and foreign intermediate inputs.

Firstly, the RZB Group's economic significance is investigated with regard to the direct, indirect and induced added value and employment contribution in the chapter "Regional economic performance of the RZB Group". In the chapter "Fiscal contribution of the RZB Group", the associated payments of taxes and fees are then determined as an absolute amount as well as relative to the total volume of taxes and charges in the respective categories.

## Regional economic performance of the RZB Group in Austria in 2013

The economic contribution of the RZB Group is quantified in this chapter with regard to the gross added value and employment generated. On the basis of a multi-regional input-output model, it is possible to differentiate between three different types of effects:

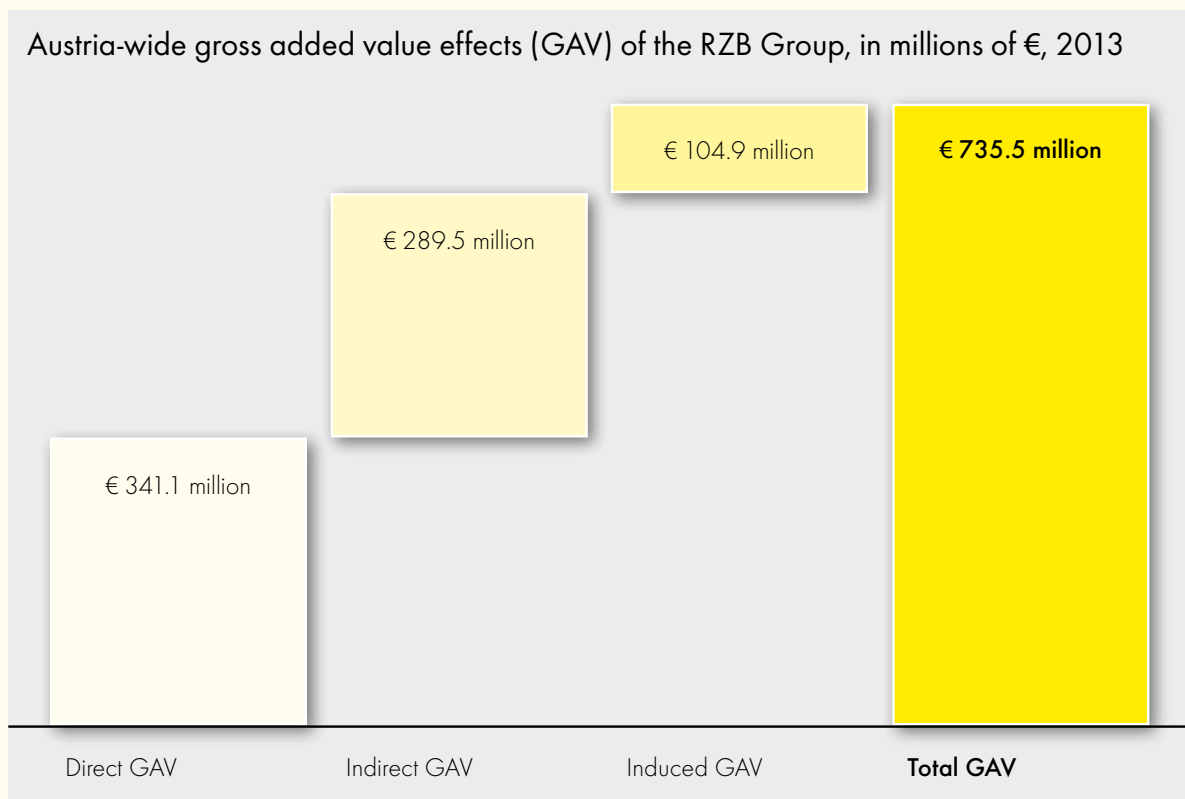
- Direct added value and employment effect: This encompasses the amount of gross added value and employment that is generated directly by the RZB Group.
- The indirect added value and employment derived from the subcontractor relationships (intermeshing intermediate inputs) along the entire added value chain: For example, a bank requires electricity, office supplies, cleaning, etc. This stimulates the final demand in the electricity industry, in trade and in company-related services. These companies in turn require intermediate inputs themselves, and so on.
- The induced impacts resulting from the use of income: The jobs created and secured by direct and indirect effects generate income that permit higher consumption of goods and services as compared to the situation without these jobs. This additional income is spent again by the employees (primarily for purposes of consumption). This stimulates aggregate demand, especially in retail.

In the year 2013, the RZB Group achieved turnover of € 5,884.0 million, of which € 433.1 million in Austria. With staff and material costs relevant to added value in Austria amounting to € 716.5 million, a direct value creation contribution of € 341.1 million and a total gross value added of € 735.5 million were generated throughout Austria. This means that for every euro earned by the RZB Group in Austria, another € 1.16 of added value are triggered. The contribution to the gross domestic product (GDP) amounts to a total of 0.23 per cent.

The **total gross value added of the RZB Group** of € 735.5 million is **twice as high as that of the water supply industry** in Austria.

**Every 439th euro earned in Austria can be attributed to the RZB Group** as a direct, indirect or induced effect.

The direct, indirect and induced triggered added value contribution of the RZB Group in Austria is therefore twice as high as the gross value added by the entire water supply industry in Austria or approx. four times the veterinary industry in Austria.



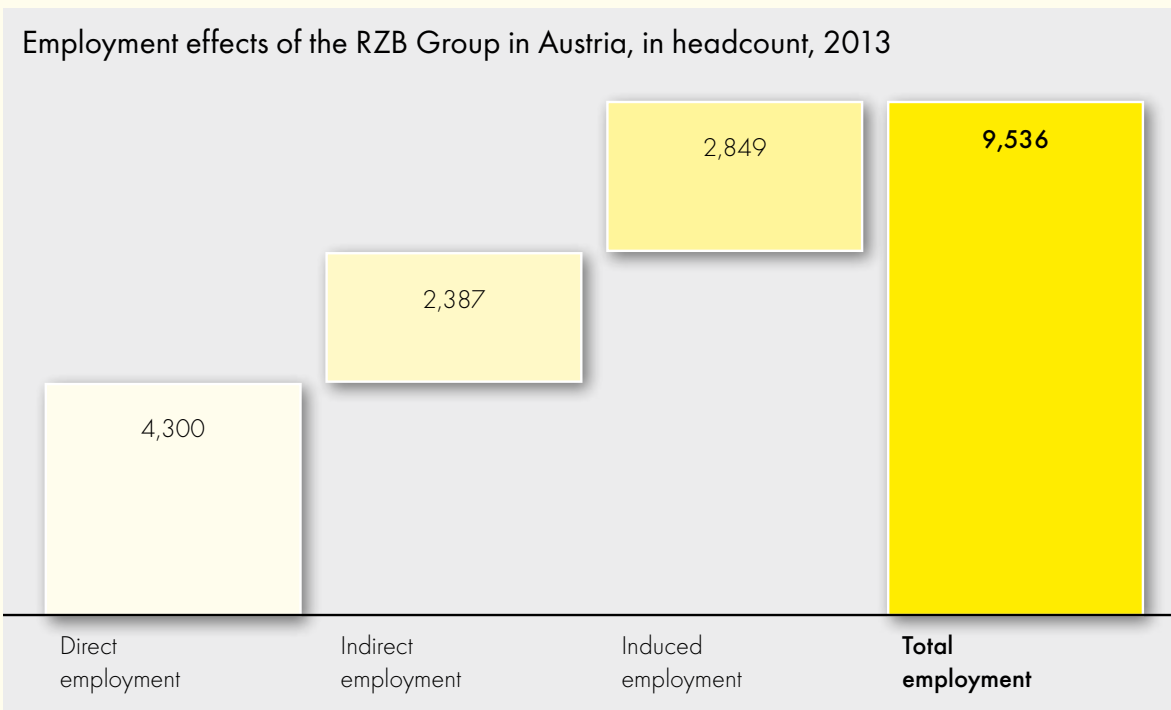
Source: RZB Group, *Economica*

The RZB Group's gross added value per employee amounts to € 87,454, which corresponds to the Austria-wide average of productivity in mechanical engineering. This exceeds, for example, the productivity of retail by more than two-and-a-half times and the productivity of lodging and catering by more than three times.

**Every 404th job in Austria can be attributed to the RZB Group** on a direct, indirect or induced basis.

4,300 people found employment in the RZB Group in 2013. Through the intermeshing of intermediate input operations in Austria as well as income effects, another 5,236 jobs (indirect and induced) were created or secured in Austria. The total effect of 9,536 employed persons corresponds to a share of 0.27 per cent of all persons employed in Austria<sup>1</sup>, or is approx. the number of people employed in beverage production in Austria. Or to put it another way: The RZB Group secures overall just as many jobs as there are residents in Groß-Enzersdorf (population: 9,613) or Mürzzuschlag (population: 9,619)<sup>2</sup>.

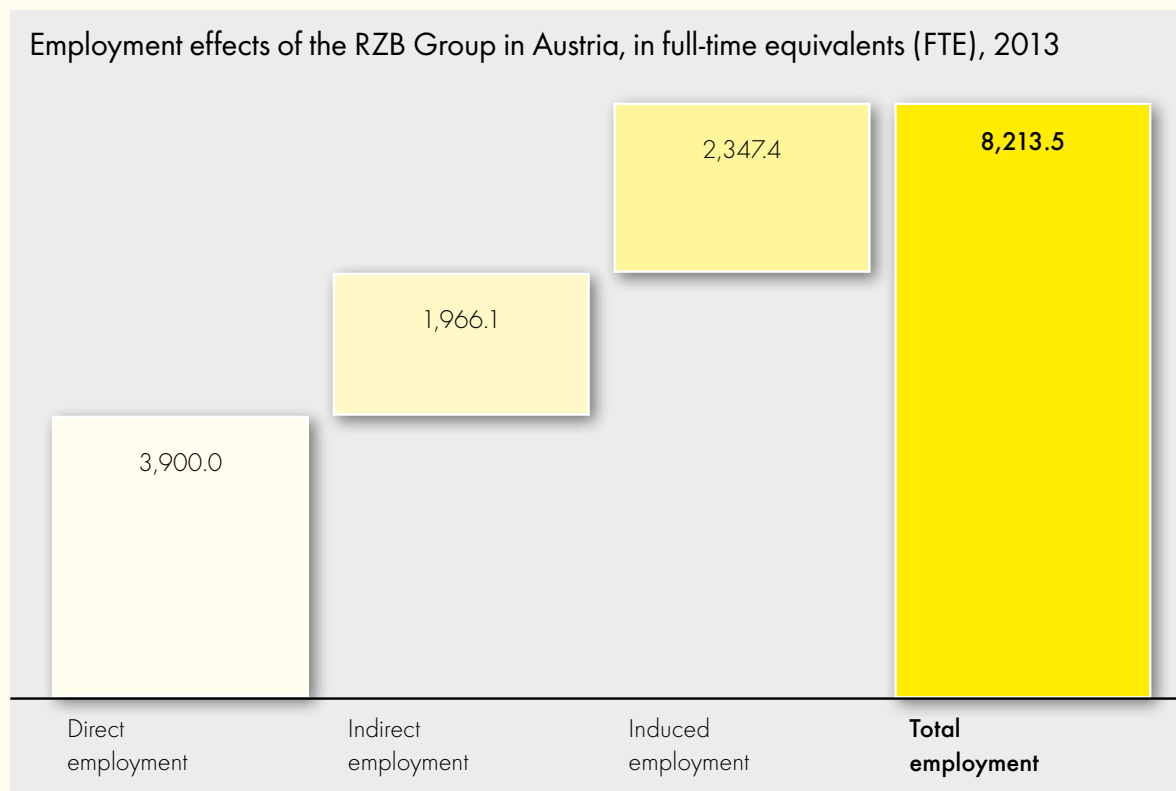
The **RZB Group secures in total a number of jobs equal to the population of Groß-Enzersdorf.**



Source: RZB Group, Statistics Austria, *Economica*

<sup>1</sup> On the basis of 3,483,021 employees in Austria (source: HVS, statistical data from social insurance - employees in Austria, annual average 2013).

<sup>2</sup> See Statistics Austria: Registration-based census 2011



Source: RZB Group, Statistics Austria, Economica

## Fiscal contribution of the RZB Group in Austria 2013

The **taxes and charges paid by the RZB Group** in Austria amount to nearly **€ 549 million**.

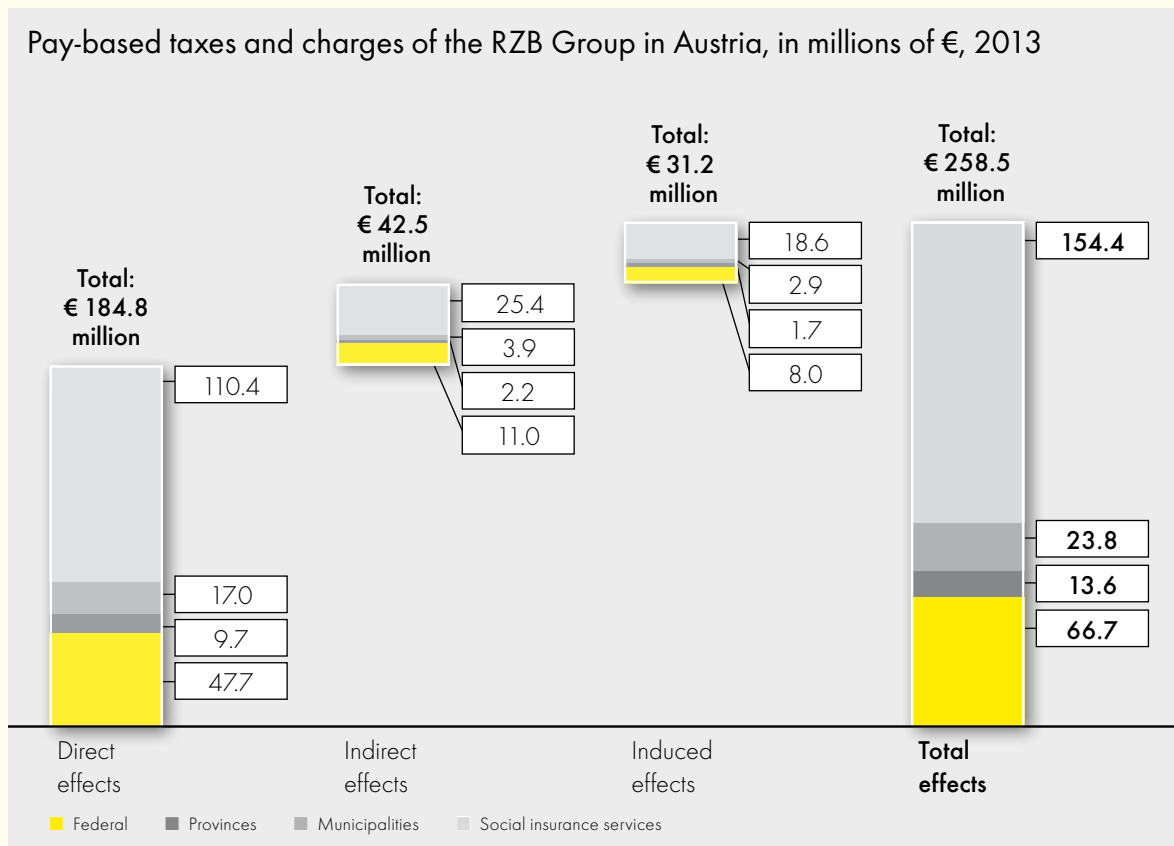
In the year 2013, the tax and charges volume of the RZB Group amounted to approx. € 548.82 million<sup>1</sup>. The fiscal contribution therefore corresponds approx. to the total of "Other taxes on services" (€ 454 million) and entertainment taxes (€ 104 million) and nearly reaches the level of the property tax B<sup>2</sup> (€ 623 million) in Austria.

The total Austria-wide fiscal effect of pay-based taxes and charges from the economic activities of the RZB Group was € 258.5 million in 2013. The majority of this consisted of the direct effects of taxes and charges amounting to € 184.8 million. There were also indirect effects in the amount of € 42.5 million and, finally, induced fiscal effects of € 31.2 million were indicated.

Broken down by administrative units, social insurance services profited the most from these pay-based taxes and charges at € 154.4 million. The federal government took in revenue amounting to € 66.7 million, while provincial governments received € 13.6 million and € 23.8 million went to municipalities.

<sup>1</sup> All representations of the fiscal contributions are based on the data provided by the RZB Group as well as on the result of the input-output analysis.

<sup>2</sup> Property tax B refers to the amount of property tax which is collected for properties not in use for agriculture or forestry.



Source: RZB Group, *Economica*

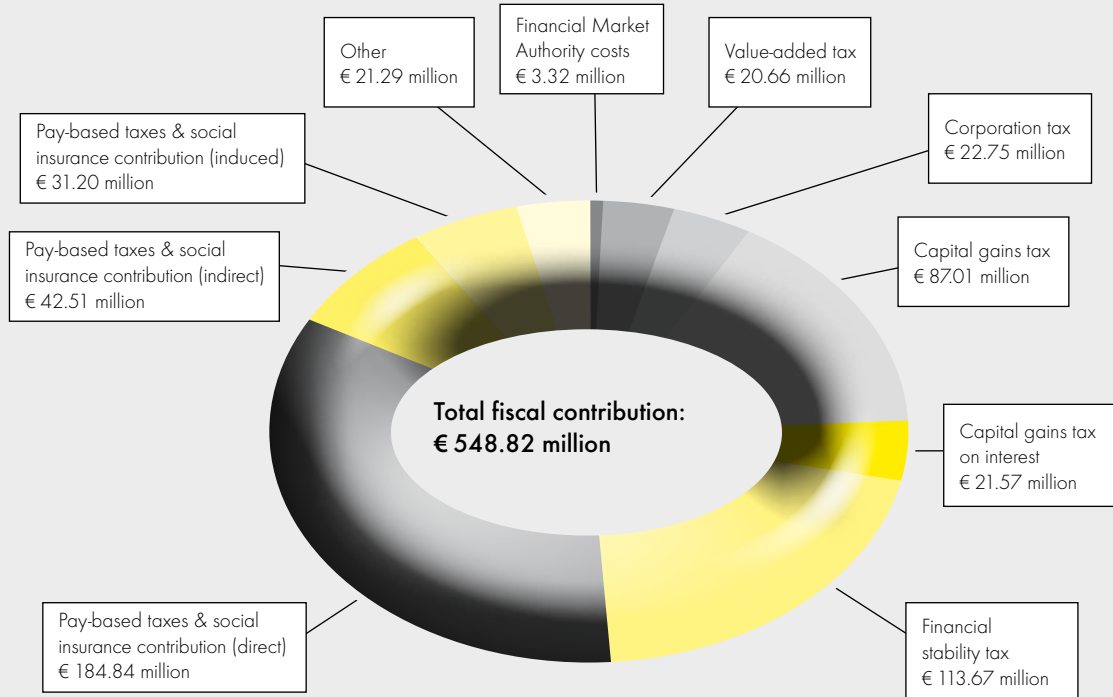
However, the fiscal contribution of the RZB Group goes far beyond pay-based taxes and charges, and this is described in more detail below. The RZB Group contributes to tax and charge revenues in two ways:

- Firstly, through the taxes and charges paid by the RZB Group itself.
- Secondly through the taxes and charges that the company withholds for third parties and pays to the state or the corresponding public institutions.

The following diagram shows a summary of the total annual financial contribution of the RZB Group to the Austrian government: in other words, all taxes and charges that can be attributed to the economic activities of the RZB Group on a direct, indirect and induced basis in the 2013 fiscal year. The total fiscal contribution of the RZB Group in the year 2013 therefore amounted to approx. € 548.82 million.

However, this value represents a lower limit of the actual incurred Volume since, for example, the company's income tax, which is integrated into the added value process of the Raiffeisen Banking Group, is not included.

### Fiscal contribution of the RZB Group in Austria, in millions of €, 2013

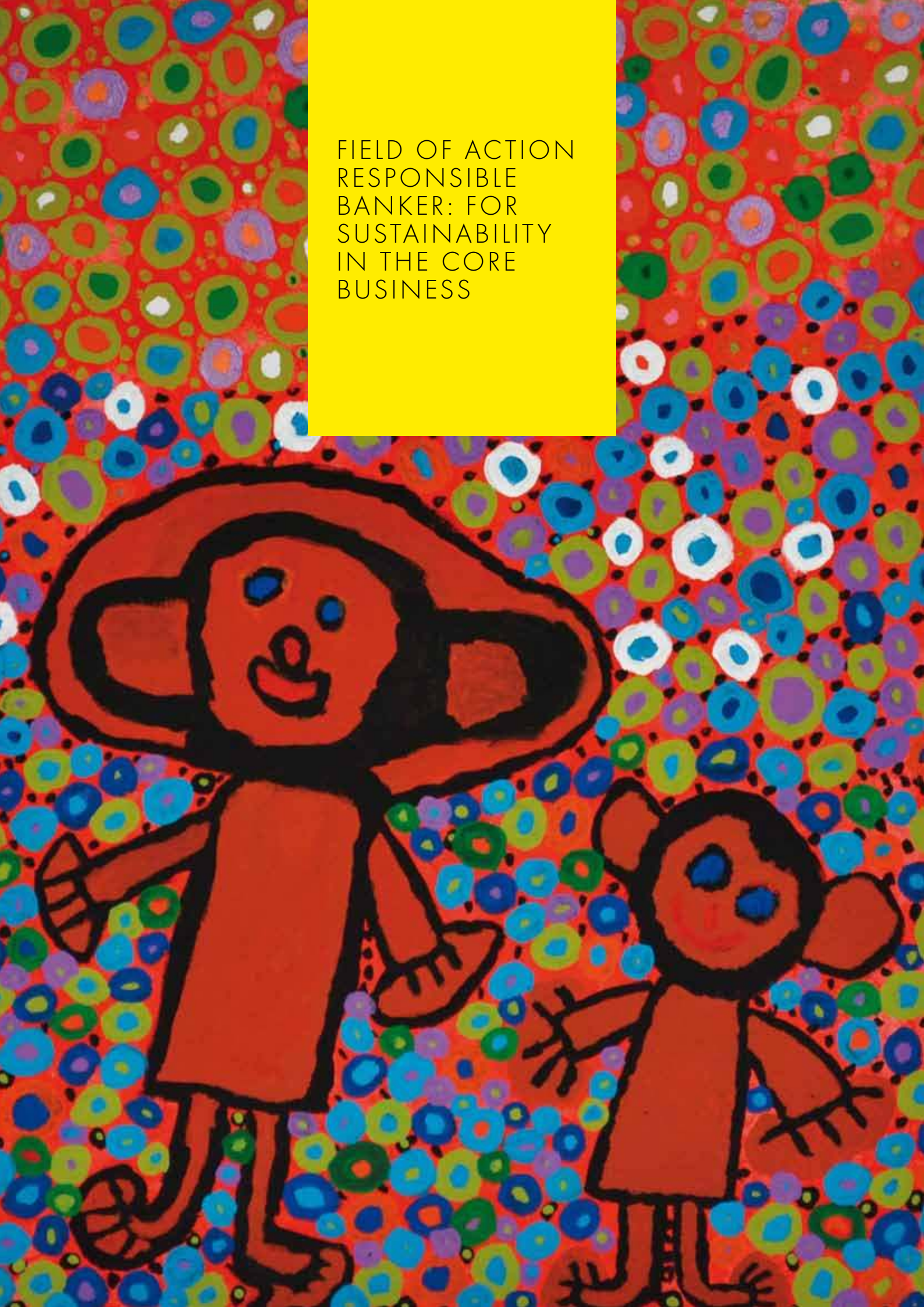


Source: RZB Group, *Economica*



Glossary	
<b>Employment in headcount and in full-time equivalents (FTE)</b>	If employment effects are reported in headcount, the figure indicates how many people are employed regardless of the scope of employment (full or part time). On the other hand, values given in full-time equivalents are calculated by relating all employees to a full-time employment level of 100 per cent.
<b>Gross added value (GAV)</b>	As an indicator used in national accounting, this is defined as the total value of the goods and services generated in the production process (gross output value) minus the value of the goods and services used, processed or converted in the production process (intermediate inputs). Put in other words, the gross added value measures the amount available for the remuneration of the production factors of labor (wages and salaries) and capital (profit, interest on debt and depreciation).
<b>Direct added value and employment effect</b>	This encompasses the value of gross added value or employment that is generated directly in the company under examination or in employment.
<b>Indirect added value or employment effect</b>	The indirect value creation or employment effect is derived from the subcontractor relationships (intermeshing intermediate inputs) along the entire added value chain (a bank needs electricity, office supplies, cleaning, etc.) This stimulates the aggregate demand in the electricity industry, in commerce and in company-related services. These companies in turn require intermediate inputs themselves, and so on.
<b>Induced added value or employment effect</b>	The jobs created or secured by the direct and indirect impacts generate income that permits higher consumption of goods and services compared to the situation without these jobs. This additional income is output again by the employees (primarily for purposes of consumption). This stimulates aggregate demand in the corresponding sectors (retail in particular).
<b>Capital gains tax (CGT)</b>	The CGT refers to the capital gains tax levied on the capital gains of the bank customers.
<b>CGT on interest</b>	The CGT on interest encompasses the payments for capital goods taxes on the interest earnings of the bank customers.
<b>Turnover</b>	Turnover refers to the operating income arising from the positions of net interest income, net fee and commission income, net trading income, the result of companies reported at equity on the balance sheet as well as other operating income.
<b>Value-added tax (VAT)</b>	The value-added tax indicates the net amount of withheld value-added tax minus input tax.
<b>Added value and employment multiplier</b>	The added value and employment multiplier indicates the factor by which the total impact exceeds the original direct impact. The higher the multiplier, the higher the national and regional economic "leverage". The multiplier is calculated as a quotient of the total gross added value impact and direct added value impact.

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



# Responsible banker

## Business strategy

The business strategy of the RZB Group is oriented around sustainability and a long-term perspective. Against a background of changing conditions, however, this strategy requires constant critical scrutiny and must be verified to ensure it remains valid. New conditions on the banking market make it necessary to adapt the strategy. Challenges in the business environment, such as banking-specific taxes, the continued subdued economic momentum, tighter supervisory requirements and geopolitical developments in Ukraine give rise to significant economic consequences. The RZB Group – just like the entire banking industry – is now experiencing the “new normal” of banking.

At RZB AG, the group structure of Austrian companies was extensively optimized within the framework of the “ZukunftPLUS” program. Current topics at RBI AG include the capitalization, the risk profile and the Group’s level of complexity. Some important measures, such as for the capital increase in 2014 and our efficiency improvement program “Fit for Future”, have already been achieved.

The next steps are the sale of our subsidiary banks in Poland and Slovenia as well as our direct bank ZUNO. We will also redimension or eliminate our presence in Asia and the USA. In Russia and Ukraine, we will be reducing our risk-weighted assets. In other markets, however, we plan to grow. From the current perspective, these markets are Austria, Slovakia, the Czech Republic, Romania and select Balkan states. At the Raiffeisen Bank in Hungary, we plan to adjust the business model and place a particular focus on the corporate business. Additional details can be found in the RZB and RBI annual reports.

One thing will remain unchanged, and that is our status as responsible entrepreneurs, which is also reflected in our products, services and processes. The core business is the most effective lever for sustainable development. The RZB Group therefore believes that the granting of loans and investment of funds represent both our primary responsibility and the most important fields of action for creating sustainable success. In all areas of business and products, the banking group strives to build long-term profitable business relationships while avoiding social and environmental risks and embracing opportunities to improve environmental protection and social standards. We consider our core competences to lie in our positioning as a focused universal banking group, our strong trustworthy brand, the provision of high-quality financial services to our customers and a strong local presence that keeps us close to our customers.

The RBI Group is a universal banking group with a focus on corporate and retail customers in Central and Eastern Europe (CEE) as well as exclusively corporate customers in Austria. The Group strives for long-term partnerships with its corporate customers that feature a relationship to the CEE region (including Austria). Other regions are served only selectively. The RBI Group currently serves over 14.7 million private customers in roughly 2,800 network bank branches.

A balanced portfolio is offered in the private customer business that includes lending (mortgages, credit cards and private loans), payment transaction services and high-value current account package services. Convenience and simplicity are key elements of the package services offered. The serving of institutional customers as well as the group-wide trading activities are bundled within the area of markets and investment banking. Institutional customers (in particular banks and insurance companies, national governments and public organizations) are supported by specialists in Vienna, the network banks and international financial centers (e.g. London).

## Classification of segments

The markets in Central and Eastern Europe are grouped into regional segments, in which countries with comparable economic profiles and similar long-term economic growth expectations are bundled into the same segments. Business activities outside of Central and Eastern Europe are divided according to business areas. The following seven segments are derived from this (valid up to the end of 2014):

- Central Europe (Poland, Slovakia, Slovenia, Czech Republic and Hungary)
- Southeastern Europe (Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Romania and Serbia)
- Russia
- CEE other (Belarus, Kazakhstan and Ukraine)
- Group Corporates (business with Austrian and international corporate customers of RBI AG, managed from Vienna, business with large customers in Central and Eastern Europe and multinational customers with relations in CEE, further corporate customers of the branches and finance companies in selected markets in Asia and the USA)
- Group Markets (capital market-related customer and proprietary trading of RBI AG, business with banks, institutional customers, states and municipalities, business of the Raiffeisen Centrobank and the Kathrein Privatbank)
- Corporate Center (primarily services provided by Group head office in various divisions which are central to the Group)

As of 2015, the segment reporting will be adapted on the basis of planned steps. Further information on this can be found in the RBI interim report for the 1st quarter of 2015 on page 17, and information on the previous segment reporting is available in the 2014 RBI Annual Report on page 99.

# Governance and compliance

The RZB Group places great value on responsible and transparent business management in order 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 12 et seq.) as does the Code of Conduct which is applied across the Group (see page 51). Long-term value creation is our primary strategic objective.

## Corporate governance

Responsible management and control of a company with a focus on a long-term increase in value can be summarized with the concept of corporate governance (CG). Trust-based, efficient cooperation between the various company bodies, protection of shareholder interests as well as open and transparent communication are central guidelines for RBI AG in the implementation of modern corporate governance. As a publicly listed company, RBI AG is committed to the principles of good and responsible company management as laid out in the Austrian Corporate Governance Codex (in the version from July 2012) and has pledged to comply with these principles. The compliance evaluation of the Corporate Governance Report according to § 243b of the Austrian Commercial Code (UGB) was carried out by the auditing and tax consulting company KPMG Austria GmbH. In their conclusive report, they noted no cause for objections. (The report is available to the public at [www.rbinternational.com](http://www.rbinternational.com) under Investor Relations/Corporate Governance/External Evaluation of the CG-Code.) With regard to the composition of the Managing Board and the Supervisory Board, including committees, please refer to the annual reports of the RBI Group and the RZB Group.

Openness and transparency in communication with shareholders and interested members of the public is of great importance to the RZB Group. Extensive information is therefore offered in the Internet, particularly about RBI AG:

- Ad hoc notifications, press releases, investor relations notifications
- Share data: Share price chart and share price information
- Analyst reports
- Ordering and email service: Written information and inclusion in the "Investor Relations News" mailing list can be requested.
- Financial reports: Interim and annual reports
- Financial calendar: Publication dates for reports, date of the annual general meeting and dividend payout
- Securities transactions by the Managing Board and Supervisory Board subject to mandatory reporting requirements

- Charter of Raiffeisen Bank International as a PDF for downloading
- Facts and figures: Shareholder structure, data overview

## Compliance

The business model of the RZB Group places people at its core. The Code of Conduct (CoC) for dealing with customers, business partners and employees, which is applicable across the Group, is a binding regulatory framework for all employees and, accordingly, is available on all websites of the RZB Group in the respective national language. It is based on the fundamental Raiffeisen values and is oriented towards the specific requirements of everyday business at home and abroad.

As an integral part of our corporate responsibility, it goes beyond the legal framework. The Code of Conduct provides the staff with clear orientation in their business, ethical and social actions. The CoC includes guidelines for the ethical behavior of all employees with regard to principles, workplace and employees (conflicts of interest, data protection, etc.), bribery and corruption (gifts and invitations, donations, etc.), dealing with customers and business partners ("know your customer", money laundering, etc.), market abuse (insider dealing, fair competition), accounting and finances (book-keeping and financial reporting, etc.) and sensitive fields of action (human rights, nuclear power, weapons, etc.). Further information is available at: [www.rzb.at/About us/Sustainability Management/Sustainability Report/CoC](http://www.rzb.at/About us/Sustainability Management/Sustainability Report/CoC).

Ultimate responsibility for the CoC lies with the Managing Board of RZB AG, whose chairman is also the highest authority on issues of sustainability. The Sustainability Management Department is also assigned to his executive area of responsibility. Operational responsibility for implementation of the CoC in all global units of the Group lies with the respectively competent management bodies. The division head of RZB AG responsible for compliance is tasked with coordinating the activities in connection with the CoC. The holder of this position is also responsible for all issues concerning compliance with legal requirements in addition to and as part of the internal control system. In addition, all members of management are responsible for ensuring compliance with the CoC in their own areas of responsibility. Third parties who are commissioned to work on behalf of or in the name of the RZB Group should also comply with the CoC. The group-wide CoC undergoes regular critical examination and is revised and adapted to improved standards as required. For instance, an update was released last year that also includes suppliers to a greater extent. All suppliers of the RZB Group must now abide by the CoC and its principles. These include compliance with laws, the ban on corruption and fraud, attention to employees' basic rights and environmental regulations.

Furthermore, the RZB Group is one of the signatory companies of the UN Global Compact (UNGC) and is therefore committed to consistently complying with the ten UNGC principles of responsible business. These principles include the core areas of human rights, labor standards, environmental protection and combating corruption. The concomitant attitude of global responsibility is expected of all staff and managers as well as of partners and suppliers. (See also page 15.)

The RZB Group has maintained an internal controlling system for years. The reporting procedures in the form of directives and instructions for strategically important topics is a central element and the basis for an effective internal control



Christoph Lehner, Head of Compliance, RZB AG

*"Compliance is mainly based on the many legally binding requirements, in particular those established by supervisory authorities. In practice and from the perspective of sustainability and reputation, however, such an approach motivated purely by the existence of laws falls too short. Today, the business activities of a bank must be tied much more closely to economic, environmental and social responsibility than was the case even a few years ago. In order to live up to this responsibility in our actions, we have created a group-wide Code of Conduct (CoC) for interactions with customers, business partners and employees. RZB Compliance has been and remains in charge of designing and formulating our CoC and works regularly on updates in order to reflect the changing environment. The topics of conflicts of interest, fraud, bribery, corruption, money laundering, financing of terrorism, "know your customer", market abuse and "sensitive business fields" (i.e. business involving specific sensitive areas such as weapons and nuclear energy) play a major role in the daily compliance work. These topics are of special significance when it comes to responsibly aligning the activities of the bank with the interests of people and the environment."*

QUOTE



system. These directives and instructions constitute our “company law”. They encompass the assignment of approval authority for Group and company directives as well as department- and division-specific instructions, process descriptions for the creation, quality inspection, approval, publication, implementation and monitoring of directives and instructions as well as regulations for their revision and repeal.

The management of the respective Group units is responsible for implementation of the Group procedures. In order to verify compliance, a process is followed every year in which 57 Group units must confirm that they are following the relevant Group directives. If this cannot be entirely confirmed for individual units, these units must create a roadmap of how the gaps will be closed. Monitoring of the compliance with these Group regulations takes place within the framework of audits by the Group and local auditing departments.

## Lobbying

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

At the EU level, RZB AG is registered in the transparency register of the European Commission and the EU Parliament. This involves observation of activities by EU institutions with regard to possible impacts on the Raiffeisen Banking Group (RBG), creation of networks and shared interest coalitions and specific research and preparation of information on EU initiatives and measures in the area of financial services that are of relevance to us (e.g. Basel 3, deposit guarantees, corporate governance). With inclusion in the register, RZB AG is bound to comply with the code of conduct of the institutions (European Commission/EU Parliament). Our position statements concerning consultations of the European Commission can be found on the website of the Commission. At the national level, our position enters into joint position statements by the Austrian Chamber of Commerce (WKO), banking and insurance section (membership in the Austrian Chamber of Commerce is mandatory), whose board chairman is Walter Rothensteiner (CEO of RZB AG).

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

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

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

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

Such payments must be handled transparently, involving RBI Group Compliance. The transparency provisions regarding party financing and lobbying in place since January 1, 2013, must be complied with and are implemented in the General Secretariat.

Once again in 2014, the RZB Group did not make any financial donations or donations in kind to any politicians, parties or affiliated institutions.

## Economic sustainability

In order for a corporate group to survive over the long term, it must be capable of doing business successfully. The following tables provide an overview of the direct contribution of the RZB Group to the economy.

RZB Group operating result (in million €)		
	2014	2013
Net interest income	4,024	3,931
Net fee and commission income	1,647	1,630
Net trading income	-21	323
Other net operating income (excluding goodwill impairment)	82	139
<b>Operating income</b>	<b>5,732</b>	<b>6,022</b>
Staff expenses	-1,579	-1,695
Other administrative expenses	-1,286	-1,300
Depreciation	-430	-465
<b>General administrative expenses</b>	<b>-3,294</b>	<b>-3,360</b>
<b>Operating result</b>	<b>2,439</b>	<b>2,563</b>

Key figures of the RZB Group, by segment (in million €)								
	Balance sheet total 2014	Change from previous year	Balance sheet total 2013	Profit/loss after taxes	Customers	Business outlets	Employees at reporting date	Amounts owed to customers
Poland	13,729	6.6%	12,881	84	689,676	351	5,462	7,737
Slovakia	10,215	2.1%	10,009	107	926,903	178	3,816	7,657
Slovenia	1,146	-14.6%	1,341	-25	63,426	14	230	485
Czech Republic	8,794	10.1%	7,987	74	481,804	127	2,720	6,378
Hungary	6,936	11.3%	6,230	-398	580,052	114	2,298	4,276
Reconciliation	-48	80.2%	-26	0	-	-	-	0
<b>Central Europe segment</b>	<b>40,771</b>	<b>6.1%</b>	<b>38,421</b>	<b>-158</b>	<b>2,741,861</b>	<b>784</b>	<b>14,526</b>	<b>26,533</b>
Albania	1,976	-5.2%	2,084	723,451	92	1,326	1,669	
Bosnia and Herzegovina	1,944	-3.9%	2,022	21	499,973	96	1,434	1,503
Bulgaria	3,223	0.6%	3,203	25	761,894	156	2,751	2,168
Kosovo	778	11.2%	699	16	278,432	52	705	604
Croatia	4,647	-2.1%	4,749	463,552	77	2,127	3,128	
Romania	6,920	6.0%	6,528	97	2,089,544	529	5,292	4,681
Serbia	1,885	0.5%	1,875	43	640,337	85	1,581	1,240
Reconciliation	-1	-1,834.4%	0	0	-	-	-	0
<b>Southeastern Europe segment</b>	<b>21,371</b>	<b>1.0%</b>	<b>21,160</b>	<b>296</b>	<b>5,457,183</b>	<b>1,087</b>	<b>15,216</b>	<b>14,992</b>
<b>Russia segment</b>	<b>12,457</b>	<b>-19.9%</b>	<b>15,555</b>	<b>340</b>	<b>2,940,532</b>	<b>212</b>	<b>8,252</b>	<b>7,317</b>
Belarus	1,536	6.2%	1,446	63	744,935	97	2,176	867
Kazakhstan	28	-24.8%	37	1	0	1	9	0
Ukraine	2,481	-42.7%	4,327	-290	2,940,953	671	11,478	1,541
Reconciliation	-1	-104.1%	36	0	-	-	-	0
<b>CEE Other segment</b>	<b>4,043</b>	<b>-30.4%</b>	<b>5,809</b>	<b>-226</b>	<b>3,685,888</b>	<b>769</b>	<b>13,663</b>	<b>2,408</b>
<b>Group Corporates segment</b>	<b>18,618</b>	<b>-10.5%</b>	<b>20,812</b>	<b>-147</b>		<b>8</b>	<b>3,073</b>	<b>13,087</b>
<b>Group Markets segment</b>	<b>17,635</b>	<b>-13.0%</b>	<b>20,271</b>	<b>98</b>		<b>5</b>	<b>0</b>	<b>2,343</b>
<b>Corporate Center segment</b>	<b>31,095</b>	<b>-10.4%</b>	<b>34,716</b>	<b>335</b>		<b>1</b>	<b>0</b>	<b>582</b>
Reconciliation	-24,366	-6.7%	-26,104	-1,000	8,146	-	-	-1,166
<b>RBI Group total</b>	<b>121,624</b>	<b>-6.9%</b>	<b>130,640</b>	<b>-463</b>	<b>14,833,610</b>	<b>2,866</b>	<b>54,730</b>	<b>66,095</b>
Reconciliation RBI/RZB sub-group	105	51.9%	69	-12	-	0	0	0
RBG*	23,397	10.9%	21,091	21	-	15	1,482	9,073
Other participations	2,625	-32.7%	3,900	64	-	0		
Reconciliation	-2822	-66.3%	-8,377	-42	-	1	-	-
<b>RZB Group total</b>	<b>144,929</b>	<b>-1.6%</b>	<b>147,324</b>	<b>-432</b>	<b>-</b>	<b>2,882</b>	<b>56,212</b>	<b>75,168</b>

The segments reflect the organizational structure and responsibilities of the countries and business areas.

\* Raiffeisen Banking Group in Austria: includes the figures for RZB AG, Raiffeisen Bausparkasse Gesellschaft m.b.H., Raiffeisen Kapitalanlage-Gesellschaft m.b.H. and Raiffeisen-Leasing GmbH.



The following table shows the value contribution generated or paid by RZB Group for or to its most important stakeholders, the owners, the employees, the economy and the public authorities.

Financial flows of the RZB Group to stakeholders (in million €)		
	2014	2013
<b>Owners – Dividends (only RBI AG)</b>	<b>20</b>	<b>20</b>
<b>Employees – Wages and salaries</b>	<b>1,191</b>	<b>1,288</b>
<b>Economy – Investments and operating costs</b>	<b>1,286</b>	<b>1,300</b>
<b>Public sector</b>		
Income taxes	-504	293
Social security costs and staff-related taxes	-289	313
<b>Equity status as per December 31</b>	<b>9,332</b>	<b>11,788</b>

# Responsibility in the core business

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

Overview of responsible banker/core business measures																	
		Location Vienna	CE					SEE					CEE Other	RU			
Topic	Measure	RBI/ RKAG RZB	RBPL	TBSK	RBSI	RBCZ	RBHU	RBAL	RBBH	RBBG	RBKO	RBHR	RBRO	RBRS	RBRY	AVAL	RBRU
<b>Social and environmental policies for the core business</b>	Existence of a social and environmental policy	✓	✓			✓			✓	✓	✓		✓		✓	✓	✓
<b>Social and environmental criteria for lending decisions</b>	Consideration of social and/or environmental criteria in the rating process/ for limit applications	part- ial	n/a	✓		✓		✓	✓		✓	✓	✓	✓	✓	✓	✓
<b>Customers with payment difficulties</b>	Policies/measures concerning fair dealing with customers with payment difficulties	✓	n/a	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
<b>Customer satisfaction</b>	Measures that ensure consideration of customer needs/ measure customer satisfaction	✓		✓	✓		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
<b>Sustainable investment products for customer funds</b>	Selection of investment products that are attractive from the perspective of sustainability	✓	✓		✓				✓	✓					✓	✓	
<b>Other sustainable products and services</b>	Free money transfers for donations	n/a		✓	✓					✓		✓	✓	✓	✓	✓	
	Free account and special conditions for NGOs/ charitable institutions	n/a		✓	✓	✓		part- ial	✓			✓				✓	
	Electronic account statements	✓	n/a	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓	✓	✓	✓
	Electronic product information	✓	n/a	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓	✓	✓	✓
<b>Initiatives for disadvantaged persons</b>	all branches/ ATMs	n/a	n/a		✓	part- ial		part- ial		✓	✓	✓	✓	✓	✓		✓
	Guidelines/assistance/ training measures for dealing with people with special needs	n/a	n/a	✓	✓		✓		✓			✓	✓				
	Internet site for the visually impaired	✓		✓	✓		✓		✓	✓							
	Adaptation of ATMs to the needs of the visually impaired	n/a	n/a	✓	✓			✓	✓				✓			✓	
	Multilingual ATMs for immigrants	n/a	n/a	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

The measure listed above have largely no relevance for RSPK and RL, which have therefore been left off the table.

## Lending policy and lending decision policy

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

The Code of Conduct (CoC) is part of our lending policy. All employees involved in lending are accordingly obliged to act responsibly and also to carry out their supervising duties with great care. Likewise, the reputation of our Group must be considered in all activities and decisions. The executives of our company are responsible for compliance with these standards in their respective areas of responsibility. It is clearly defined in our CoC that the RZB Group does not finance – neither directly nor indirectly – companies, projects or parties which use forced or child labor, or which contravene the European Human Rights Convention, the legal working and social obligations of their respective countries, the applicable regulations of international organizations and, in particular, the relevant UN conventions and rights of the local population or native peoples.

The financing of or participation in transactions or projects which put the environment at risk (e.g. destruction of the rainforests or environmental and water pollution) is not in accordance with the business policy of RZB Group. Our employees are determined to ensure that when auditing financing and projects, 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.

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

Specific lending criteria for individual customer segments and countries are defined by credit committees, which consist of representatives of the front office and back office areas. The composition varies depending on the customer group for corporate customers, financial institutions, the public sector and retail. Within the framework of the lending approval process and the rating- and volume-oriented assignment of responsibility, the credit committees also make all associated lending decisions.

The respective loan portfolio strategy for the various customer segments is defined in the credit portfolio committees. The risks and opportunities of various customer groups are evaluated together in these committees, and environmental risks are also given special consideration in the industry assessment. On this basis, the Credit Portfolio Management Department develops lending guidelines and limits for future structuring of the credit portfolio. A risk committee was also established in 2014. This committee is responsible for advising the Managing Board with regard to the current and future risk tolerance and risk strategy.

The lending decision process is carried out on a case-by-case basis, following standardized principles and guidelines. As such, there is a clear personnel and functional separation between the business activities and all risk management activities. In addition to classic hard facts and numerous qualitative criteria, our internal rating model incorporates an assessment of the management that is responsible for adequate handling of environmental and social topics within the company. An evaluation is also performed as to whether an industry is subject to special environmental or social risks, including human rights violations or health risks, and whether a potential borrower follows the existing rules with regard to the environment, human rights and health.

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

The described group-wide standards apply to all Group units but are also supplemented by many of our banks with

local, internal guidelines and policies for individual aspects of lending. To varying extents, these consider the social and environmental risk strategies of the respective banks, define sometimes higher minimum criteria or define the exact procedure for compliance with all defined principles. In Poland, for example, Raiffeisen Bank Polska S.A. regularly obtains a declaration on environmental protection from corporate (loan) customers. In the Czech Republic, Raiffeisenbank a.s. submits an environmental policy assessment as part of the compliance statement that is issued for all loan customers and makes additional action recommendations, if necessary. At Raiffeisen BANK d.d. Bosna i Hercegovina, the environmental and social aspects are evaluated for all limit applications. Raiffeisen Bank Kosovo J.S.C. has introduced an environmental and social management system, including associated policy.

The same is true of Raiffeisen Bank S.A. in Romania, whose environmental and risk policy is based on the line of the supranational organizations and requires, among other things, that primarily environmentally friendly and socially responsible projects are financed over the long term and that environmental and social risks are reduced. Priorbank in Belarus takes sustainability aspects into account primarily as soft facts in the credit rating and limit application processes. In Ukraine as well, environmental risks, human rights and health risks are fixed components of the credit analysis and must be taken into consideration in every loan application. Since 2010, AO Raiffeisenbank in Russia has had an extensive environmental and social policy that requires intensive assessment and ongoing monitoring of all loan customers.

As reported last year, due to capital investment by the International Finance Corporation (IFC), an Environmental & Social Officer was established and an Environmental and Social Management System (ESMS) was introduced in 2014 at the four network banks Raiffeisen Bank Polska S.A., Raiffeisen BANK d.d. Bosna i Hercegovina, Raiffeisen Bank Kosovo J.S.C. and AO Raiffeisenbank in Russia. The eight IFC performance standards, which are acknowledged worldwide as a yardstick for ecological and social risk management, will now also be adhered to in lending transactions. All loans are filtered according to the exclusion list of the IFC. This means that the risks associated with a project in the environmental and social area are to be categorized according to the selection criteria of IFC in one of three categories depending on the type, place, noticeability and size of the project as well as the nature and scope of its possible ecological and social effects.

For projects with a high or medium risk, a social and environmental impact assessment is required in order to determine the environmental and social effects and risks of the project and to check whether the laws of the respective country as well as other guidelines of the World Bank and the IFC are being complied with. Also established are standards regarding 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 IFC homepage: [www.ifc.org](http://www.ifc.org)). In this context, internal processes at the network banks were adapted to these requirements, especially those involving credit assessment and lending decisions. This brought with it an intensive, specific training program for many staff members. It also involves comprehensive reporting and monitoring requirements.



Mirela Šuško, Head of Credit Risk Management – Corporate, Small Enterprises, Financial Institutions & Local Regional Governments and ESMS Manager, Raiffeisen BANK d.d. Bosna i Hercegovina

*“Understanding the social and environmental impacts and consequences of investment financing, whether they are beneficial or adverse, remains quite a challenge for commercial banks today. With its sound environmental and social system, Raiffeisen BANK Bosnia and Herzegovina has a solid foundation for supporting and promoting values such as long-term sustainable development and community welfare, better quality of life, protection of human rights and preservation of the environment. The introduction of international environmental and social standards to investment financing began a process of awareness-raising within the bank. From the bank’s point of view, this surely means putting the needs of customers high on the priority list, providing high-quality service, better assessing the investment financing risks and preventing possible adverse consequences for customers, society and the bank as well as building and maintaining a good and stable credit portfolio with potentially lower credit risk costs. We have opened our doors to international financial institutions providing financing for specific investments or programs that benefit the overall economy. High awareness of environmental and social issues in connection with investment financing is our long-term objective.”*

QUOTE



The cooperation with the Multilateral Investment Guarantee Agency (MIGA) also has similar effects. MIGA, part of the World Bank Group, is in the process of issuing guarantees to five network banks (Raiffeisen Bank Sh.a. in Albania, Priorbank JSC in Belarus, Raiffeisen BANK d.d. Bosna i Hercegovina, Raiffeisen Bank Kosovo J.S.C. and Raiffeisen banka a.d. in Serbia) in order to strengthen the local lending. As part of this engagement, the listed banks must introduce an environmental and social management system, including adequate guidelines, that corresponds to the requirements on the risk portfolio, unless such a system already exists. These requirements include, in particular, fulfillment of the performance standards that address the following topics (see MIGA website: [www.miga.org](http://www.miga.org)):

- Assessment and management of environmental and social risks as well as their consequences
- Labor and working conditions
- Resource efficiency and avoidance of environmental pollution
- Public health and safety
- Acquisition of real estate and involuntary relocation
- Preservation of biological diversity and sustainable management of living natural resources
- Indigenous peoples
- Cultural heritage

Successful implementation requires comprehensive training measures. This engagement should lead to greater sustainability among corporate customers and investment projects of the network banks.

## Sustainable financing

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

### Sustainable financing at the Vienna sites

(By RBI AG, unless otherwise specified)

#### Positive impacts on the real economy, infrastructure and regional development

- Sustainable entrepreneurship and the founding of new companies:  
With the support of Austria Wirtschaftsservice GmbH, financing for a production expansion and optimization project was granted to an Austrian company that has been recognized many times in regard to sustainability and environmental protection.
- Public sector projects:  
Last year, RBI AG once again supported numerous institutes of the Raiffeisen Banking Group in Austria in financing a total of 260 projects for water supply facilities, waste water systems, schools and kindergartens as well as similar public works projects.

#### Impacts on society and social affairs

- Health and sports:  
Here we can point to the refinancing of a health and rehabilitation center in Bad Sauerbrunn, Burgenland, by our leasing subsidiary, Raiffeisen-Leasing GmbH. This center offers prevention and therapy for the musculoskeletal system, cardiovascular diseases and other illnesses as well as for the rehabilitation of patients after cancer treatment, which can contribute to a positive influence on lifestyle and improved quality of life. Another health center, the Rehaklinik Wien Baumgarten, which offers modern rehabilitation facilities adapted to the needs of people combined



Bad Sauerbrunn, Haus Esterhazy © Bézard

with therapies and preventive measures, was also financed by Raiffeisen-Leasing GmbH. In addition, RBI AG provided a guarantee in support of a hospital project in Bosnia and Herzegovina that made possible the restoration and expansion, including equipment, of what is now the most modern hospital in the region.

- **Social aid and assistance for self-help:**  
We have a pleasing project to report on in this area as well. A multi-generation residential home opened last year in Bisamberg that was financed by Raiffeisen-Leasing GmbH. The vision of a shared living space for young families and elderly persons was successfully realized in this project. With the title of "Together, not alone", this pilot project is intended to foster communication and a sense of community between generations and will hopefully lead to more such undertakings.



Opening of the Bisamberg multi-generation home, June 5th, 2014 © Peter Pawlicki/RB Korneuburg

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

## Impacts on the environment and climate

- **Renewable energy:**  
In this area, RBI AG financed five projects in 2014 amounting to roughly € 146 million, in some cases jointly with the local network bank. The entire "Renewable Energy" financing portfolio of RBI AG during 2014 encompassed twelve projects with a volume of € 237 million, including seven wind farms, two solar installations, two biomass heating plants and one small hydroelectric power station.



### Small hydroelectric plant in Salzburg

Since 2013, Salzburg AG has been erecting a small hydroelectric power plant on the Fritzbach river in the province of Salzburg together with the Austrian Federal Forestry Office. The water of the Fritzbach river is diverted through a roughly 8,700 meter long pressurized pipeline from Hütttau to the river mouth of the Salzach river in Pfarrwerfen at 160 meters lower elevation, where it drives a Pelton turbine. Completion is planned for mid-2015.

A modern fish ladder with an elevation difference of 1.2 meters will allow fish and other aquatic life to easily cross the water intake. A total of € 29 million have been invested in the construction of the small hydroelectric power plant, of which RBI AG supplied the project with roughly € 13 million in credit financing. The new hydroelectric plant should supply 7,300 households with renewable electricity. This will save over 20,000 tons of CO<sub>2</sub> annually.



Small hydroelectric power plant on the Fritzbach river, © Visualization: www.zuchna.at

**Technical data:**

Turbine	6-jet Pelton turbine
Maximum capacity	5,400 kW
Annual production	28 million kWh
Harnessed flow rate	4.5 m <sup>3</sup> /s
Gross head	160 m
Pressurized pipeline length	8,700 m
Diameter	1,600 mm
Grid connection	Via 30 kV cable into the regional distribution grid
Investment total	Roughly € 29 million

- Sustainable real estate financing:

A business park of roughly 47,000 m<sup>2</sup> financed in Vienna was certified with the “blueCARD” of the Austrian Sustainable Building Council (ÖGNI). The blueCARD is a building certification that assesses the sustainability of the entire building lifecycle. Economic and environmental aspects are of primary importance as well as the technical performance, socio-cultural aspects, the conservative utilization of resources and energy as well as consideration for business and human needs.

We were also the financing partner of a 18,000 m<sup>2</sup> office building in Vienna that was certified as “LEED for Core & Shell Platinum”. LEED (Leadership in Energy and Environmental Design) is a classification system for environmental construction that was developed by the U.S. Green Building Council.

The financing of an industrial park in Romania, the Floreasca Businesspark, by RBI AG is also worth mentioning here. The industrial park is located in the northern part of Bucharest, encompasses 36,000 m<sup>2</sup> and is easily reachable by public transportation. It is the first Romanian building to be recognized with a BREEAM certificate (Building Research Establishment Environmental Assessment Method for buildings and large scale developments). This assessment takes into account both technical construction measures and equipment, especially with regard to energy efficiency, as well as building management, among other factors. BREEAM serves for investors and lessees as a benchmark for the environmental performance of a building. The financing has been in place now for several years, although the “in-use” certification was renewed in 2014.



Floreasca BP BREEAM Certificate



Office Building Sofia Expo III, © Bernd Steingruber/Raiffeisen Property Holding

Also worth mentioning is “EXPO III”, an 8,000 m<sup>2</sup> office building in Sofia that saves 228 tons of CO<sub>2</sub> per year with its groundwater-based heating and cooling system.

- Energy efficiency:

One notable project involves financing of the modernization and expansion of two container glass factories in west Poland where quality improvements yield raw materials savings while making the glass containers lighter, which enables additional savings on energy consumption for transport. This in turn improves the competitiveness of these regions. The modernization of the plants was supported with EIB funds.



### Modernization of the glass industry in Poland

Glass is one of the few materials that is 100 per cent recyclable. In this way, it makes a valuable contribution to climate protection and environmental protection. Moreover, glass is manufactured exclusively from natural raw materials that are abundantly available. Glass packaging plays a particularly significant role in the food industry because no interactions take place between the contents and the packaging.

In 2015, RBI AG and Raiffeisen Bank Polska S.A. arranged a loan by the European Investment Bank (EIB) to the BA Glass Group for the modernization and expansion of two container glass factories in West Poland. This is the first tranche of an approved EIB loan totaling € 50 million. By supporting the glass industry in Poland, the EIB is making a major contribution to improving the economic attractiveness and competitiveness of the Wielkopolska and Opole regions. The investments will bring about a considerable expansion of the production capacity of the factories in Sieraków and Jedlice.



Glass production in Sieraków, © BA Glass Group

The new process enables the manufacturing of lighter glass containers of better quality, which conserves raw materials and reduces energy consumption during transport. Completion of the project is expected in 2015. The modernization of the plants will improve their competitiveness and long-term sustainability. The project also has positive impacts for the local population. Its indirect effect on employment is significant, and it contributes directly to the retention of 640 jobs.

Both plants operate energy-efficiently, and the investment program calls for the use of ultramodern technology for firing of the glass furnace with natural gas and supplemental electrical heating. In addition, the modernization will lead to a considerable reduction in water consumption since the water treatment and recycling at the factories will be intensified.

Another energy efficiency project relates to improvement measures for the energy and chemical consumption at a fiber production plant in Austria, which was financed by RBI AG.

- Alternative mobility

In recent years, Raiffeisen-Leasing GmbH has been able to accumulate significant expertise in the area of alternative drive technologies, and its portfolio currently includes the financing of electrical vehicles and natural gas vehicles amounting to roughly € 22 million. Furthermore, Raiffeisen-Leasing GmbH is represented throughout Austria in all model regions and the "Technological Lighthouse Projects for Electromobility" (a program that aims to initiate visible projects implementing ambitious approaches and innovative developments).

- Emissions reductions

The investment financing for 99 new buses featuring special engines (exhaust standard Euro 6) and special soot particle filters for exhaust treatment on the basis of SCR technology while also reducing noise pollution is another project that we view as having a positive impact.



## Impacts on research, education and innovation:

- Research and science

An economy requires research and development in order to discover innovative solutions for the future. This in turn demands competitive scientific institutions. We therefore view this topic as a central aspect from a perspective of sustainability. A number of financing projects that are also ultimately contributing to better resource efficiency can be listed here. We work in this area closely with the "Österreichischen Forschungsförderungsgesellschaft mbH" (FFG, Austrian Research Promotion Agency), and we have carried out the following financing projects with this agency:

- Special coatings for automotive applications for improved corrosion resistance, extending the vehicle lifespan
- Development and implementation of "high ductility" (HD) goods
- Direct hot forming of press-hardened steel with zinc plating
- Alloy and process design for recycling-friendly aluminum alloys

- Innovation and sustainable development

A notable project in this area was the development financing for new transmission components for the automotive industry. Increasing the stability of the components also lengthens their service life.

## Sustainable financing at the network banks

### Central Europe

In Slovakia, Tatra banka, a.s once again disbursed EIB (European Investment Bank) funds for energy efficiency projects (improvement of the energy efficiency of buildings, industry or infrastructure) at favorable conditions to small and medium-sized enterprises (up to 250 employees). The renewable energy projects include project financing of three biomass plants and two photovoltaic installations.

Raiffeisenbank a.s. in the Czech Republic offers "green loans" to small and medium-sized enterprises with the assistance of the EIB. Various renewable energy projects have been financed here as well: four photovoltaic installations and two wind power plants as well as three small hydroelectric plants.

In Hungary, Raiffeisen Bank Zrt. also continued its cooperation with the EIB within the framework of the SME Energy Efficiency Program. Specifically, renewable energy sources from small and medium-sized enterprises as well as block houses were financed in Hungary.

### Southeastern Europe

In Albania, the most important renewable energy project of Raiffeisen Bank Sh.a. was the financing of a hydroelectric plant.

In Bosnia and Herzegovina there is a credit line from Raiffeisen BANK d.d. Bosna i Hercegovina that was signed with the Ministry of Finance and ODRAZ (an independent civil association for supporting sustainability activities at the local, national and international levels). Within the framework of this arrangement, loans are issued to small companies in strict compliance with environmental criteria in order to contribute to the development of the regional economy, employment and exports. Small and medium-sized enterprises also receive support for projects aimed at improving energy efficiency in buildings as well as for projects related to renewable energy within the framework of the "EBRD Funding Energy Efficiency and Renewable Energy Program in the Western Balkans". This support generally takes the form of favorable financing terms and consulting services. Specifically, projects were financed last year for improving the energy efficiency of three production operations in the area of packaging and precision machine tools.

In Bulgaria, Raiffeisenbank (Bulgaria) EAD has continued the strategy of supporting environmental projects and implemented 141 such financing agreements in the past year. The "KfW SMEFF EE-Program" (Small and Medium Enterprise Finance Facility Energy Efficiency Program), the EIB III Energy Efficiency Program and the EBRD BEECIFF (Bulgarian Energy Efficiency Competitive Industry Financing Facility) were continued. Alongside diverse replacement investments for the aging vehicle fleets of various companies, another project worth mentioning

involved the insulation of a steam pipeline that carries steam from the local thermal power station to the production facilities to reduce energy consumption. Other notable projects include multiple projects concerning water supply and waste water technology in various communities as well as a municipal project to safeguard a sustainable and environmentally friendly habitat. A hydroelectric plant on the Ablaniza river was also financed.

In Kosovo, Raiffeisen Bank Kosovo J.S.C. is currently preparing a new product, the “Bio Loan”. The objective of this initiative is to promote investments in energy-efficient products among private customers. The incentive comes from favorable financing interest rates.

In Croatia, “Flexi GREEN Housing Loans” with preferential conditions for improving the energy efficiency of residential properties were granted again in 2014 by Raiffeisenbank Austria d.d. Framework credit agreements with the EIB also exist for energy efficiency measures by small and medium-sized enterprises (EIB SME FF EE Window) as well as municipal financing arrangements for improving and/or renovating infrastructure (EIB Credit Line – MFF Window). Cooperation also continues with HBOR (Croatian Bank for Reconstruction and Development), in which preferential financing arrangements are offered for projects aimed at protecting the environment and increasing energy efficiency.

In the area of renewable energy, a project was financed in which the heat and electricity production for a furniture manufacturing plant was converted to a wood biomass basis. Financing was also provided to a pellet production plant and a power station operating with renewable energy sources. Raiffeisen Factoring d.o.o., the factoring subsidiary of Raiffeisenbank Austria d.d., as well as Raiffeisen-Leasing GmbH in Croatia have EBRD credit lines to be used for micro, small and medium-sized enterprises. The prerequisite for this is compliance with the EBRD Environmental and Social Standards, the exclusion list as well as annual environmental and social reports.

Raiffeisen Bank S.A. in Romania supports specific energy efficiency projects developed by private companies that are particularly worthy of assistance. The costs of each of these investments do not exceed € 2.5 million. In connection with this program, the European Union is providing support for the initial consulting, subsidies for broker fees and incentives for the customers upon completion of the project. In the area of renewable energy projects, financing was provided for three photovoltaic installations, one wind farm and one biomass plant. In addition, a total of five micro hydroelectric plants were built on various rivers. Sustainable real estate financing was also given to a business center in Cluj-Napoca that was recognized with a BREEAM certificate (Building Research Establishment Environmental Assessment Method for buildings and large scale developments). Increased support is available for the purchase of environmentally friendly homes: Customers who require financing for the purchase of residential property that is certified as “green” by the Romania Green Building Council (ROGBC) receive earmarked financing offers from Raiffeisen Bank S.A.

Raiffeisen banka a.d. in Serbia engaged in no major sustainability financing projects; however, the financing of investment measures in energy reduction projects are viewed as part of the regular business. As in previous years, Raiffeisen banka a.d. once again supported private customers with the procurement of energy-saving household appliances of energy class A by means of Green Loans.

### **Russia and CEE Other segments**

The top financing projects of AO Raiffeisenbank in Russia relating to sustainability involved a recycling plant for old paper, the ecological restoration of two lakes and one pond in the Tomsk region as well as two medical and health centers that should enable better provision of complex medical services. A project concerning water supply and waste water treatment in Russian cities is also worth mentioning. In the area of renewable energy, financing was provided for a biomass plant that produces electricity from waste wood sourced from sawmills.

Since the beginning of 2014, Raiffeisen Bank Aval JSC in Ukraine has also participated in an investment financing facility called “UKEEP” (Ukrainian Environmental Efficiency Program) of the EBRD. This supports Ukrainian private companies in all sectors with making investments in energy-efficient projects and renewable energy projects. The aim is to reduce energy consumption, make energy use more efficient and increase inhouse energy production. The program also offers technical support by international experts. Modernization needs that represent suitable investment projects were identified within the framework of the UKEEP Energy Audit. The declared goals of the facility are to foster greater energy efficiency in the Ukrainian economy, improve supply and waste management

even in regions with poor infrastructure, optimize the internal processes of the borrowers, increase the knowledge of new technologies, support social aspects, improve fair competition and protect the natural environs.

## Sustainable investment products

### Raiffeisen building society savings

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

### Raiffeisen Kapitalanlage-Gesellschaft m.b.H. (Raiffeisen KAG)<sup>1</sup>

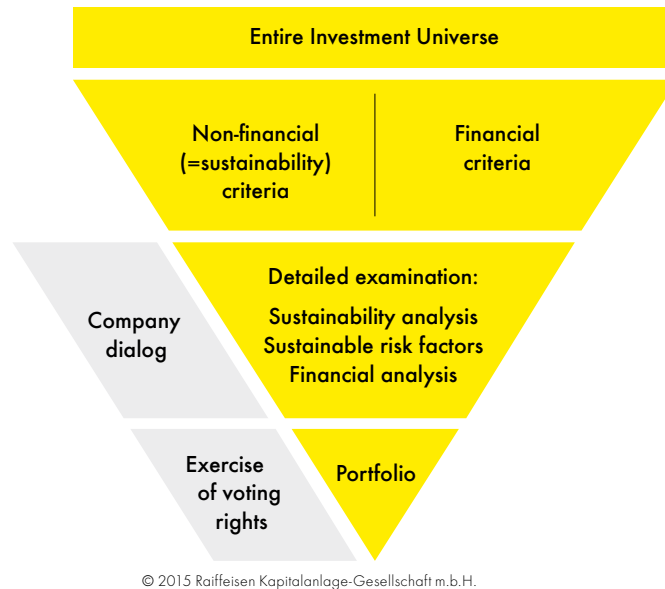
As reported, the sustainable handling of customer deposits at RBI AG is mainly effected by Raiffeisen KAG, which offers securities and real estate investment funds as well as investment management products to institutional and private customers both in Austria and abroad. For years, the company has been an active member of the Sustainable Investment Forum (Forum Nachhaltige Geldanlagen e.V.) and since 2013 also a signatory of the UN-PRI (United Nations Principles for Responsible Investment), a key step in the integration of sustainability elements (environmental and social governance, ESG) into overall investment activity, beginning with KAG open-end mutual funds. In this context, comprehensive reporting is provided every year in the form of a progress report to UN-PRI.

The goal of continuously expanding sustainability within the core business was further pursued through the establishment of a dedicated Sustainable and Responsible Investment (SRI) team in fund management as well as by intensifying the engagement activities (exercising voting rights, active communication with publicly listed companies in the area of ESG), voluntary commitments to investments in soft commodities and the exclusion of investments in controversial weapons. Additional information systems are being purchased and integrated for increased integration of ESG research into fund management.

Within the specific sustainability funds, Raiffeisen KAG has defined its sustainability philosophy in three central points. The first is the expanded information base that comes through sustainability. By taking into account non-financial information (environmental, social and governance factors/ESG), pursuing sustainability in investments leads to a larger data set for the analysis of companies and issuers compared with traditional investments. The second point is the broader basis for selection decisions and risk reduction. Environmental risks, stakeholder-relevant risks and governance risks are considered in the investment process and improve the risk profile of the portfolio. In general, the focus lies on the sustainability and future viability of the investments. The third point is the positive influence on yield that comes with sustainability.

<sup>1</sup> Raiffeisen KAG is bundled with two other companies under the umbrella brand Raiffeisen Capital Management.

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



In the first analysis level (non-financial criteria/financial criteria), the investment universe is evaluated according to fundamental criteria. On the non-financial side, this concerns any violations of ESG exclusion criteria. On the financial side, companies with insufficient financial stability are excluded at this level. In the second analysis level (detailed examination), the individual companies and issuers are investigated in detail. In the bottom level, a broadly diversified portfolio is constructed from the remaining companies or issuers and the information that has been gathered about them. As part of the approach described above, an ESG engagement strategy and a strategy for the exercise of voting rights are also followed since engagement and voting are key, integral components of the sustainability strategy.

The company is a leading asset manager in Austria, with a managed fund volume of € 26.93 billion and a market share of 17.1 per cent (according to statistics from OeKB). If advisories (mandates to third parties) are included, assets under management (AuM) totaled € 29.869 billion at the end of 2014. Around € 930 million is managed in the business area of asset management for premium private customers. The share of sustainable investments in the total volume of Raiffeisen KAG is currently 3.4 per cent.

In May of this year, the range of sustainability funds was expanded with an additional option, the “Raiffeisen Nachhaltigkeit-Solide”, a mixed investment fund for investors.

Sustainable funds of Raiffeisen Kapitalanlage-Gesellschaft m.b.H.	Volume (EUR)
Raiffeisen-Nachhaltigkeitsfonds-Aktien (investment fund in global shares, open to the public)	23.7 million
Raiffeisen-Nachhaltigkeitsfonds-Mix (investment fund in global shares and bonds, open to the public)	175.37 million
Raiffeisen-Nachhaltigkeitsfonds-ShortTerm (investment fund in short-term EUR bonds, open to the public)	69.39 million
Raiffeisen-Österreich-Rent (investment fund in Austrian bonds, open to the public; sustainability criteria included since Feb. 2007)	511.50 million
Valida Aktien Nachhaltig 1 (special investment fund in global shares)	111.15 million
R Ethik Rentenfonds (special investment fund in bonds; fixed maturity fund)	120.85 million
BfS Nachhaltigkeitsfonds Ertrag (investment fund in shares and bonds, open to the public, foreign mandate)	36.71 million

Information from: 31 December 2014

The study "Top 100 ESG Share Funds" published in 2014 by yourSRI/the Center for Social and Sustainable Products AC provides an analysis of the ESG risks of an investment fund or investment mandate. In this ranking of sustainable equity funds, the "Raiffeisen Nachhaltigkeitsfonds Aktien" (formerly "Raiffeisen Ethik Aktien"), established already in 2002, earned the highest ranking and was the only fund to receive an AA rating.

## Sustainable funds at the network banks

Local sustainability funds are also still offered at individual network banks. In Slovakia, Tatra banka, a.s. sells a "Socially Responsible Fund" from Tatra Asset Management for retail customers. In Belarus, Priorbank JSC offers two self-managed local mixed funds, the "Raiffeisen Portfolio of Assets-EUR" and the "Raiffeisen Portfolio of Assets-USD", which pursue with moderate risk the goal of achieving the greatest possible capital growth by investing partially in real economic activities that are socially desirable or that avoid socially destructive activities. These funds are directed primarily toward private customers but can also be purchased by corporate customers.

## Other sustainable products and services

### Other sustainable products and services in Vienna

#### Green bonds

In 2014, RBI AG took part for the first time as joint bookrunner in a green bond emission of the European Investment Bank (EIB, the bank of the EU Member States). In September of the previous year, the EIB issued a climate awareness bond for the second time, with a volume of € 500 million and a maturity date of 2026. The twelve-year maturity arose from the duration of the renewable energy and energy efficiency projects that are currently supported by the EIB. RBI AG functioned as one of four syndicate banks within the framework of its membership in the UNICO banking group (a network of eight leading European cooperative banks). The climate awareness bond (CAB) of the EIB is in high demand among numerous investors and guarantees investments in projects that are focused on renewable energies and increasing energy efficiency. The bond highlights the increasing importance of refinancing sustainable investments via the capital market.

Based on our activities in the previous year, RBI was registered in 2014 as a signatory to the "Green Bond Principles" of the International Capital Market Association (ICMA). The Green Bond Principles (GBP) are voluntary procedural guidelines that promote transparency and integrity in the development of this quickly growing market through definition of a uniform issuing process. The Green Bond Principles are open to all institutions that have already issued, subscribed to or placed green bonds, and over 55 institutions have already registered.

The trend of refinancing sustainable investments via the capital market can be observed not only among banks but also in the area of corporate bonds. In autumn of last year, for example, RBI AG acted for the first time as joint lead manager/joint lead bookrunner for a green bond emission by corporate customer Verbund, the largest Austrian supplier of electricity. The offer was directed toward institutional investors in Europe, in particular Germany and Austria, and was heavily oversubscribed. The over 170 investors were largely fund managers, insurance companies and pension funds.

#### Cash management

Paper consumption continues to play a large role in connection with account management, transactions and statements. In 2014, RBI AG was able to save 1,365 kg of paper in this area (saved statement sheets: 558,000, saved envelopes: 83,000). Despite increased use of electronic options, the quantity of paper saved has decreased here since the introduction of SEPA (Single Euro Payments Area) already reduced the number of text lines per payment order.

#### Incentives to renovate residential units

Additional incentives for the performance of renovation measures that benefit the environment, the economy and residents alike were generated in 2014 by the "Renovation Check" and "Contractor Bonus" subsidization programs initiated by the Austrian federal government. In acknowledgement of its social responsibility, Raiffeisen Bausparkasse Gesellschaft m.b.H. joined with the Austrian Raiffeisen banks in once again assuming the free processing of the Renovation Check applications submitted by their customers, which made up roughly 36 per cent of all applications nationwide. The "Contractor Bonus" campaign, in which private individuals can take advantage of grants for contractor services for the renovation, maintenance and modernization of their own homes, was supported last year for the first time. Raiffeisen Bausparkasse handled the entry of roughly 42 per cent of all applications, thereby making a valuable contribution to assisting local contractors.

#### Services in connection with alternatively powered vehicles

Environmental fleet management:

In addition to designing financing solutions including subsidy processing in the model regions, Raiffeisen-Leasing GmbH is also involved with battery leasing for electric vehicles and offers fleet management services for alternatively powered vehicles. This includes analyses and comparisons between fossil-fuel-based and alternative

vehicles in fleets of three vehicles or more with regard to economic efficiency and applicability on the basis of the distances driven (determination of the travel profile and calculation of the total cost of ownership, TCO).

Every fleet management customer regularly receives a report detailing the CO<sub>2</sub> emissions (in kg) of the individual vehicles and the fleet as a whole.

Cooperation with electric car manufacturers:

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

## Other sustainable products and services at the network banks

### Central Europe

In Slovakia, in the past year, the use of electronic sales channels for private and micro customers has been intensified by Tatra banka, a.s. Customers can sign paper contracts at the branch office or electronically via Internet or mobile banking applications. The switch to emailing of account statements is also being continuously promoted, with 80 per cent of private customers and 70 per cent of micro customers already receiving electronic statements. For credit card transactions, this figure lies at only 20 per cent, which is why this will be an area of focus for the current year.

In the Czech Republic, Raiffeisenbank a.s. offers the most important partner NGOs no-fee banking products and consulting services. Special "transparency accounts" exist for NGOs.

In Hungary, paper reduction is an objective at Raiffeisen Bank Zrt. A new, automated platform (WARP - Wide Application Routing Platform) was introduced at the end of last year that enables an end-to-end solution for the entire investment process and supports the completion of all steps from sales to processing and reporting while ensuring the greatest possible integration of all participants. Paper statements are being almost entirely eliminated in this way. Similarly, exclusively electronic orders (with digital signature/password) are accepted from financial institute customers and all order confirmations are sent electronically.

One new practice since the middle of last year is that payment transactions are now only possible for non-retail customers by using an electronic payment system (DirektNet or Raiffeisen Express) or personally at the branch. Electronic account statements are also available for large and medium corporate customers via DirektNet. Received invoices can be approved electronically, and paper statements have been eliminated in this area as well. In addition, a new online banking system ("ELECTRA") that will soon be launching was developed last year and should also contribute to resource conservation thanks to its exceptional user-friendliness.

### Southeastern Europe

In Bulgaria, Raiffeisenbank (Bulgaria) EAD offers special account packages to retirees for their pension payments as well as to students, alongside discounted student loans.

In Croatia, discounted "Flexi Current Accounts for Minors" are offered by Raiffeisenbank Austria d.d in addition to discounted pension accounts under the name "Flexi Current Accounts for Retired Persons". Also offered are "FlexiSENIOR" and "FlexiSTUDENT" service packages, which come with a range of advantages and services (current account with preferential, fixed account fees, bank card, low overdraft interest, credit card, internet and mobile banking, lower transaction fees). Account statements are offered via email and Internet banking for all bank products. In connection with the devastating floods of the previous year, all borrowers who were affected by the flooding were granted a moratorium.

### **Russia and CEE Other segments**

At Priorbank JSC in Belarus, as reported, special no-fee pension accounts, including bank card, are available to retirees. Additional retiree packages with various extra features, such as regular SMS notification of payment receipts, accident insurance and a discount program for medication, are also offered.

Raiffeisen Bank Aval JSC in Ukraine has begun a transformation process that was continued unabated in the year 2014. Thanks to intensive process optimization measures, it has been possible, for instance, to reduce the wait times for customers and save on materials costs. Measure in the branches, such as the reduction of transaction statements have contributed to saving large quantities of paper. Work is also under way on internal risk assessment, controlling processes and archiving systems based to a large degree on scanned documents in place of physical document copies.

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

It is important for social equilibrium in society that all groups of the population are given equal opportunities to access financial services. Disadvantaged groups of the population include people with disabilities as well as people who have to overcome linguistic, cultural, gender-specific, age-related or other barriers. In all of our markets, we are endeavoring as far as possible to ensure that people with disabilities will be able to enjoy barrier-free access to all facilities in the medium term.

### **Austria**

Since mid-2014, visually impaired users in Austria have had the opportunity to switch the websites of the Raiffeisen Banking Group and ELBA internet to high-contrast colors. This makes the pages much easier to read for these users.

### **Central Europe**

In Poland, the Polish Bank Association (ZBP) created a guide describing how disadvantaged customers should be handled at the branches. These guidelines were communicated by Raiffeisen Bank Polska S.A. to all branches and should help relationship managers provide service that is more considerate of disabled persons. In addition, the website was inspected with regard to accessibility for the visually impaired and people with limited abilities to operate a mouse or keyboard. The process for identification and legitimation of the visually and hearing impaired was also revised and adapted.

Tatra banka, a.s. in Slovakia has now equipped all ATMs with independent and barrier-free access. All existing and newly opened branches are also accessible without barriers. Furthermore, voice navigation for visually impaired persons has been a standard feature of every ATM since 2010.

In order to achieve the best possible equal access, Raiffeisen Bank Zrt. in Hungary implemented a revised website with an integrated area for disadvantaged persons in 2015.

### **Southeastern Europe**

At Raiffeisen BANK d.d. Bosna i Hercegovina, the head office and many branches offer barrier-free access. Most ATMs are also directly accessible by wheelchair and feature multilingual (beside Bosnian also English and German) operation. The ATM keyboards additionally feature embossed numbers and a headphone jack for easier use by the visually and hearing impaired.

Raiffeisenbank (Bulgaria) EAD revised its website and blog in 2014 in the interests of operability by the blind. Both can now be converted from text to sound using special software.



Multilingual product brochures, ATMs, website and e-banking tools are provided by Raiffeisen Bank Kosovo J.S.C. The employees also possess language skills in Albanian, Serbian and English to permit the advising of minorities and customers with a different native tongue.

Raiffeisenbank Austria d.d. in Croatia issues rules for the provision of barrier-free access at the branches and ATM locations.

The Serbian Raiffeisen banka a.d. has begun a renovation project at its branches. In the course of these renovations, the entrances of existing branches as well as ATM sites will be adapted as far as possible for wheelchair access and the heights of bank counters will be lowered. The need for adaptation of ATMs to provide voice navigation for visually impaired persons is also being investigated. The aforementioned measures are already taken into account in the planning of new branches.

### **Russia and CEE Other segments**

At AO Raiffeisenbank in Russia, all branches built or renovated in the future will be equipped with ramps to ensure barrier-free access. If this is not possible, a wheelchair lift must be installed.

Priorbank JSC in Belarus ensures the barrier-free accessibility of ATMs for physically disabled persons. The ATMs are also equipped with Braille keyboards to enable use by the visually impaired. English is installed as a navigation language in most ATMs to aid in operation by foreign-language-speaking customers.

## Product responsibility

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

The RZB Group is committed to an outstanding service culture which regularly seeks to exceed the expectations of customers. As such, we only offer a service or product when we have the corresponding specialized knowledge, the required infrastructure and naturally also the necessary license. Our aim is always to strive for the best possible results for our customers. We also ensure that when making recommendations, the customer is adequately informed about the risks and that the recommendations are given in an honest and fair manner.

By granting financial resources, banks have a significant lever to actively shape sustainable development that is fit for the future. This requires that environmental and societal standards and criteria be given due consideration within the core business of the bank. We therefore strive to offer products that bring a specific benefit to society, the environment and the real economy. Conversely, it is necessary to minimize the range of products on offer which present a risk to society or to the environment.

## Product ecology

The RZB Group cares about the environment. For this reason, the financing of or participation in transactions or projects which threaten lasting environmental damage does not form part of our business policy. The RZB Group is committed to complying with all applicable environmental regulations in each country with regard to its business operations and service sectors. It acts in an environmentally-conscious manner and continually strives to improve its own environmental balance (see page 119 et seq.) as well as the environmental balance attributable to its portfolio of products and services.

When making decisions, every employee must consider the potential risks posed by a transaction or project that could lead to negative impacts on the environment. The risks range from endangering the environment to the associated risk for the financing business as well as the resulting reputation damage to the Group.

The RZB Group follows a standardized product introduction process that applies to all new products, product combinations and variations throughout the entire network. This is intended to ensure that every product is offered in an optimal form and all risks associated with a product are known. We continue to improve our products and services that contribute to sustainable development, and we establish specific priorities in this regard (see page 68, "Other sustainable products and services").

## Social product responsibility

Consideration for the requirements and concerns of our customers plays an important role in the design, sale and use of products and services at our company. 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 and rights associated with products or services and appropriate information on risk reduction. Where possible, we also inform customers about the sustainability aspects of our products. Any complaints which are brought to us are checked carefully and answered as soon as possible. We also strive to provide comprehensively barrier-free access to our financial services for disabled persons.

It should be mentioned again that we seek to observe all laws, rules and regulations at all times, to the best of our knowledge, with regard to the provision and use of products and services. Despite this, complaints were made in four network banks concerning breaches of laws or regulations in the provision or use of products or services. At one of these network banks, the process is still in appeal. In total, the estimated fines amounted to roughly € 460,000. There were no such violations within RZB AG and RBI AG.

## Protection of customer data

The RZB Group bears a particular responsibility for correct business practices. This means that we sometimes find ourselves in an area of conflict between data protection and transparency. Our customers and staff have a right to comprehensive data protection, customer data confidentiality and access to secure products. The right to privacy is something that we take very seriously. While no such violations were observed in RZB AG and RBI AG, there were a total of 31 cases of complaints in our network banks with regard to violation of customer data protection during the reporting period. Although this is a relatively low figure in relation to the total number of customers in Central and Eastern Europe (14.8 million), we always strive to improve customer data protection and internal processes.

## Responsible lending

The RZB Group has committed to responsible lending policies. This means that we seek to lend customers only as much as their financial situation can bear. If customers nonetheless fall into financial difficulties, we support them as best as we can with information and advice. Our “Guidelines for avoiding the overindebtedness of borrowers and for dealing with overindebted borrowers” are part of our group-wide Compliance Manual and pursue the goal of providing in advance the clearest, most comprehensible information possible concerning our loan products and concluding agreements with our customers that contain equally clear lending conditions. This includes an explanation of the entire process, the precise steps involved as well as the responsibilities, risks and primary lending conditions associated with a loan agreement (in particular the costs of the loan, repayment amount, precise deadlines, due dates and number of installments).

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

## Dealing respectfully with customers with payment difficulties

Dealing respectfully and sympathetically with customers who are experiencing payment difficulties is a natural part of our banking operations. As soon as the RZB Group notices the first visible signs of payment difficulties, assistance is provided to the customer with personalized advice. Furthermore, we try to find a suitable solution for the situation at hand within the scope of our options and the financial situation of the customer.

If difficulties arise with servicing the loans, the RZB Group looks at each case individually and assesses how the customer can be helped by means of deferments, payment holidays, credit restructuring etc. within financially justifiable limits. In the event of payment difficulties, the RZB Group endeavors to work with the customer to find a fair solution, such as restructuring the loan transaction. In doing so, particular attention is paid to the changed circumstances of the customer. In the event of a conflict, the RZB Group follows a fair and professional complaint procedure.

## Customer satisfaction

The satisfaction of our customers is our top priority. This is therefore measured regularly within the RBI Group, both in the retail and corporate businesses, in order to enable appropriate action when necessary. Customer satisfaction and service



Joseph Eberle, Head of Corporate Customers, RBI AG

*“Our customers are our most important stakeholders and have always stood at the center of our activities. The Corporate Customers Division bears the yield and risk responsibility for our corporate customers and is also responsible for the group-wide customer relationship. We rely here on long-term relationships based on partnership that are mutually beneficial for both parties. The satisfaction of our customers is an essential part of this equation. They justifiably expect that we will address their needs and offer custom-tailored solutions. In order to live up to this expectation, we must understand their business models just as their strengths, weaknesses, plans and perspectives as well as possible. We consider the “know your customer” principle, a sense of responsibility and conscientiousness in the use of our products to be an essential part of our identity. A true customer orientation naturally also includes handling diverse requirements and attitudes respectfully and honestly. We continuously ask our customers to evaluate our services and identify possible improvements. In the spirit of a fair partnership, we also feel it is important to offer constructive feedback to our customers as well.”*

QUOTE



quality in the retail business have been measured at all network banks for several years. The Net Promoter Score (NPS) has been used as the key indicator for satisfaction since 2012. This is based upon the following question: "How likely is it that you would recommend Raiffeisenbank to a friend or colleague?" This measurement is performed centrally, and most of our network banks achieve a performance that exceeds the market average. The positive attitude and professional conduct of the employees is one of the most frequently listed reasons for a willingness to recommend us. The results are used by each network bank individually and form an integral part of variable remuneration policies.

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

Direct customer feedback is also an important indicator within the corporate business of RBI AG. In cooperation with the Austrian Raiffeisen Banking Group, RBI AG commissioned IMAS International to conduct a market study in Austria in 2014. The focus was on the segment of corporate customers with an annual turnover of more than € 50 million. This category encompasses a total of 1,864 companies and corresponds precisely to the commercial customer segment of RBI AG in Austria. Over 200 interviews were conducted. Detailed performance comparisons show that all service aspects, the consulting service and processing achieved the highest possible customer satisfaction. In comparison with the last study in 2011, the positive performance differential even improved in some cases.

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

Awards: Our dedication to customer satisfaction and the expertise of our employees once again earned us a number of accolades in 2014. For example, the "The Banker", the industry magazine of the "Financial-Times" publishing company, not only awarded RBI AG the title "Bank of the Year in Central and Eastern Europe (CEE)" but also recognized five of its subsidiary banks. With the award from "The Banker" this year, the RBI Group garnered all four important awards given out to banks by prestigious finance magazines for the strategic positioning, performance and broad range of offerings for private and corporate customers in Central and Eastern Europe: In April, RBI AG received the title of "Best Bank in Central and Eastern Europe" from "Global Finance" for the tenth time. "EMEA Finance" named RBI AG the "Best Bank in CEE & CIS" for the sixth time. For the eighth time, "Euromoney" and "The Banker" recognized the company as the "Best Bank in Central and Eastern Europe" and "Bank of the Year in CEE". In addition, the RBI subsidiary banks in Bosnia and Herzegovina, Kosovo, Romania and Serbia were all named "Bank of the Year".

## Responsible sales practices and marketing

Financial affairs are a matter of trust. Studies have shown that trust is the most important criterion used when choosing a bank. The RZB Group therefore strives for clear and transparent labeling of products and services for all customers and stakeholders. When advertising and marketing our products, we adhere to strict principles intended to protect our customers. False or misleading advertising is something we feel is unacceptable. We provide clear and useful information to our customers, and when making recommendations, we ensure that these are given in an honest and fair manner and that the customer is adequately informed about the risks arising through the use of our products. Unfortunately, the rules for product information and labeling were not completely followed at four network banks. These breaches led to fines in five cases.

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 RZB AG and RBI AG) has been awarded the Pro-Ethics Seal of the Austrian Advertising Council.



Pro-Ethics Seal

With the help of our strict compliance rules, we strive to ensure that marketing is not misused for any activities in connection with corruption by the entire RZB Group. Nevertheless, a total of 23 violations of rules relating to advertising and failures to heed voluntary rules of conduct took place.

The head office is solely responsible for international advertising and marketing campaigns. All local campaigns with a broad public impact (in particular television spots, ads in print media and on the Internet) must be approved by the Marketing Department of RBI AG.

The abuse of a position as a professional market participant erodes confidence in a functioning capital market and has serious consequences for both the RZB Group and for 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). Within the timeframe covered by this report, there were no complaints in this regard at either RZB AG or RBI AG. At our network banks, we are aware of 18 ongoing court cases in connection with anti-competitive behavior or monopolistic practices. Judgments are still pending in all of these cases.

## Future outlook and Sustainability Program

Establishing sustainability even more firmly within our core business remains our declared goal. Thanks to leverage effects, our products and services offer the best opportunity for us to achieve sustainability effects. In a difficult business environment in which internal resources are focused on economic challenges arising from current geopolitical developments and weak economic performance as well as in connection with intensified supervisory requirements, we view this as a journey of many small steps. For example, the RZB Group participates in various focus workgroups as a member of the "Verein für Umweltmanagement und Nachhaltigkeit in Finanzinstituten e.V." (VfU, Association for Environmental Management and Sustainability in Financial Institutes), including working on the development and implementation of higher standards for the core business of banking.

One development worth reporting was brought about through the guarantee agreements of MIGA (Multilateral Investment Guarantee Agency) with some network banks of RBI AG in the first quarter of 2015. MIGA, the risk insurer for political risk of the World Bank Group, announced that it will issue guarantees in the amount of € 457 million to support lending to the economy by the RBI subsidiary banks in Albania, Belarus, Bosnia and Herzegovina, Kosovo and Serbia. This should contribute to the granting of more loans in the future, which will in turn help stimulate the local economy, reduce unemployment and fight poverty. In connection with the engagement by MIGA, it is expected that the network banks will develop and introduce an environmental and social management system that adapted to the respective portfolio risk. It is expected that this will also increase the general sustainability performance of the respective corporate customers and investment projects over the medium term.

## Excerpt from the Sustainability Program

Responsible banker					
General objectives: Anchoring of sustainability within the business processes; promoting sustainable products					
Strategy area	Objectives	Measures	Status		
New in the Sustainability Program 2015	Responsible banker (Product responsibility)	Ensure future viability up to 2025 in the area of sustainability in the core business	Establish additional responsible financing projects.	Ongoing	
	Responsible banker (Product responsibility)	Implementation of criteria relevant to sustainability in the lending process at three additional network banks	Another three network banks will also implement an environmental and social management system (ESMS) on the basis of the current cooperation with MIGA. (Four of a total of 15 network banks already employ an ESMS in accordance with IFC requirements since 2014.)	Ongoing	
	Responsible banker (Product responsibility)	Cooperation with the University of Applied Sciences Krems within the framework of a "Josef Ressel Center" for applied CSR research in the banking area in order to promote innovations	Multi-year, close cooperation in the area of applied CSR research for financial services companies with a Josef Ressel Center (as part of the participation in the Raiffeisen Climate Protection Initiative).	Ongoing	
	Responsible banker (Product responsibility)	Expansion of the offering of sustainable investment products with another investment fund in the sustainability segment	The product range of RKAG should be expanded with another mixed investment fund.	Implementation in 1st half of 2015	
	Responsible banker (Product responsibility)	Implementation of criteria relevant to sustainability in the lending process at four additional network banks	Introduction of environmental and social management systems (ESMS) in accordance with the exclusion criteria and performance standards of the International Finance Corporation (IFC) at four network banks.	Implementation in 2014	
From the Sustainability Program 2014	Responsible banker (Product responsibility)	Improve the offering of sustainable products/investment products	Launching of a new product range in autumn of 2014 at RKAG: Creating three investment funds in the sustainability segment.	Implementation in 2nd half of 2014	
	Responsible banker (Product responsibility)		Participation by RBI AG in green bond emissions (European Investment Bank and Verbund).	Implementation in 2nd half of 2014	
	Responsible banker (Product responsibility) Fair partner (Fair business and operating practices)	Promote sustainability awareness among account managers	Holding conversations with the responsible persons in the company and creation of a concept.	Implementation in 2nd half of 2014	
	Responsible banker (Added value)	Determine the economic value creation of the Raiffeisen Banking Group in Austria (incl. the RZB Group Austria)	Creation of a value creation report together with the economic research institute Economica and publication in March 2015.	Implementation in 1st half of 2014 and 2015	
	Responsible banker (Product responsibility)	Cooperation with the Eco-Social Forum to support an empirical study on sustainable investment	Publication of the study in March 2015.	Implementation in 1st half of 2015	
From the Sustainability Program 2013	Total (Responsible banker, Fair partner, Engaged citizen)	Creation of sustainability guiding principles	Publication in the Sustainability Report Update 2013 and in the Internet.	Implementation in 1st half of 2014	

# Reports from the Austrian participations

## Valida Holding AG

### Capital investment

Valida Vorsorge Management invests managed assets in a way that conforms to environmental and ethical principles as closely as possible.

### Occupational pension fund

The sustainability concept "Valida Plus Sustainability" defines the basic structure, criteria, methodology, processes and responsibilities for sustainable investment, for 100 per cent of the assets invested of Valida Plus AG. The consultancy firm Mag. Reinhard Friesenbichler Unternehmensberatung (rfu) regularly monitors the portfolio in accordance with ethical criteria. As at the balance sheet date, 100 per cent of the portfolio met the sustainability standards.

Valida Plus is awarded annually for this by the "Österreichische Gesellschaft für Umwelt und Technik" (ÖGUT, Austrian Society for Environment and Technology). In 2015, it received the Gold Certificate for financial year 2014, and thus the best-possible award. This is already the third ÖGUT Gold Certificate in a row.



### Whistleblowing hotline/Compliance

Since January 1, 2014, there has been an external whistleblowing hotline, which Valida employees can call to anonymously report occurrences and suspicions; the reports are sent to the Valida compliance officers via the RZB Group Compliance Office. There were absolutely no indications in the year under review of any infringements of legal requirements or significant transgressions such as fraud, theft, bribery or corruption.

### More information on Valida sustainability

Valida has published an audited GRI G4 sustainability report for financial year 2014 (see [www.valida.at/downloadcenter](http://www.valida.at/downloadcenter)).

Read about current sustainability activities on the website at [www.valida.at/nachhaltigkeit](http://www.valida.at/nachhaltigkeit).

## Raiffeisen Informatik GmbH

In addition to the new company organization, a new structure for the management bodies was created at Raiffeisen Informatik, together with a sustainability management system. The goal of this is to combine successful business with responsibility for the environment and society, and thereby to generate competitive advantages. The CSR Governance is currently being developed and implemented. Investigations regarding activities that have already been implemented with respect to sustainability are being conducted in parallel with this.

The "Governance, Risk, Compliance Committee" (GRC Committee) has also been formed. The committee monitors compliance with legal regulations, official and business regulations, documents infringements and develops measures, guidelines and regulations aimed at enabling the company of Raiffeisen Informatik and its bodies and employees to conduct themselves properly and in accordance with the law.

Apart from efficiency and environmental protection, factors such as the security and availability of our infrastructure for the customers of Raiffeisen Informatik are of fundamental importance. A lot of effort was put into implementing a refined security and redundancy concept that ensures maximum availability and maximum data protection.

## Raiffeisen evolution project development GmbH

### The future needs values

Raiffeisen evolution arose in 2003 out of the merger of several project development companies of Raiffeisen and Strabag. Its core business is the development of premium residential and commercial properties in Austria, Eastern Europe and Southeastern Europe. Raiffeisen evolution also operates as a service provider, and has already implemented numerous property projects for well-known companies. Since the company was founded, 74 projects have been successfully sold and a total of 736,205 m<sup>2</sup> (gross floor area) created.

In 2006, Raiffeisen evolution brought the following trendsetting living concepts to the market:

### Practiced energy efficiency



Saving energy, protecting the environment as well as reducing costs: this concept is automatically taken into consideration in each new residential project of the Vienna-based developer. Raiffeisen evolution therefore only builds low-energy houses, which have the highest-possible energy standard and a heating requirement that is far below that of a standard new home. The specific construction significantly reduces the energy requirement compared to conventional houses. This results in a reduction in CO<sub>2</sub> as well as considerable savings on heating costs. The homes are categorized into efficiency classes in accordance with the new Directive 6 of the "Österreichisches Institut für Bautechnik" (OIB, Austrian Institute for Construction Technology.) this is done using energy indexes. The low-energy values are achieved through smart optimization of the building's structure, and are fundamentally supported by the excellent thermal insulation of the external elements and windows. Highly insulating glazing and frame profiles are chosen in order to achieve this optimization. Mechanical ventilation of the rooms is not provided as a rule, while heating is by means of conventional radiators.

### Smart living with comfort



This concept is based on six pillars: Security, comfort, communication, homeworking, entertainment and cost-saving. Trendsetting technologies are planned and implemented in all these areas. In terms of "smart living", Raiffeisen evolution uses its WOHN-BASE® concept to improve residents' social networking, flexibility and quality of life. The shared, inhouse intranet portal enables communication between residents and can be organized as appropriate. The facilities of the Wellness-Base (sauna, solarium and fitness area are located directly in the building), Office-Base (attractive space with workstations as well as discussion area and kitchenette), Shop-Base (e.g. delivery options for clothes cleaning, bakeries, post) and Event-Base (a large party room with kitchen is available) provide the necessary comfort.

### Adaptable housing



Accessibility is a priority at Raiffeisen evolution – due to the demographic shift and the desire to lead a self-determined life in one's own home for as long as possible. The HUMANBASE® concept developed together with experts who are either personally affected or work for institutions that engage intensively with the topic. The HUMAN-BASE® concept aims at achieving a living space that adapts with advancing years and can be modified with little effort. For example, the relevant substructures, which allow the subsequent installation of features such as handrails by the bath tub, are put in place during construction of the bathroom. Alternatively, the bathroom and storage area can be remodeled into a more spacious bathroom. The entire housing complex has an accessible design and appears just like a normal housing project from the outside. However: doors open at the press of a button, the



lighting is controlled by motion sensors and an appropriate color-guidance system with contrasting colors helps people with impaired vision find their way around. The handrails are arranged in pairs, cellar compartments and general spaces are located on the ground floor. The underground garage has larger parking spaces and the access doors here also open automatically. All of the tools applied in the concept therefore simplify everyday life.

## Prizes and awards in 2014

Award	Project/origin	Status
Capital Finance International - CFI Awards	Raiffeisen evolution	Nominee - Best Real Estate Developer
GBB Award 2014	FCC_Promenada	Prize-winner in the cat. "Projects" & DGNB record result
Central & Eastern European Real Estate Quality Awards	FCC_Promenada	Building of the Year SEE
SEE Real Estate Awards	FCC_Promenada	Overall Project of the Year
Immobilien-Cäsar	Ernst Kovacs	Developer of the Year
Business Superbrands©	Raiffeisen evolution	Business Superbrand
CEE CIJ Awards	Raiffeisen evolution	Commercial Developer of the Year
CEE CIJ Awards	FCC_Promenada	Best Retail Development of the Year
CEE CIJ Awards	Raiffeisen evolution	Environmental, Social & Sustainability Award

The EUREB institute conferred the title of "Austria's most valuable housing brand" on Raiffeisen evolution in 2013. For the Jungstrasse housing project in Vienna-Leopoldstadt, the company was awarded the klima:aktiv label in 2011.



Jungstrasse housing project, © Raiffeisen evolution



CSR Report 2013, © Raiffeisen evolution

## Raiffeisen Wohnbaubank AG

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

### Social sustainability in the housing project “Urbanes Dorf” (Urban Village)



Social sustainability in the “Urban Village”, © Die Gemeinnützige Bau-, Wohn- und Siedlungsgenossenschaft “Neues Leben” reg. Gen.m.b.H.

Funds raised through the issue of Raiffeisen housing bonds have been used to implement projects such as “Urbanes Dorf” (Urban Village) on Grellgasse in 1210 Vienna through “NEUES LEBEN” Gemeinnützige Bau-, Wohn- und Siedlungsgenossenschaft “Neues Leben” reg.Gen.m.b.H. This project focuses on the idea of social sustainability. The housing project implements affordable housing in green areas and has a high proportion of households with children and adolescents. The compact arrangement of the new housing units as well as numerous amenities in the outdoor area and community rooms enable the straightforward formation of neighborhoods and communities.

The moving in and settling in phases are supported by an estate management program that ranges from an online survey and the creation of a project website through to the holding of workshops and themed evenings as well as social and cultural events. The social integration of residents into a manageable, functioning neighborhood, good social networks and thus a certain sense of “social security” in the residential district characterize the social sustainability of this project. The “Urbanes Dorf” is a housing complex of 52 housing units and freely allocated parking spaces in the midst of a large, undeveloped area with a village square, a playground for small children and adolescents, a sunbathing area and numerous vegetable beds.

Glossary	
<b>Austrian Sustainable Building Council (ÖGNI)</b>	Non-governmental and non-profit organization that has set itself the task of developing and promoting solutions for sustainable building as well as classifying the sustainability and energy efficiency of buildings by means of certification.
<b>blueCARD</b>	Building certification of the Austrian Sustainable Building Council (ÖGNI) for assessing the sustainability of the portfolio.
<b>BREEAM certification (Building Research Establishment Environmental Assessment Method)</b>	Method for certifying sustainable buildings and a reliable ecological standard for buildings. Assessments are performed under various aspects such as "Asset" (construction measures/fittings) and "Building management". Property investors turn to BREEAM as do tenants.
<b>Environmental and Social Management System (ESMS)</b>	Set of guidelines, procedures, tools and internal capacities for identifying the environmental and social risks of the customers/participations of a financial institute.
<b>European Bank of Reconstruction and Development (EBRD)</b>	Was founded to support the construction of the market economy in Central and Eastern Europe.
<b>European Investment Bank (EIB)</b>	The bank of the European Union. Shareholders are the EU Member States. It acts on their behalf and cooperates closely with EU bodies to implement EU policies.
<b>Green Bond Principles</b>	Voluntary procedural guidelines which promote the transparency of this rapidly growing market by establishing a uniform process for issuing Green Bonds. They are open to all institutions that have already issued, subscribed to or placed Green Bonds.
<b>International Capital Market Association (ICMA)</b>	International association of capital market participants (banks and financial service providers).
<b>International Finance Corporation (IFC)</b>	International development bank which promotes the development of the private sector in developing and emerging countries, e.g. through loans, equity participations, guarantees etc. Part of the World Bank Group; leading in the development and implementation of social and environmental standards in the collaboration with the private sector.
<b>Leadership in Energy and Environmental Design (LEED)</b>	A system for classifying ecological construction that has been developed by the U.S. Green Building Council.
<b>Markets in Financial Instruments Directive (MiFID)</b>	Directive of the European Union (EU) for harmonizing the financial markets in the European single market.
<b>Multilateral Investment Guarantee Agency (MIGA)</b>	International guarantee agency which promotes direct investments in developing and emerging countries by providing guarantees for non-commercial risks (e.g. transfer restrictions, breach of contract, war, civil unrest and expropriation), with the goal of reducing poverty and improving living standards for the population; part of the World Bank Group.
<b>Net Promoter Score (NPS)</b>	A customer satisfaction index which indirectly quantifies customer satisfaction and loyalty and directly quantifies the customer's willingness to recommend a company.
<b>ODRAZ</b>	Croatian abbreviation for Sustainable Community Development; independent civil association for supporting sustainability activities.
<b>Single Euro Payments Area (SEPA)</b>	Single payment area which aims at the use of identical procedures and standards for the euro payment transfer business. The area currently covers thirty-four European countries.
<b>The Austrian Research Promotion Agency (FFG)</b>	National funding agency for business-related research in Austria.
<b>UNICO Banking Group</b>	Association of the leading European cooperative banks



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

# Fair partner

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

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

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

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

The RZB Group stands for transparent disclosure and responsible marketing. Our reporting on business activities and sustainability is conducted transparently and comprehensively, based upon recognized and authorized international standards (such as the Global Reporting Initiative). As such, our communication with stakeholders goes beyond the legal 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 staff every day to deepen this trust. Present in Austria for almost 130 years, and in CEE for over 25 years. Our customers and we have a common goal: Success. We have internalized this company principle and we put it into practice every day, such as in the way we actively offer our customers tailored, personalized solutions based upon their requirements.

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

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

We also view environmental and climate protection as part of our responsibility to society, and we see ourselves as a fair partner to the environment. The direct environmental impacts of our operational activities are limited compared to those of production industries. Despite this, it is the aim of the RZB Group to minimize negative environmental impacts at all of its sites to the greatest possible extent, and – where possible – to go beyond basic compliance with legal requirements and demands (see page 110 et seq.).

# Fair business and operating practices

## Corruption and money laundering

We do not tolerate any form of corruption, money laundering, fraud or insider trading and take active steps to prevent such activities. A prerequisite in our business and operational practices is the fair, ethical and legally compliant behavior of all members of staff. Mechanisms for complying with laws as well as internal or external codes of conduct are established in all countries in which the RZB Group operates through our Code of Conduct (CoC) and clear, detailed regulations contained in the Compliance Manual. The central Compliance Office adopts an important interface and control function in our companies in this regard.

Our Code of Conduct (CoC) forms the basis for this practice, enshrining among other points, the avoidance of corruption, bribery and money laundering, avoidance of any conflicts of interest and market abuses, compliance with data protection standards, and other sensitive issues (see from page 50, 'Compliance'). As a main component of our corporate responsibility, it consciously goes beyond formal and legally arranged behavior and describes how we deal with customers, business partners and employees. It ensures compliance with the highest possible standards, which are based on the moral concepts of customer focus, professionalism, quality, mutual respect, initiative, teamwork and integrity.

Each new employee of the RZB Group must attend training classes dealing with these topics. These cover aspects of preventing corruption, as well as appropriate measures and rules concerning internal obligations to report. Defined groups of employees must also attend refresher courses on a regular basis. In addition, there are numerous special training classes for management staff and those sectors where there are particular risks associated with corruption. The terms of the CoC apply worldwide, for all employees. In 2014, 37 per cent of the Board and one per cent of B-2 management staff, four per cent of other management staff and 47 per cent of employees without a management function across the Group were trained on the issue of preventing corruption.

Measures taken and activities to prevent corruption are guided by the principles of the UK Bribery Act 2010. These include the obligation of the management staff of all units of the RZB Group 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 avoidance of fraud are communicated clearly and put into practice effectively. Monitoring and review of these procedures takes place on a regular basis.

Each member of staff is obliged to report serious violations of the CoC - such as fraud, theft, embezzlement, bribery or corruption. This can be done in the form of an email to Compliance, a telephone conversation with a Compliance employee, in writing, or via an external telephone hotline, run by a service provider in the United Kingdom (Group Whistleblowing). All allegations will be investigated. The Group reacted immediately to previously reported occurrences of corruption, taking appropriate disciplinary action in accordance with Group regulations, up to and including dismissal. We continue to work to find and close any existing loopholes in the regulatory framework in order to minimize future risks to the greatest extent possible.

The benchmarking and quality assurance process, developed in conjunction with Group Compliance and an internationally renowned consultant on the basis of international Best Practice, was used across the Group in 2011 and 2012, under the leadership of Group Compliance. The results and recommendations, which covered all 15 network banks in CEE including their branches, showed a strong commitment to well established procedures and regulations, and also continuous efforts to maintain the highest possible standard.

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

The RZB Group does not give either financial donations or donations in kind to political parties, politicians or their related institutions. Clear regulations in this regard are enshrined in the Code of Conduct, and are monitored by Compliance. There have been no incidents in this regard since 2009.

## Fairness with shareholders

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

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

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

## Human Resources

Self-responsibility is an important part of the corporate culture of the RZB Group. The executive management demonstrates responsible and sustainable business behavior. We measure managers and employees not only by their results, but also by their behavior. In order to boost competitiveness and safeguard our future, various strategic activities were initiated in 2014.

One area that Human Resources focused on in 2014 was the RZB program "ZukunftPLUS". The goal was to bring about a better interaction of the Raiffeisen Banking Group in Austria, partly by stipulating clear structures and decisionmaking channels across Austria. These measures results in the affiliated companies being able focus on their core competences while bundling the resources of staff and back offices. Processes, the use of IT applications and infrastructure topics were developed in a so-called "deep dive" phase.

A "ZukunftPLUS blog" was set up as a means for employees to communicate about the developments. The employees were kept informed in this way. The blog attracted around 4,400 visitors every month in 2014. The spatial merger, which is being continued in 2015, had a positive effect on communication between individuals. Shared Services Centers were set up, experts from the companies brought together at a single location, and the know-how bundled. The HR team was also brought together at the "Am Stadtpark" site. This further strengthened the "we feeling".



© Andreas Reisenberger

Wolfgang Strau, Head of HR Business Partners RZB & Affiliated Companies, RBI AG

"For HR, 2014 was all about the creation of an integrated personnel management system for RZB AG, RBI AG and affiliated companies (AC). Within the scope of the ZukunftPLUS program, which generally aimed at bundling service functions of the AC in Shared Service Centers, the HR departments of RBI AG and AC were also merged into the HR division of the RZB Group in Austria. All human resources matters were transferred on January 1, 2015. HR was responsible for areas including providing support under labor law and for supporting the change management process of the overall program. In true Raiffeisen style, it was essential to process staff migrations in the common interest of employees and the company and in a climate of mutual appreciation. Intensive discussions with the Staff Councils and comprehensive employee information were therefore a matter of course. Considerable attention was also paid to the optimization and standardization of the HR processes and the consolidation of the HR IT applications, taking the process requirements into consideration. As the HR competence center of the RZB Group, HR is delighted to be the point of contact for high-quality, strategic human resource management."

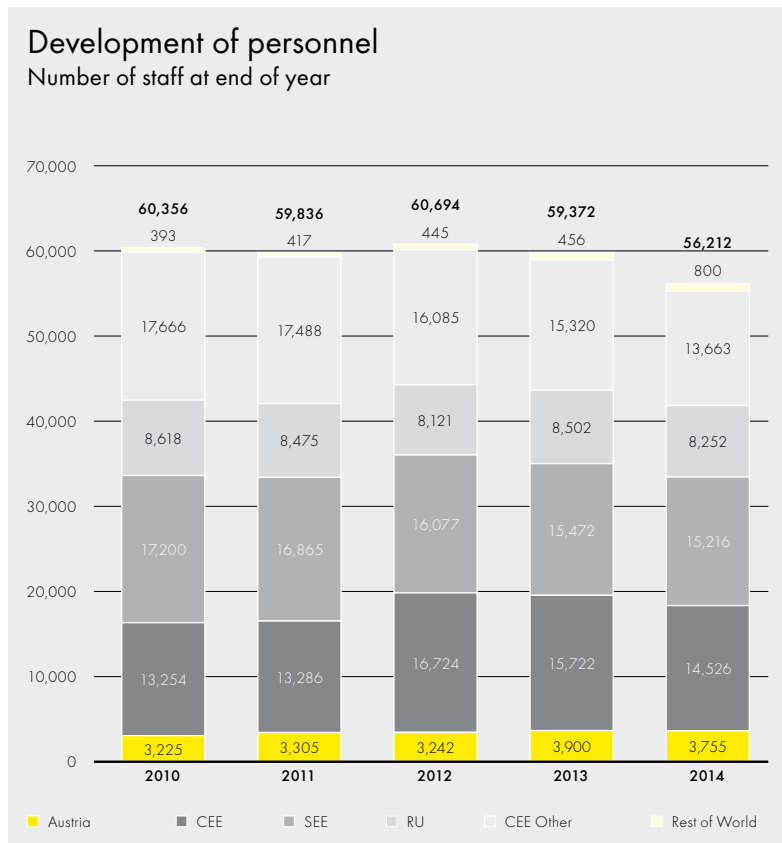
QUOTE



The “ZukunftPLUS” program was formally brought to a conclusion at the end of 2014. It succeeded in retaining the strengths of the respective companies and making the banking group leaner and more efficient to face the challenges of the future. The savings potential of around 25 million Euro per year can probably be achieved by the end of 2015/beginning of 2016.

## Facts & Figures

The RZB Group employed 56,212 people as at December 31, 2014 (full-time equivalent), which is a reduction of 5.3 per cent compared to 2013 (59,372 employees). Most of this decline can be traced to the developments in Ukraine. The traditionally very high share of female employees in the overall headcount was 67 per cent. Vacancies were mainly filled in critical functions in order to replace departures due to fluctuation. The fluctuation rate in the reporting period was 22 per cent (2013: 19 per cent). The high qualification level of the employees is reflected in the ratio of university graduates of 73 per cent.





Below, you will find an overview of the measures that are currently being implemented in the area of Human Resources in the individual companies.

Overview of fair partner/human resources measures																				
Topic	Measure	Location Vienna	CE						SEE				CEE Other	RU						
		RBIAG/ RZBAG	RBSK	RKAG	RL	RBPL	TBSK	RBSI	RBCZ	RBHU	RBAL	RBBH	RBBG	RBKO	RBHR	RBRO	RBRS	RBRY	AVAL	RBRU
Work and family balance	Part-time work	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Teleworking	✓		✓			✓		✓			✓					✓			
	Company kindergarten	✓		✓	✓				✓			✓								
	Time off for fathers in event of a birth	✓		✓	✓	✓			✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓
Employee development	Performance Management	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Talent Management	✓	✓	✓		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Health, safety and support for employees	Safety management system	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Programs for mental health	✓	✓	✓	✓			✓		✓		✓	✓	✓	✓	✓	✓			
	Health check	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Promotion of private health insurance	✓	✓	✓	✓	✓			✓		✓	✓	✓	✓			✓		✓	✓
	Promotion of the pension fund	✓	✓	✓	✓		✓	✓	✓	✓	✓		✓		✓	✓	✓			✓
	Support for cultural events	✓	✓	✓	✓	✓	✓	✓	✓	✓			✓			✓	✓	✓	✓	✓

## Talent Management and development of management staff

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

Our "RBI Group Management & Leadership Development Policy" sets out the principles for such an approach. As a Group, we require common core elements within our culture of management and leadership. We need to be able to fill vacancies mainly from within, and to be able to prepare the next generation of top managers. This policy guides management staff and HR specialists, and supports them in their efforts to further develop management staff already in office, and to continue to develop our future leaders. As a policy, it is also set out to build an ultra-modern system of enterprise and leadership development.

We believe strongly in an individual performance appraisal as well as a firm connection between this and the disbursement of variable, performance-based salary components. The "Standard Performance Management" directive forms the framework for regional guidelines which are adapted to the requirements of individual countries. Performance management is a procedure which offers a transparent breakdown of the Company's objectives, in such a way that all contributions from management staff and employees are aligned to the overall objectives of the organization. It defines a group-wide framework plan for the structure and procedure of performance management. It describes the way in which performance is defined and measured, as well as how organizational objectives are broken down at the level of the individual, and, finally, how performance management is linked with other procedures of personnel policy, such as compensation or development.

In reporting year 2014, a strong focus was once again placed on Talent Management within the RBI Group. Particular attention was paid to increasing the quality of the personal development plans and to ensuring the application of high standards when identifying talents. This was supported by so-called calibration meetings. The nomination process for the Young Potential program was adapted to the Talent Management process and a new program was developed for management talents.

In addition, measures for the development of management were closely meshed with the process of Talent Management in order to boost managers in their role as "People Developer". Workshops on the topic of Development Meetings and Talent Development were offered. A Development Center for future managers was developed and implemented. Various assignments were employed to create competency and strength profiles which were subsequently incorporated into personal development plans.

Another focal point were various change support programs for managers, especially that were undergoing restructuring. As part of the "ZukunftPLUS" program, managers attended a series of change workshops in order to prepare them for the integration and cooperation with RZB AG/RBI AG and to support them with the necessary changes.

In the area of "Executive Development", proven programs were successfully implemented and special attention paid to high-quality and purposeful development plans for board potentials at the network banks.

### Executive development at the network banks



In Hungary, the restructuring process in the network banks was such an exceptional success that the HR manager of the Hungarian network bank, Ildikó Szőke, was recognized with the prestigious award "HR Leader of the Year".

This award was given out for the first time by the National Hungarian Association for Human Resources (OHE) at the annual presentation of the "HR Oscars".

Ildikó Szőke was nominated for the award by the Managing Board of the Hungarian Raiffeisen Bank, a number of managers at the bank and her own team. An external jury of experts finally chose her as the winner.

## Training and development

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

### eLearning

The focus on eLearning training courses also continued in 2014. There are 131 different eLearning courses on offer to all employees in the RBI Group and in RZB AG.

Course contents included topics such as Compliance, IT Security and Operational Risk. Enough was done with the eLearnings in these areas to satisfy the statutory and regulatory requirements, ensuring that all employees are familiar with the prescribed contents.



© Raiffeisen Bank Zrt., Hungary

Ildikó Szőke, Head of Human Resources, Raiffeisen Bank Zrt., Hungary

*"At Raiffeisenbank Zrt. in Hungary, we know that our colleagues are the most important asset of our company and that they can achieve strong, sustained performance if they feel engaged and balanced. For me, it is very important that we never question the value of providing our colleagues various programs for mental and physical health as well as stress reduction despite all the cost pressures that we experience today. To support a healthy work-life balance, we encourage managers to use the option of flexible working hours and working from home. In my role as a manager, I give my colleagues the same freedom as I have to allocate and utilize their capacities. What matters most to me are the results and accomplishments of our daily work. I am pleased that our bank participates in a special diversity program in which we support Romany undergraduates in the form of scholarships and internship opportunities at our bank. We also do our best to reintegrate our female colleagues returning from maternity leave. We have begun our journey of cultural change in the implementation of health programs and diversity management, and we are highly determined to stay this course."*

QUOTE



In total, there were 5,445 applications for the offered eLearning programs. At the network banks, a further 1,131 participants expressed their enthusiasm for this kind of development. eLearning has developed into a permanent feature of the training programs in recent years. This format is especially well suited for conveying contents to a large group of participants.

Course administration was designed to be more employee-friendly. The eLearnings, which are free for employees to attend, no longer require approval, which represents a further simplification for managers. The respective learning programs can therefore be completed by each employee quickly and with a minimum of fuss.

## Professional Development

In 2014, professional development focused in particular on using the time available and budgetary resources for strategic objectives and initiatives wherever possible. While the portfolio and the number of participants in standard trainings also declined slightly at the Vienna sites, increased investments were made in business-critical fields, such as process optimization. Other focal points were the qualification of our top management staff and key persons in terms of their being “fit & proper” as well as mandatory training courses on compliance topics.

Professional development saw a further expansion of cross-function and international rotation and exchange programs, especially for identified talents and “high potentials”. The “International Young Potentials Program” was successfully initiated in the RBI Group for the fourth time. The following banks participated in it in 2014: RBI AG, Austria; Raiffeisen Bank Kosovo J.S.C., Kosovo; AO Raiffeisenbank, Russia; Raiffeisen Bank Polska S.A., Poland; Raiffeisen Bank S.A., Romania; Raiffeisen Bank Zrt., Hungary; Raiffeisenbank (Bulgaria) EAD, Bulgaria; Priorbank JSC, Belarus; Raiffeisen Bank Sh.a., Albania.

We also offer courses on the topic of sustainability management with the goal of staff being able to act and take decisions responsibly. These are organized jointly with the Raiffeisen Campus and each comprises a two-day basic seminar and an advanced seminar. In 2014, a new online training course on sustainability topics in the RZB Group was prepared for employees of RZB AG and RBI AG. The training will be mandatory for all new employees starting from summer 2015 and will also include a knowledge test. All other employees can complete the training on a voluntary basis.

## Education and development initiatives at the network banks

Trainings concerning fire protection as well as health and work safety are also offered to new employees at Raiffeisen Bank Polska S.A. by the Compliance department. Additionally, a first aid course taught by external providers is organized every year for the employees. This training is not mandatory. Five per cent of the employees have already completed the course.

At Tatra banka, a.s. in Slovakia, the concept of target-group-oriented development and further education of managers, talented employees and candidates for future management positions was introduced in 2014. The programs “Managerial Academy” (for newly appointed managers) and “Talent Academy” are being continued.

The trainee program of Raiffeisenbank a.s. in the Czech Republic addresses talented young people at universities and offers them practical job experience within the framework of a one-year program. In 2014, eleven trainees were accepted by the Corporate Division.

Raiffeisen Bank Zrt. in Hungary offers a “Retail Branch Manager Pilot Succession Program” for potential managers as well as career advising opportunities for all employees. Trainings in change management support the correct application of the change management toolkit.

New rules for training measures were introduced, and the online calendar with the various training and education opportunities can now be viewed by all employees. eLearning courses on the topic of avoiding corruption were held for all employees and process trainings for the management staff. A new training for time and stress management is in planning, as are manager and coaching programs. Additional key measures included the 360° assessment of managers and development plans.

A special policy on eLearning regulates mandatory trainings on the topics of compliance, avoiding corruption and money laundering at Raiffeisen Bank Kosovo J.S.C. This new method poses an excellent opportunity for the bank to run high-value courses and tests on a small budget.

Raiffeisenbank Austria d.d. in Croatia trained and tested 1,838 employees via eLearning on the following topics: Avoiding corruption, fraud and money laundering, compliance, credit fraud and FATCA ("Foreign Account Tax Compliance Act"). In the year 2014, a total of 2,446 people participated in classroom trainings in the form of expert classes, soft skills trainings and management trainings, which is 13 per cent more than in the previous year.



The education measure "Inspire to Aspire – a Wakanda Challenge" began in May 2014 at Raiffeisen Bank S.A. in Romania. 48 employees of management levels B and B-1 participated. The goal is to increase the engagement and motivation of employees. The program is focused on the following aspects:

- Self-knowledge: Knowing your own motivation level
- Personal credibility
- Goal-setting with priorities: Clear goals and ways to achieve them, adapted to the "big picture"
- Constructive feedback
- People focus: Key words for getting in touch with employees
- Team development



Program Inspire to Aspire – a Wakanda Challenge, © RBRO

For the first time, all employees of the B-1 level at Raiffeisen banka a.d in Serbia received 360° feedback. Roughly 450 evaluations were performed. The next step is direct feedback from the respective Managing Board member. A "Manager of Managers – Development Assessment Center" in the local language was introduced in 2014. Compared with 2013, the number of people taking part in English courses increased by 200 per cent (173 participants) in 2014, while participation in the internal stress management training grew by 400 per cent (40 participants). Free monthly Raiffeisen workshops for employees were once again offered. The following topics, amongst others, were covered: Visions of future technologies; presentation training; puberty – time of crises, challenges and opportunities; quitting smoking (after which a number of employees actually did quit); and Serbian alpine rescue. All workshops, which are held in seminar rooms, are recorded on video and made available to the employees in the intranet. In addition, all employees were tested on the topics of compliance and avoiding money laundering. In 2014, a total of 3,156 employees took part in trainings, courses, workshops, etc. via the eLearning platform (RLM – Raiffeisen Learning Management).

At Priorbank JSC in Belarus in 2013 and 2014, all employees took part in mandatory online trainings on avoiding fraud and money laundering and 75 per cent of the staff participated in anti-corruption and code of conduct trainings.

"Step in the Future" is a development program of Raiffeisen Bank Aval JSC in Ukraine for enhancing the company loyalty of talented employees to ensure that a pool of specialists is available to the organization for future challenges.

New employees of AO Raiffeisenbank in Russia must prove their knowledge of compliance and avoidance of money laundering in a test. The operational employees must complete such a test once per year or after a change to the corresponding Russian laws. The training in compliance topics was updated in 2014.

## Employee involvement

### Staff survey

A group-wide staff survey project was launched in 2014 for the first time, with the aim of making data comparable within the Group and achieving optimal cost efficiency. This was carried out jointly with the HAY Group, a global consultancy firm specialized in human resource topics. RBI AG and RZB AG also participated in this survey.

In addition to the two central factors of employee commitment (the commitment to the company and the willingness to do extra work on a voluntary basis) and employee enablement (the presence of an environment that promotes success), twelve other aspects – e.g. quality and customer focus, collaboration, strategic orientation, service orientation and training – were surveyed.

The participation rate of 70 per cent (2011) rose to 75 per cent at RBI AG. A lot of importance was attached to the involvement of the employees in the planning of improvements. Appraisal and measure planning took place on three levels: 1. appraisal on the respective unit level, 2. on the overall bank level for topics defined by the Managing Board as a priority for the company as a whole, and 3. appraisal in the context of the sub-project “psychological evaluation of stresses in the workplace”.



#### Share! Shake! Shape!

The appraisal of the topics prioritized by the Managing Board for head office in Vienna, which arose out of the staff survey, took place for the first time at a large group event under the motto “Share! Shake! Shape!”. Fifty-seven employees and executives worked intensively on this day on specific recommendations for improvements in these topic areas. At the end of the event, the 17 newly designed measures were presented in the presence of the CEO. Work will subsequently be done on the actual implementation of the main proposals.



Working group of the Share! Shake! Shape! event, © RBI AG



Plenum of the Share! Shake! Shape! event, © RBI AG

Exemplary for the network banks was the 91 per cent participation rate in staff survey at Raiffeisenbank Austria d.d. in Croatia. Several local workshops were held to gather specific ideas for improvements from the management staff and all employees. Many projects that resulted from the survey are in or shortly before the implementation phase.

## Psychological evaluation at RZB AG and RBI AG

Following on from the staff survey and the reappraisal of the findings, a number of topics were centrally processed in order to facilitate a uniform procedure across the company. These include the topics of "Health" and "Stress in the workplace". These topics must be evaluated in every Austrian company in accordance with the Employee Protection Act (ASchG) and documented for presentation to the labor inspectorate. During the appraisal of the results of the staff survey, these topic areas were processed in a sub-project.

The "psychological evaluation of stress in the workplace" is intended to determine the stress endured by employees and to identify ways to counteract it. We have tried to find topics that everyone perceives as stressful at the Vienna sites. Subsequently, colleagues from a wide range of organizational units worked together on finding solutions that represent an improvement for all employees.

Specifically, employees from the various organizational units were invited to attend workshops which were led by an external moderator trained in occupational psychology. The first part of these workshops involved understanding the causes of psychological stress. These were specified in detail in a "deep dive" process and then solutions proposed. In addition to this, workshops on the same topics were held at management level in order to obtain the broadest possible spectrum of opinions and inputs. The solutions elaborated in this way were then combined with the results of the workshops from the staff survey and with the findings of the Share!Shape!Shake! event. The defined measures will represent a focal point of HR work for 2015.

## Active participation of staff

We believe it is extremely important that the concerns of our staff are taken seriously and listened to. During internal events, employees are regularly asked by the Managing Boards to contact them directly if necessary (Open Door Policy). Furthermore, ideas and comments can always be brought to the Staff Council, which can address concerns during monthly meetings with the Chairmen of the Managing Boards (RBI AG and RZB AG).

In June 2014, the employee representations from Austria, Poland, Romania, Slovenia and Hungary launched the process for the creation of a European Staff Council (ESC). Following this, employee representations were also set up in the other EU countries, and in December 2014, the first round of negotiations with the RBI Managing Board took place. The ESC will represent the interest of employees internationally. It must be informed about important decisions and consulted on them in advance. In any event, the prevailing regulations and statutory requirements on the topic of employee representation will be followed in all countries. 47 per cent of Group employees are covered by collective bargaining agreements.

In the seven working groups of the Staff Council of RBI AG and RZB AG, some of the employees' suggestions are processed with the company physician and the "Human Resources" division and ongoing action taken. Their goal is the discernment and promotion of economic, social, health and cultural interests of the employees in the business. Some working groups are set up to work on a permanent basis (e.g. workplace conditions/health, work/family, nutrition or mobbing/stress/burnout). Others are put together at short notice and work on a project-by-project basis. However, cost-intensive issues are only rarely discussed here. Often, it is a case of picking up an idea and putting it into practice. In total, around 200 measures are developed each year - meaning that working groups are always an important breeding ground for sustainable improvements.

A business and environmentally friendly perspective in 2014 was the launch of the Job Ticket (see page 130), which is used by 1,281 employees. One successful outcome of how well employees are supported by the Staff Council and the Staff Council office is the decision taken at the beginning of 2015 to set up a Staff Council Service Center modeled on the office at the Am Stadtpark head office for companies based at the "R19" location on Muthgasse in 1190 Vienna (apart from RBI AG and RZB AG, these also include other companies such as a Raiffeisen-Leasing GmbH or Raiffeisen Bausparkasse).

## Diversity management and the ability to reconcile work and family

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

Diversity is firmly anchored in our values and convictions. We have an open, non-prejudicial corporate culture, in which employees can develop their potential and bring their individual talents to bear. Due to the global presence of the RZB Group, cultural and social diversity belong to the daily business of the Human Resources division.

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

### Equal treatment

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

Salaries are regularly analyzed within RZB AB and the RBI Group. As a result of on-going efforts in previous years to give equal pay for equal work, irrespective of gender, there are no significant differences between the salaries of men and women within the Group.

Further measures are needed to achieve a defined quota of 35 percent of women on the Supervisory Board, Managing Board and higher management of RZB AG and RBI AG in the next five to ten years. Direct contacts, specific funding programs, special focal points in the identification of talent are to be strengthened.

The Managing Board is aware that it needs to consistently continue existing initiatives as well as launch new ones in order to further increase the number of women in more qualified positions.



© Andreas Reisenberger

Petra Pointinger, Head of HR RBI & Subsidiaries & Shared HR Services Austria, RBI AG

*"The matter is essentially quite simple. In a society that places no value on sustainability, any company can be successful, even without CR Management. But in a society for which diversity and the reconciliation of work and private life are truly important, a company without a sustainability management system will lose market share in the long term and perhaps even disappear from the market altogether. Companies are therefore well advised not only to monitor the market, but also how society develops and take the earliest action possible. This is because real sustainability cannot be donned like a fashionable hat from one day to the next. As an HR manager, I take a rational view of the topic of women in higher management. A company needs good people, in some areas the very best. If the best are sought primarily amongst men then half of the potential that humanity has to offer is being ignored. That would be a pity."*

QUOTE



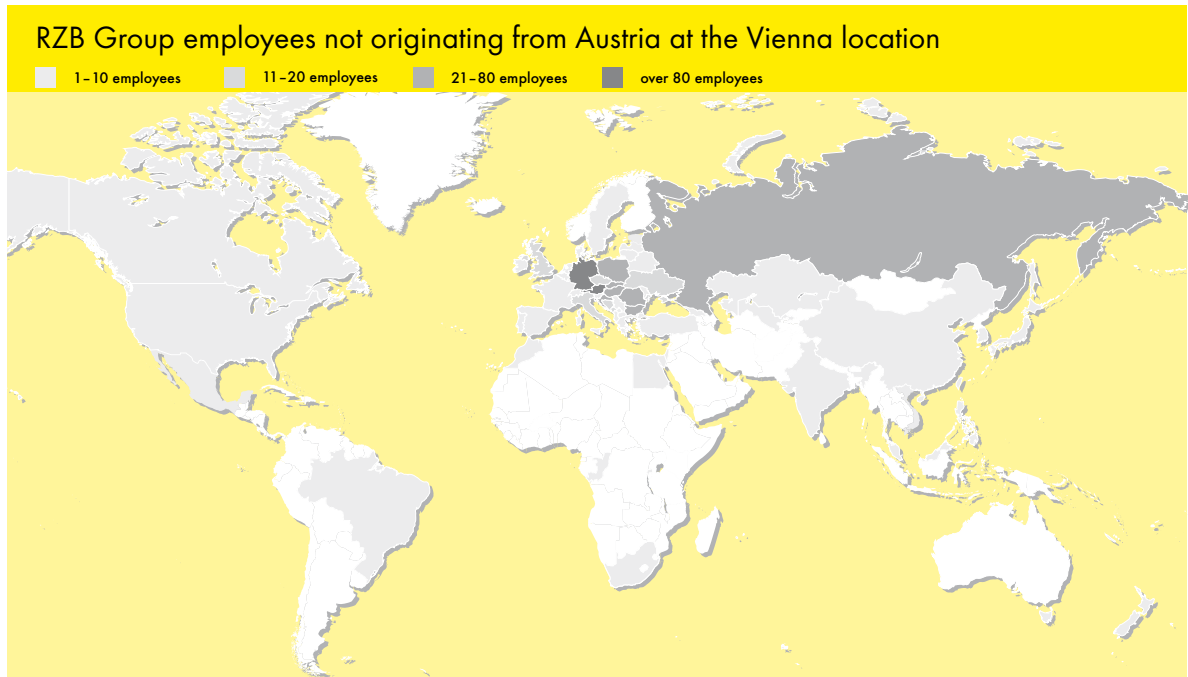
The share of female participants in the management programs in the RBI Group and RZB AG in 2014 was:

Program	Share of female participants
Basic Leadership Program	40%
Advanced Leadership Program	15%
Execute! Program	38%
Executive Development Trainings	43%

At the network banks of the RBI Group, the quota of women in management has been very high for years.

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

In 2014, there were 546 employees working at head office in Vienna with a migration background from a total of 51 different nations.



The tradition of the “International Dinner” has been successfully continued for more than six years. Increasing numbers of new colleagues are taking part in this get-together. The “International Dinner” has transformed in recent years from being just a culinary event to a real gathering and place for people to get to know one another. New colleagues from various nations and colleagues from other areas of the bank can be met at this event. In 2014, the opportunity of the “International Dinner” was used to steer colleagues’ attention to the culture of other countries in the form of brief presentations or to raise more awareness of sustainable initiatives, such as the H. Stepic CEE Charity.



Ukrainian dish “Vareniki” at the International Dinner of RBI AG, © Daniela Tsoneva



Group photo of the International Dinner of RBI AG, © Daniela Tsoneva





International Community, © Maria Nazarova

Also in 2014, a number of employees came together with HR to create the “International Community”. This aims to help foreign colleagues who have moved to Austria with all questions to do with the topic of “Working and living in Vienna”.

In order to give them the opportunity to build up a social network, sporting and other kinds of events were organized.

We would particularly like to mention the company kindergartens with employee-friendly opening times at the Am Stadtpark and Muthgasse sites. The cultural working group organized an event almost monthly (city tours, museum visits); in addition to the theater community, the visit to the Vienna English Theatre has been funded since 2014.

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



## Diversity initiatives at the network banks

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

In the area of work-life balance, Tatra banka, a.s. in Slovakia offers the opportunity to take an extended, partially paid vacation to prevent burnout (1-3 months for managers, 1 month for employees).

In compliance with statutory requirements, the Slovenian Raiffeisen Banka d.d. has produced three new handbooks, including one on the prohibition of sexual and other harassment. The Slovenian bank also has a detailed process in the event of workplace bullying as well as a bullying officer and an anti-bullying board to be contacted in emergencies. In 2011, the company received a basic certificate as a family-friendly company. This was expanded in 2014 to a full certificate from the Ekvilib Institute as a family-friendly company. Newly implemented measures contributing to better work and family balance provided the basis for this. These measures include one day of special vacation for employees with children in kindergarten or the first three school grades, free events for employees, Christmas gifts for the children of employees and other initiatives.



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



Diversity programm "Odyssey-Leadership", © RBCZ



Diversity program "Odyssey-Leadership", © RBCZ



In 2013, employees of Raiffeisenbank a.s. in the Czech Republic took part for the first time in the program "Odyssey-Leadership". This is a ten-month cross-company diversity program to promote talented female managers from all over the Czech Republic. The goal is to support female managers at Raiffeisenbank in the Czech Republic within multiple areas: effective management style, increased self-confidence and courage as well as expanding their network of other women in the Czech business community who have similar interests. Due to the positive feedback from 2013, another group of five (eight in 2013) female managers at Raiffeisenbank were nominated for the program in order to increase the number of female managers in top positions at the company. In total, roughly 35 women from the Czech Republic participated in the "Odyssey-Leadership" program. Two programs currently exist: a basic module and an advanced module (available to women who complete the basic module).

The option of teleworking is available at Raiffeisen Bank Zrt. in Hungary, and 19 employees currently work to some extent from home. All employees can choose part-time work, especially those who are returning from maternity leave. In 2014, the share of part-time employees was three per cent. Fathers receive five days of special vacation on the birth of a child.

Raiffeisen BANK d.d. Bosna i Hercegovina offers a refund for the costs of child care for small children whose parents voluntarily choose to return early from maternity leave (before the first birthday of the child). A contract from the agency "USPON" for employment of persons with disabilities in the call center has been in place since 2010 and was continued in 2014. Three employees with disabilities are currently employed. Clear processes for the event of discrimination or bullying are set down in the Compliance Manual and based on the anti-discrimination principles in the group-wide Code of Conduct.

In addition to the option of part-time work, Raiffeisen Bank Kosovo J.S.C. in Pristina offers a company kindergarten as well as health insurance for parents and children.

One of the projects that owes its existence to the employee survey at Raiffeisenbank Austria d.d. in Croatia, which was completed by 91 per cent of the staff, is the option of flexible working hours or teleworking for employees in units in which these forms of work do not impede the standard processes. Furthermore, the bank is participating in the project "To employment with top employers", which seeks to improve the employment opportunities of population groups who are disadvantaged on the Croatian labor market. If this project of the European Social Fund receives a positive evaluation, it can be carried out in the year 2015 and the first half of 2016 as planned.

## Health and safety

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

The absence rate was 3 per cent during the report period, exactly the same as it was in 2013 and 2012. There were no deaths. The injury rate according to ILO is 0.18 (0.23 in 2013).

### Health initiatives at the Vienna sites

Ergonomically designed offices create the conditions for healthy work. To guarantee this, our company physician makes regular tours of the workplace and also ensures that all other occupational medical support is provided. To protect and promote the health of employees, various sporting activities are supported by taking over the cost of these activities or by making facilities available for them. Employees also have access, at their own cost and on their own time, to acupuncture, craniosacral therapy, nutritional counseling, Hara Shiatsu, massages, osteopathy, physiotherapy, sound and hypnosis therapy, all of which are provided on the Company's premises.

A grant is awarded to a Group health insurance scheme for employees and in some cases their dependents (spouse, partner, children).

A health week is organized annually in cooperation with the health organization "Health & Life". Employees can submit themselves to a thorough health examination either for free or for a small charge. In 2014, 636 employees took part in the scheme, with between 95 and 223 employees participating in five subsidized additional examinations. A package of preventive measures for men and a preventive cancer arrangements for women were also offered in 2014.

The health week kicked off with the "UNIQA Vital Truck", which offered interested employees the possibility to have their fitness levels professionally evaluated and to obtain training inputs. The health weeks are rounded off with various presentations and sports offerings. In order to improve lighting conditions in the trading room, the use of individually controllable special lamps, which cover the full spectrum of visible light, solved a longstanding problem with lighting at 156 workstations.

The employees have the possibility to use various vaccination drives (e.g. tick protection vaccinations, influenza vaccinations) organized by our occupational physician during working hours. The health weeks in September were heavily subscribed by our employees – also because they are supported and jointly designed by world, vice-world and European champions and ski stars (Fadi Merza, Roland Garber, Nik Berger and Kathrin Zettel).



Nik Berger at the health weeks of RBI AG, © RBI AG



Fadi Merza at the health weeks of RBI AG, © RBI AG

Special focus is placed in the area of "Mental Health" on provisions for dealing with employees' mental stress. An external specialist is available for this, who employees can contact for information about preventing burnout and dealing with stress (without the employer being notified). Presentations on this topic were also held for management staff in 2014 in order to strengthen their skills at recognizing/avoiding stress and overload. More coaching sessions - and mediations as required - are increasingly being used to solve specific situations involving mental stress (e.g. conflicts with colleagues).

Furthermore, every employee has the possibility to use five therapy units at an institute specialized in burnout and stress management. The bulk of the costs associated with these are covered by the Company. Appropriate seminars on the topic of "Mental Health" are also offered at the internal Raiffeisen training institute "Raiffeisen Campus".

It is very important for Raiffeisen Bausparkasse Gesellschaft m.b.H. as an employer to support the preventive healthcare of its employees. For this reason, a comprehensive, free health check-up was offered in collaboration with the Vienna Regional Health Fund and Municipal Department 15, which employees can make use of at their place of work. The program of the inhouse sports club was also expanded with offerings ranging from volleyball to yoga and back training, which are aimed at motivating employees to get moving more and to offer a balance to their predominantly sedentary occupations. In fall 2014, a workshop was also held as part of the project "Evaluating mental stress in the workplace", at which a team of experts of employees developed proposals for a sustainable improvement in the working environment.

Raiffeisen-Kapitalanlage GmbH has placed a lot of emphasis on occupational healthcare for many years. To this end, there are regular evaluations and training courses on, for example, occupational and health protection management systems, workplace evaluation or climate measurements and, most recently in 2014, comprehensive employee workshops dealing with the topic of stress. In addition, the legally required evaluation of mental stress in the workplace was held for the first time in 2014 and corresponding measures put in place. The Company has its own inhouse fitness center. Extensive internal sports and gymnastics courses are offered. Apart from further subsidies (sport, culture), special mention is made here of subsidized health insurance for employees and their relatives.

Ergonomically designed offices at Raiffeisen-Leasing GmbH create the conditions for healthy work. To guarantee this for the long term, our company physician makes regular tours of the workplace and also ensures that all other health-related support is provided at the Vienna sites. Employees also have access, at their own cost and on their own time, to acupuncture, craniosacral therapy, nutritional counseling, Hara Shiatsu, massages, osteopathy, physiotherapy, sound and hypnosis therapy, all of which are provided on the Company's premises. There is also the possibility to perform a 24-hour heart rate measurement. In addition, the Leasing football tournament is also organized every year in order to promote both health and a sense of cohesion within the Company.

## Health initiatives at our network banks

All employees of Raiffeisen Bank Polska S.A. who are employed for at least half-days are covered by the private health insurance that is paid for by the bank. All bank employees with unlimited employment contracts receive life insurance. The scope of coverage depends on a position-based grading system. The insurance premium is split equally (50/50) by the bank and the employee. The bank promotes and supports the interests of its employees by financing various activities in the area of sports and culture. In 2014, an order system (based on Cafeteria) was introduced with which employees can choose from among attractive social services in the categories accessible to them (e.g. fitness center, theater and cinema tickets, vouchers for weekend vacations).

For preventive health care, employees of Tatra banka, a.s. in Slovakia can charge various offerings in the areas of medicine and health to their individual account within a Cafeteria system. Contracts were concluded with medical care centers to provide private health services to top managers.

Raiffeisen Banka d.d in Slovenia offers its employees a health check-up every three years and promotes a healthy lifestyle by sponsoring the Raiffeisen Bank Sports Club, which offers free recreational opportunities to all employees. In compliance with statutory requirements, the bank created handbooks on the topics of alcohol tests as well as the influence of psychoactive substances at the workplace and monitoring of illness- or injury-related absences.

At Raiffeisenbank a.s. in the Czech Republic, employees can participate in a flu vaccination campaign. In 2014, this offer was taken advantage of by 233 employees.

Management staff have the option of regular medical examinations at Raiffeisen Bank Zrt. in Hungary. In addition, eye exams were provided for all employees in 2014.



The project “Fit for Job – Mindfulness, StressFitness, REcharged” was started in 2013 at Raiffeisen Bank Zrt. in Hungary. This was in response to an employee survey from the year 2011 as well as an increase in stress situations and fewer opportunities for rest and relaxation. To counteract these trends, programs for a health-oriented work environment were introduced that address the various needs, life situations and attitudes of the employees. This includes trainings in the following areas:

- Relaxation and attention (Mindfulness)
- Dealing with stress (StressFitness and REcharged)
- Attitude (Fit for Job)

The improved stress management and conflict management skills lead to better balance and motivation, allowing the employees to focus more effectively on their work. All employees have the opportunity to participate in these programs for increasing energy levels. 292 colleagues have already taken part.



Poster “Fit for Job”, Raiffeisenbank Zrt. Hungary

At Raiffeisen Bank Sh.a. in Albania, private health insurance was concluded for the employees. Every employee covered by the policy has a claim to preventive examinations and acute examinations, which are covered by the insurance company (Sigal) in accordance with the contract. The bank also has a special committee for health and safety, as required by Albanian law, which is tasked with contributing to the protection of the physical and mental health of the employees, improving working conditions and avoiding risks at the workplace. A health and safety officer for the bank was also appointed. The duties of this position include: Responsibility for first aid, fire protection and evacuation in event of a fire as well as implementing the required measures to reduce dangers to health and safety at the workplace.

The contract of Raiffeisen BANK d.d. Bosna i Hercegovina with the prefectural occupational medicine service, which provides efficient medical services for the employees of the bank and grants them discounts, was extended. The availability of medical services from an occupational physician was increased from one to two shifts. Other specialists are available, if needed. The waiting times for medical examinations were reduced.

At Raiffeisenbank (Bulgaria) EAD, a new training for time and stress management was prepared in 2014. Supplemental health insurance and regular examinations continue to be offered to all employees.

Raiffeisen Bank Kosovo J.S.C. offers the following social services: Health insurance, life insurance, special conditions for the bank’s own products, discount programs, special conditions and discounts, reduced-price entry tickets (sport, culture, etc.) and sports offerings. Courses for stress management and positive thinking are also offered.

Due to the robberies that took place in 2014, the employees of three affected branches of Raiffeisenbank Austria d.d. in Croatia were offered crisis intervention. The bank also provided counseling and support for all employees who were present in the branches at the time of a robbery. A crisis intervention team (external experts and psychologists) was immediately involved. The intervention took place on the day of the robbery itself or on the next day. Further assistance was offered. If necessary, the employees were also granted paid recovery days. The employees were additionally given corresponding professional safety training and written rules of conduct.

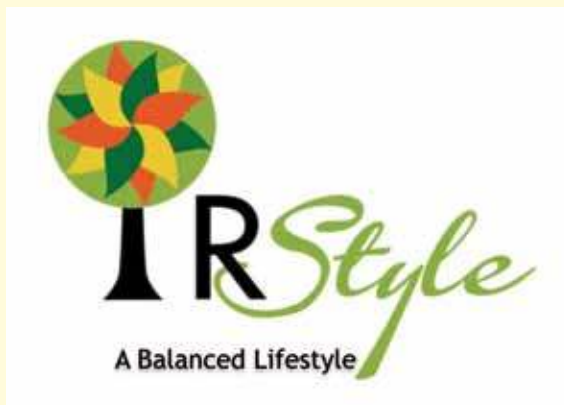
Raiffeisen Bank S.A. in Romania offers all employees accident insurance as well as the opportunity to make use of private health services at a discount.



Under the name of "RStyle - A Balance Lifestyle", Raiffeisen Bank S.A. in Romania offers a program for all employees in the organization. It was launched in June 2013. The vision of the project is to offer a set of measures for a health-oriented working environment based on the three pillars of physical health, mental and emotional balance and healthy relationships. It offers the employees appropriate solutions that lead to a healthy lifestyle and improved quality of life as well as work performance. The program is intended to foster self-awareness and emotional equilibrium for a good balance between work and life. Over 3,500 employees have already participated in the program.

Some aspects of the program include:

- Child rearing: The roles of parents and a variety of development tests for children
- Personality development with tests and expert workshops
- Healthy nutrition: Cooking classes and demonstrations, healthy food in the cafeteria and at company events
- Travel, sports and community events



Project RStyle - A Balanced Lifestyle



RStyle-Event Bucuresti-Brasov by bike, © SmartAthletic

An annual preventive health examination is offered by Raiffeisen banka a.d. in Serbia for branch directors as well as employees who are older than 40 years (employees with positions below B-3 and under 40 can take advantage of this examination every two years) as well as an additional examination two years after entering retirement. A number of activities and social services for employees in the area of health were continued in 2014. The bank organized two blood drives and the annual flu vaccination. In the event of a severe illness, the employees are offered financial assistance (one-time aid or monthly payments amounting to their full salary) as well as assistance via the social fund "Boško Kostić Foundation". With the supplemental pension insurance (Raiffeisen Future), the bank also doubled the premium payments of all employees who made their own payments to the pension insurance in 2014. Yoga classes, soccer training and choir sessions are available to contribute to a work-life balance and help avoid burnout. A sports day was held for all employees and their children. The voluntary health insurance MedUniqa was introduced in 2013 and offered to all employees in 2014. Family members can also be insured, for which special conditions are provided.

## HR marketing

### RBI AG – one of the most sought-after employers

RBI AG was able to improve by two places in the “Universum study” in Austria in 2014 to reach fifth place amongst the most attractive employers. This result shows that we are able as an employer to offer very good working conditions, training and career development opportunities as well as numerous benefits compared to the rest of the country.

Most sought-after employers amongst students	
Economics	Technical Studies
① Red Bull	① Google
② Google	② BMW
③ BMW	③ Siemens
④ Audi	④ Audi
⑤ Raiffeisen	⑤ Red Bull

Source: Universum study

### Good training – good start

We have been fostering good relations with students and graduates for years. As partner and sponsor of a wide range of universities in Austria, we are particularly involved in the active shaping of teaching contracts, guest lectures as well as the support of seminar works and providing assistance with bachelor’s and master’s theses.

We take part in the major Austrian career fairs, e.g. in “Career Calling”, “TUday” and in various other networking events at which business meets university.

The completion of professionally relevant traineeships gives students the possibility to look at the different business areas of a bank in more detail. The traineeship day at the Vienna University of Economics and Business or a podium discussion at the “ZBP Breakfast” enable us to interact with students. In this way, we are able to better address expectations and requirements in recruiting and HR marketing.



WU ZBP podium discussion, © Pamela Kusztrich – ZBP



FH BFI Vienna – “Technical college meets business”, © Uli Mikovits

## Future occupation – Your Career in Risk Management

Together with our market supporters UniCredit and Erste Bank Group AG as well as the Vienna University of Economics and Business, we offer active students on the Master's degree course "Quantitative Finance (MSc)" a vocational perspective in the area of Risk Management.

In 2014, Raiffeisen Bank International AG promised four students who had embarked on a Master's degree a position in the company, paid on a hourly basis, for the duration of the course. The aim is to give the students an initial insight into the everyday professional life of a Risk Manager and to inspire them about the job.



# YOUR CAREER IN RISK MANAGEMENT

Would you like to study in Austria at the Vienna University of Economics & Business?

Would you like to study Quantitative Finance (MSc)?

Would you like to earn money while studying?

Would you like to gain an insight into the Banking Business?

Are you pursuing a job as a Risk Manager after your graduation?

**If YES, then...**

### Three big Austrian banks:

**UniCredit, Raiffeisen Bank International & Erste Group Bank AG**



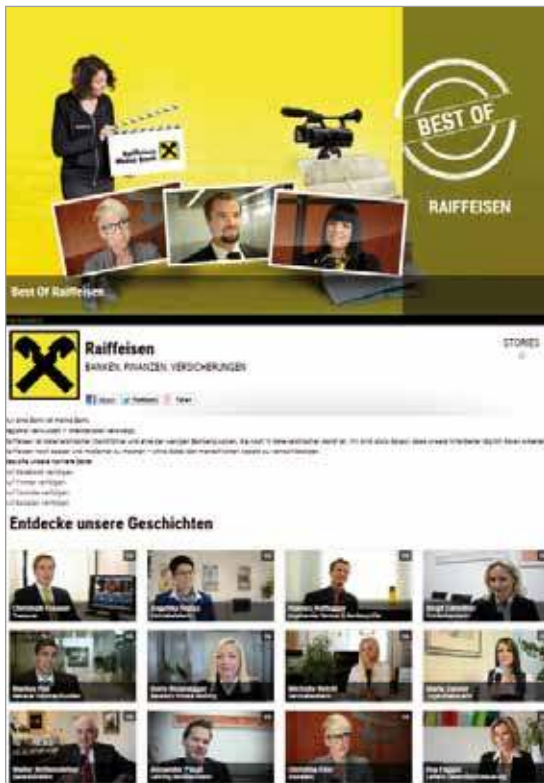
are offering you an excellent opportunity!

We are looking for talented and ambitious graduates of Technical Bachelor degrees, who would like to study a Quantitative Finance (MSc) at the Vienna University of Economics & Business, gain a first experience in Risk Area in one of our banks, and work as a Risk Manager after the graduation.

We are interested in young and ambitious technical bachelor graduates who want to start studying Quantitative Finance (MSc) at WU Wien and get their first job as risk manager in one of our banks.



## What employees say about us



The best advertisements for a company are its employees. In order to bring potential applicants closer to the numerous professional fields and give interested individuals an insight into the range of tasks, training courses and requirements for a job at Raiffeisen, employees of RZB AG/RBI AG gave insights into what they do.

They talk about their job, the challenges and its advantages, and what tips they would give their 14-year-old selves. "There's the topic of common sense and the topic of good manners. These are the prerequisites for making a career. Other than that: standing as close as possible to doors that might just open," advises Walter Rothensteiner, Chief Executive of RZB AG.

Link Whatchado: <https://www.whatchado.com/de/raiffeisen>

## "Recruiting@RBI"



New recruiting software was successfully implemented for the Austrian companies of the RZB Group in 2014. The focus here is particularly on user-friendliness, both for the applicant and for our managers, which HR supports in an advisory capacity for each recruitment. The application process should be simple for the applicant, who has the possibility to apply online - including with his LinkedIn or Xing profile.

The 9,000 or so applications received in 2014 can - thanks to the new software - be processed efficiently and professionally. The applicant is clearly at the center of things and a rapid response time is part of our employer branding promise.

## Overview of key ratios

	RBI Group				RBG*				RZB Group (total)			
	2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011
<b>Employees by gender, type of occupation and employment contract</b>												
Employees	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
of which male	33%	33%	35%	33%	46%	56%	53%	54%	33%	33%	35%	33%
of which female	67%	67%	65%	67%	54%	44%	47%	46%	67%	67%	65%	67%
Fulltime employees	98%	97%	97%	97%	80%	89%	88%	92%	97%	97%	97%	97%
of which male	33%	n.a.	n.a.	n.a.	55%	n.a.	n.a.	n.a.	33%	n.a.	n.a.	n.a.
of which female	67%	n.a.	n.a.	n.a.	45%	n.a.	n.a.	n.a.	67%	n.a.	n.a.	n.a.
Parttime employees	2%	3%	3%	3%	20%	11%	12%	8%	3%	3%	3%	3%
of which male	19%	n.a.	n.a.	n.a.	12%	n.a.	n.a.	n.a.	18%	n.a.	n.a.	n.a.
of which female	81%	n.a.	n.a.	n.a.	88%	n.a.	n.a.	n.a.	82%	n.a.	n.a.	n.a.
Employees with fixed contracts	86%	86%	88%	88%	98%	100%	100%	100%	86%	86%	88%	88%
of which male	34%	n.a.	n.a.	n.a.	46%	n.a.	n.a.	n.a.	34%	n.a.	n.a.	n.a.
of which female	66%	n.a.	n.a.	n.a.	54%	n.a.	n.a.	n.a.	66%	n.a.	n.a.	n.a.
Employees with limited contracts	14%	14%	12%	12%	2%	0%	0%	0%	14%	14%	12%	12%
of which male	25%	n.a.	n.a.	n.a.	45%	n.a.	n.a.	n.a.	25%	n.a.	n.a.	n.a.
of which female	75%	n.a.	n.a.	n.a.	55%	n.a.	n.a.	n.a.	75%	n.a.	n.a.	n.a.
<b>Employees by region</b>												
Central Europe	26%	27%	23%	22%	0%	0%	0%	0%	26%	27%	23%	22%
of which male	37%	38%	44%	37%	0%	0%	0%	0%	37%	38%	44%	37%
of which female	63%	62%	56%	63%	0%	0%	0%	0%	63%	62%	56%	63%
Southeastern Europe	28%	27%	29%	29%	0%	0%	0%	0%	28%	27%	29%	29%
of which male	27%	28%	28%	28%	0%	0%	0%	0%	27%	28%	28%	28%
of which female	73%	72%	72%	72%	0%	0%	0%	0%	73%	72%	72%	72%
Russia	16%	15%	15%	15%	0%	0%	0%	0%	15%	15%	15%	15%
of which male	31%	31%	32%	32%	0%	0%	0%	0%	31%	31%	32%	32%
of which female	69%	69%	68%	68%	0%	0%	0%	0%	69%	69%	68%	68%
CEE Other	26%	27%	30%	31%	0%	0%	0%	0%	25%	27%	30%	31%
of which male	32%	32%	33%	34%	0%	0%	0%	0%	32%	32%	33%	34%
of which female	68%	68%	67%	66%	0%	0%	0%	0%	68%	68%	67%	66%
Austria (and Rest of World)	4%	3%	3%	3%	100%	100%	100%	100%	5%	4%	3%	3%
of which male	55%	55%	54%	56%	46%	56%	53%	54%	52%	55%	54%	55%
of which female	45%	45%	46%	44%	54%	44%	47%	46%	48%	45%	46%	45%
<b>New hires</b>												
Total	8,646	n.a.	n.a.	n.a.	159	n.a.	n.a.	n.a.	8,805	n.a.	n.a.	n.a.
Share of new recruits as percentage of total headcount for:												
Employees total	17%	n.a.	n.a.	n.a.	17%	n.a.	n.a.	n.a.	17%	n.a.	n.a.	n.a.
Employees under 30 years of age	11%	n.a.	n.a.	n.a.	7%	n.a.	n.a.	n.a.	11%	n.a.	n.a.	n.a.
Employees between 30 and 50 years of age	5%	n.a.	n.a.	n.a.	10%	n.a.	n.a.	n.a.	5%	n.a.	n.a.	n.a.
Employees over 50 years of age	0%	n.a.	n.a.	n.a.	0%	n.a.	n.a.	n.a.	0%	n.a.	n.a.	n.a.
Men	5%	n.a.	n.a.	n.a.	7%	n.a.	n.a.	n.a.	5%	n.a.	n.a.	n.a.
Women	12%	n.a.	n.a.	n.a.	10%	n.a.	n.a.	n.a.	12%	n.a.	n.a.	n.a.
Central Europe	6%	n.a.	n.a.	n.a.	0%	n.a.	n.a.	n.a.	6%	n.a.	n.a.	n.a.
Southeastern Europe	3%	n.a.	n.a.	n.a.	0%	n.a.	n.a.	n.a.	2%	n.a.	n.a.	n.a.
Russia	4%	n.a.	n.a.	n.a.	0%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
CEE Other	4%	n.a.	n.a.	n.a.	0%	n.a.	n.a.	n.a.	3%	n.a.	n.a.	n.a.
Austria (and Rest of World)	0%	n.a.	n.a.	n.a.	17%	n.a.	n.a.	n.a.	1%	n.a.	n.a.	n.a.
<b>Fluctuation<sup>1</sup></b>												
Total	11,259	10,789	10,629	9,252	212	5	11	8	11,471	10,794	10,640	9,260
Share of fluctuation as a percentage of total headcount for:												
Employees total	22%	20%	20%	17%	22%	4%	10%	9%	22%	20%	20%	16%
Employees under 30 years of age	9%	8%	9%	8%	5%	0%	1%	1%	9%	8%	9%	8%
Employees between 30 and 50 years of age	11%	10%	9%	7%	12%	3%	8%	7%	11%	10%	9%	7%
Employees over 50 years of age	2%	2%	2%	1%	6%	1%	1%	1%	2%	1%	2%	1%
Men	7%	7%	7%	6%	12%	2%	5%	5%	7%	7%	7%	6%
Women	15%	13%	13%	11%	10%	2%	6%	5%	15%	13%	13%	11%
Central Europe	6%	6%	4%	4%	0%	0%	0%	0%	6%	6%	4%	4%
Southeastern Europe	3%	4%	3%	3%	0%	0%	0%	0%	3%	4%	3%	3%
Russia	5%	6%	5%	4%	0%	0%	0%	0%	5%	6%	5%	4%
CEE Other	7%	4%	8%	6%	0%	0%	0%	0%	7%	4%	8%	6%
Austria (and Rest of World)	0%	0%	1%	0%	22%	4%	10%	9%	1%	0%	1%	0%
<sup>1</sup> The figures also include internal transfers, which were above-average in RBG in 2014 due to the structural program "ZukunftPLUS".												
<b>Average number of training hours for employees, by position</b>												
B-1	54	71	41	33	27	10	n.a.	n.a.	52	70	40	33
B-2	53	57	40	47	13	47	n.a.	n.a.	51	57	40	46
Other management staff	49				11		n.a.	n.a.	49			
Other employees <sup>2</sup>	55	57	46	33	12	24	n.a.	n.a.	55	57	46	32
<sup>2</sup> Other management staff are included in the line 'Other employees' in the years prior to 2014.												
<b>Share of employees with Performance Management</b>												
Total	59%	57%	56%	52%	100%	100%	94%	95%	60%	57%	56%	52%
Men	63%	n.a.	n.a.	n.a.	100%	n.a.	n.a.	n.a.	64%	n.a.	n.a.	n.a.
Women	57%	n.a.	n.a.	n.a.	100%	n.a.	n.a.	n.a.	58%	n.a.	n.a.	n.a.
B-1	96%	n.a.	n.a.	n.a.	100%	n.a.	n.a.	n.a.	97%	n.a.	n.a.	n.a.
B-2	94%	n.a.	n.a.	n.a.	100%	n.a.	n.a.	n.a.	94%	n.a.	n.a.	n.a.
Other managers	73%	n.a.	n.a.	n.a.	100%	n.a.	n.a.	n.a.	73%	n.a.	n.a.	n.a.
Other employees	56%	n.a.	n.a.	n.a.	100%	n.a.	n.a.	n.a.	56%	n.a.	n.a.	n.a.

\* Raiffeisen Banking Group in Austria: includes the figures for RZB AG, Raiffeisen Bausparkasse Gesellschaft m.b.H., Raiffeisen Kapitalanlage-Gesellschaft m.b.H. and Raiffeisen-Leasing GmbH.

	RBI Group				RBG*				RZB Group (total)			
	2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011
<b>Diversity</b>												
<b>Quota for women</b>												
B	12%	16%	16%	16%	0%	0%	0%	0%	11%	16%	16%	15%
B-1	36%	39%	41%	40%	20%	8%	8%	0%	35%	38%	40%	39%
B-2	47%	48%	48%	49%	35%	27%	25%	17%	46%	48%	48%	49%
Other managers	60%	58%	60%	59%	28%	0%	0%	0%	60%	58%	61%	59%
Managers total	55%	55%	56%	55%	28%	14%	12%	4%	54%	55%	56%	55%
Employees total	67%	67%	65.4%	67%	54%	44%	47%	46%	67%	67%	65%	67%
<b>Share of minority groups</b>												
<b>Employees with disabilities</b>												
Board	0%								0%			
B-1	0%								0%			
B-2	0%								0%			
Other managers	1%								1%			
Other employees <sup>1</sup>	1%	1%	2%	1%	3%	0%	0%	0%	1%	1%	2%	1%
<sup>1</sup> includes all employees in the years 2011 - 2013												
<b>Employees with foreign citizenship</b>												
Board	40%				0%				36%			
B-1	4%				0%				4%			
B-2	2%				2%				2%			
Other managers <sup>2</sup>	1%	0.2%	0.2%	0.2%	0%	0.8%	0.9%	0%	1%	0.2%	0.2%	0.2%
Other employees	1%	1%	1%	1%	4%	11%	9%	11%	1%	1%	1%	1%
<sup>2</sup> includes all managers in the years 2011 - 2013												
<b>Age groups</b>												
<b>Board</b>												
Board under 30 years of age	0%	n.a.	n.a.	n.a.	0%	n.a.	n.a.	n.a.	0%	n.a.	n.a.	n.a.
Board between 30 and 50 years of age	67%	n.a.	n.a.	n.a.	64%	n.a.	n.a.	n.a.	66%	n.a.	n.a.	n.a.
Board over 50 years of age	33%	n.a.	n.a.	n.a.	36%	n.a.	n.a.	n.a.	34%	n.a.	n.a.	n.a.
<b>B-1</b>												
Employees under 30 years of age	1%	n.a.	n.a.	n.a.	32%	n.a.	n.a.	n.a.	3%	n.a.	n.a.	n.a.
Employees between 30 and 50 of age	86%	n.a.	n.a.	n.a.	50%	n.a.	n.a.	n.a.	83%	n.a.	n.a.	n.a.
Employees over 50 years of age	13%	n.a.	n.a.	n.a.	18%	n.a.	n.a.	n.a.	14%	n.a.	n.a.	n.a.
<b>B-2</b>												
Employees under 30 years of age	4%	n.a.	n.a.	n.a.	29%	n.a.	n.a.	n.a.	5%	n.a.	n.a.	n.a.
Employees between 30 and 50 of age	85%	n.a.	n.a.	n.a.	51%	n.a.	n.a.	n.a.	83%	n.a.	n.a.	n.a.
Employees over 50 years of age	11%	n.a.	n.a.	n.a.	20%	n.a.	n.a.	n.a.	12%	n.a.	n.a.	n.a.
<b>Other managers</b>												
Employees under 30 years of age	9%	n.a.	n.a.	n.a.	16%	n.a.	n.a.	n.a.	9%	n.a.	n.a.	n.a.
Employees between 30 and 50 years of age	77%	n.a.	n.a.	n.a.	64%	n.a.	n.a.	n.a.	77%	n.a.	n.a.	n.a.
Employees over 50 years of age	14%	n.a.	n.a.	n.a.	20%	n.a.	n.a.	n.a.	14%	n.a.	n.a.	n.a.
<b>Other employees</b>												
Employees under 30 years of age	33%	n.a.	n.a.	n.a.	32%	n.a.	n.a.	n.a.	33%	n.a.	n.a.	n.a.
Employees between 30 and 50 years of age	59%	n.a.	n.a.	n.a.	55%	n.a.	n.a.	n.a.	59%	n.a.	n.a.	n.a.
Employees over 50 years of age	8%	n.a.	n.a.	n.a.	13%	n.a.	n.a.	n.a.	8%	n.a.	n.a.	n.a.

\* Raiffeisen Banking Group in Austria: includes the figures for RZB AG, Raiffeisen Bausparkasse Gesellschaft m.b.H., Raiffeisen Kapitalanlage-Gesellschaft m.b.H. and Raiffeisen-Leasing GmbH.

	NWB*				RBI AG				RBI Group (total)			
	2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011
<b>Employees by gender, type of occupation and employment contract</b>												
Employees	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
of which male	32%	32%	34%	32%	55%	55%	54%	56%	33%	33%	35%	33%
of which female	68%	68%	66%	68%	45%	45%	46%	44%	67%	67%	65%	67%
Full-time employees	98%	97%	98%	98%	85%	87%	88%	87%	98%	97%	97%	97%
of which male	32%	n.a.	n.a.	n.a.	64%	n.a.	n.a.	n.a.	33%	n.a.	n.a.	n.a.
of which female	68%	n.a.	n.a.	n.a.	36%	n.a.	n.a.	n.a.	67%	n.a.	n.a.	n.a.
Part-time employees	2%	3%	2%	2%	15%	13%	12%	13%	2%	3%	3%	3%
of which male	22%	n.a.	n.a.	n.a.	8%	n.a.	n.a.	n.a.	19%	n.a.	n.a.	n.a.
of which female	78%	n.a.	n.a.	n.a.	92%	n.a.	n.a.	n.a.	81%	n.a.	n.a.	n.a.
Employees with fixed contracts	85%	86%	87%	88%	100%	100%	100%	100%	86%	86%	88%	88%
of which male	33%	n.a.	n.a.	n.a.	55%	n.a.	n.a.	n.a.	34%	n.a.	n.a.	n.a.
of which female	67%	n.a.	n.a.	n.a.	45%	n.a.	n.a.	n.a.	66%	n.a.	n.a.	n.a.
Employees with limited contracts	15%	14%	13%	12%	0%	0%	0%	0%	14%	14%	12%	12%
of which male	25%	n.a.	n.a.	n.a.	0%	n.a.	n.a.	n.a.	25%	n.a.	n.a.	n.a.
of which female	75%	n.a.	n.a.	n.a.	0%	n.a.	n.a.	n.a.	75%	n.a.	n.a.	n.a.
<b>Employees by region</b>												
Central Europe	27%	28%	24%	23%	0%	0%	0%	0%	26%	27%	23%	22%
of which male	37%	38%	44%	37%	0%	0%	0%	0%	37%	38%	44%	37%
of which female	63%	62%	56%	63%	0%	0%	0%	0%	63%	62%	56%	63%
Southeastern Europe	30%	83%	0%	30%	0%	0%	0%	0%	28%	27%	29%	29%
of which male	27%	28%	28%	28%	0%	0%	0%	0%	27%	28%	28%	28%
of which female	73%	72%	72%	72%	0%	0%	0%	0%	73%	72%	72%	72%
Russia	16%	16%	15%	15%	0%	0%	0%	0%	16%	15%	15%	15%
of which male	31%	31%	32%	32%	0%	0%	0%	0%	31%	31%	32%	32%
of which female	69%	69%	68%	68%	0%	0%	0%	0%	69%	69%	68%	68%
CEE Other	27%	28%	31%	32%	0%	0%	0%	0%	26%	27%	30%	31%
of which male	32%	32%	33%	34%	0%	0%	0%	0%	32%	32%	33%	34%
of which female	68%	68%	67%	66%	0%	0%	0%	0%	68%	68%	67%	66%
Austria (and Rest of World)	0%	0%	0%	0%	100%	100%	100%	100%	4%	3%	3%	3%
of which male	0%	0%	0%	0%	55%	55%	54%	56%	55%	55%	54%	56%
of which female	0%	0%	0%	0%	45%	45%	46%	44%	45%	45%	46%	44%
<b>New hires</b>												
Total	8,443	n.a.	n.a.	n.a.	203	n.a.	n.a.	n.a.	8,646	n.a.	n.a.	n.a.
Share of new recruits as percentage of total headcount for:												
Employees total	17%	n.a.	n.a.	n.a.	11%	n.a.	n.a.	n.a.	17%	n.a.	n.a.	n.a.
Employees under 30 years of age	12%	n.a.	n.a.	n.a.	3%	n.a.	n.a.	n.a.	11%	n.a.	n.a.	n.a.
Employees between 30 and 50 years of age	5%	n.a.	n.a.	n.a.	7%	n.a.	n.a.	n.a.	5%	n.a.	n.a.	n.a.
Employees over 50 years of age	0%	n.a.	n.a.	n.a.	1%	n.a.	n.a.	n.a.	0%	n.a.	n.a.	n.a.
Men	5%	n.a.	n.a.	n.a.	6%	n.a.	n.a.	n.a.	5%	n.a.	n.a.	n.a.
Women	12%	n.a.	n.a.	n.a.	5%	n.a.	n.a.	n.a.	11%	n.a.	n.a.	n.a.
Central Europe	6%	n.a.	n.a.	n.a.	0%	n.a.	n.a.	n.a.	6%	n.a.	n.a.	n.a.
Southeastern Europe	3%	n.a.	n.a.	n.a.	0%	n.a.	n.a.	n.a.	3%	n.a.	n.a.	n.a.
Russia	5%	n.a.	n.a.	n.a.	0%	n.a.	n.a.	n.a.	4%	n.a.	n.a.	n.a.
CEE Other	4%	n.a.	n.a.	n.a.	0%	n.a.	n.a.	n.a.	4%	n.a.	n.a.	n.a.
Austria (and Rest of World)	0%	n.a.	n.a.	n.a.	10%	n.a.	n.a.	n.a.	0%	n.a.	n.a.	n.a.
<b>Fluctuation<sup>1</sup></b>												
Total	11,142	10,671	10,386	9,096	117	118	243	156	11,259	10,789	10,629	9,252
Share of fluctuation as a percentage of total headcount for:												
Employees total	22%	20%	20%	17%	6%	6%	13%	8%	22%	20%	20%	17%
Employees under 30 years of age	10%	9%	9%	8%	1%	1%	2%	1%	9%	8%	9%	8%
Employees between 30 and 50 years of age	11%	10%	9%	7%	5%	5%	10%	6%	11%	10%	9%	7%
Employees over 50 years of age	2%	1%	2%	1%	1%	1%	2%	1%	2%	2%	2%	1%
Men	7%	7%	7%	6%	3%	4%	9%	5%	7%	7%	7%	6%
Women	15%	13%	13%	11%	3%	2%	4%	3%	15%	13%	13%	11%
Central Europe	6%	6%	4%	4%	0%	0%	0%	0%	6%	6%	4%	4%
Southeastern Europe	4%	4%	3%	3%	0%	0%	0%	0%	3%	4%	3%	3%
Russia	5%	5%	5%	4%	0%	0%	0%	0%	5%	6%	5%	4%
CEE Other	7%	6%	8%	6%	0%	0%	0%	0%	7%	4%	8%	6%
Austria (and Rest of World)	0%	0%	0%	0%	6%	13%	8%	8%	0%	0%	1%	0%
<sup>1</sup> The figures also include internal transfers, which were above-average in RBG in 2014 due to the structural program "ZukunftPLUS".												
<b>Average number of training hours for employees, by position</b>												
B-1	57	75	42	35	17	28	20	16	54	71	41	33
B-2	54	58	41	48	33	36	30	25	53	57	40	47
Other managers	50				27				49			
Other employees <sup>2</sup>	56	58	47	32	37	40	37	38	55	57	46	33
<sup>2</sup> Other management staff are included in the line 'Other employees' in the years prior to 2014.												
<b>Share of employees with Performance Management</b>												
Total	58%	56%	54%	51%	100%	100%	94%	95%	59%	57%	56%	52%
Men	61%	n.a.	n.a.	n.a.	100%	n.a.	n.a.	n.a.	63%	n.a.	n.a.	n.a.
Women	56%	n.a.	n.a.	n.a.	100%	n.a.	n.a.	n.a.	57%	n.a.	n.a.	n.a.
B-1	96%	n.a.	n.a.	n.a.	100%	n.a.	n.a.	n.a.	96%	n.a.	n.a.	n.a.
B-2	94%	n.a.	n.a.	n.a.	100%	n.a.	n.a.	n.a.	94%	n.a.	n.a.	n.a.
Other managers	73%	n.a.	n.a.	n.a.	100%	n.a.	n.a.	n.a.	73%	n.a.	n.a.	n.a.
Other employees	54%	n.a.	n.a.	n.a.	100%	n.a.	n.a.	n.a.	56%	n.a.	n.a.	n.a.

\* Network banks: includes 15 subsidiaries in CEE.

	NWB*				RBI AG				RBI Group (total)			
	2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011
<b>Diversity</b>												
<b>Quota for women</b>												
B	13%	17%	17%	17%	0%	0%	0%	0%	12%	16%	16%	16%
B-1	38%	41%	43%	42%	13%	8%	81%	1%	36%	39%	41%	40%
B-2	48%	50%	49%	51%	25%	23%	25%	23%	47%	48%	48%	49%
Other managers	61%	59%	61%	59%	26%	31%	32%	36%	60%	58%	60%	59%
Managers total	56%	56%	57%	56%	24%	25%	26%	28%	55%	55%	56%	55%
Employees total	68%	68%	66%	68%	45%	45%	46%	44%	67%	67%	65%	67%
<b>Share of minority groups</b>												
<b>Employees with disabilities</b>												
Board	0%				0%				0%			
B-1	0%				0%				0%			
B-2	0%				0%				0%			
Other managers	1%				0%				1%			
Other employees <sup>1</sup>	1%	2%	2%	1%	1%	1%	1%	1%	1%	1%	2%	1%
<sup>1</sup> includes all employees in the years 2011 - 2013												
<b>Employees with foreign citizenship</b>												
Board	41%				33%				40%			
B-1	3%				18%				4%			
B-2	1%				21%				2%			
Other managers <sup>2</sup>	0%	0.1%	0.1%	0.1%	15%	2.6%	2.5%	2%	1%	0%	0%	0%
Other employees	0%	0%	1%	12%	6%	25%	25%	21%	1%	1%	1%	1%
<sup>2</sup> includes all managers in the years 2011 - 2013												
<b>Age groups</b>												
<b>Board</b>												
Board under 30 years of age	0%	n.a.	n.a.	n.a.	0%	n.a.	n.a.	n.a.	0%	n.a.	n.a.	n.a.
Board between 30 and 50 years of age	71%	n.a.	n.a.	n.a.	17%	n.a.	n.a.	n.a.	67%	n.a.	n.a.	n.a.
Board over 50 years of age	29%	n.a.	n.a.	n.a.	83%	n.a.	n.a.	n.a.	33%	n.a.	n.a.	n.a.
<b>B-1</b>												
Employees under 30 years of age	1%	n.a.	n.a.	n.a.	0%	n.a.	n.a.	n.a.	1%	n.a.	n.a.	n.a.
Employees between 30 and 50 years of age	87%	n.a.	n.a.	n.a.	64%	n.a.	n.a.	n.a.	85%	n.a.	n.a.	n.a.
Employees over 50 years of age	12%	n.a.	n.a.	n.a.	36%	n.a.	n.a.	n.a.	13%	n.a.	n.a.	n.a.
<b>B-2</b>												
Employees under 30 years of age	4%	n.a.	n.a.	n.a.	1%	n.a.	n.a.	n.a.	4%	n.a.	n.a.	n.a.
Employees between 30 and 50 years of age	85%	n.a.	n.a.	n.a.	77%	n.a.	n.a.	n.a.	85%	n.a.	n.a.	n.a.
Employees over 50 years of age	11%	n.a.	n.a.	n.a.	23%	n.a.	n.a.	n.a.	11%	n.a.	n.a.	n.a.
<b>Other managers</b>												
Employees under 30 years of age	9%	n.a.	n.a.	n.a.	0%	n.a.	n.a.	n.a.	9%	n.a.	n.a.	n.a.
Employees between 30 and 50 years of age	77%	n.a.	n.a.	n.a.	89%	n.a.	n.a.	n.a.	77%	n.a.	n.a.	n.a.
Employees over 50 years of age	14%	n.a.	n.a.	n.a.	11%	n.a.	n.a.	n.a.	14%	n.a.	n.a.	n.a.
<b>Other employees</b>												
Employees under 30 years of age	33%	n.a.	n.a.	n.a.	10%	n.a.	n.a.	n.a.	33%	n.a.	n.a.	n.a.
Employees between 30 and 50 years of age	58%	n.a.	n.a.	n.a.	80%	n.a.	n.a.	n.a.	59%	n.a.	n.a.	n.a.
Employees over 50 years of age	8%	n.a.	n.a.	n.a.	9%	n.a.	n.a.	n.a.	8%	n.a.	n.a.	n.a.

\* Network banks: includes 15 subsidiaries in CEE

	RZB AG				AC*				RBG (total)**			
	2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011
<b>Employees by gender, type of occupation and employment contract</b>												
Employees	100%	100%	100%	100%	100%	n.a.	n.a.	n.a.	100%	100%	100%	100%
of which male	47%	56%	53%	54%	46%	n.a.	n.a.	n.a.	46%	56%	53%	54%
of which female	53%	44%	47%	46%	54%	n.a.	n.a.	n.a.	54%	44%	47%	46%
Full-time employees	84%	89%	88%	92%	79%	n.a.	n.a.	n.a.	80%	89%	88%	92%
of which male	53%	n.a.	n.a.	n.a.	55%	n.a.	n.a.	n.a.	55%	n.a.	n.a.	n.a.
of which female	47%	n.a.	n.a.	n.a.	45%	n.a.	n.a.	n.a.	45%	n.a.	n.a.	n.a.
Part-time employees	16%	11%	12%	8%	21%	n.a.	n.a.	n.a.	20%	11%	12%	8%
of which male	14%	n.a.	n.a.	n.a.	12%	n.a.	n.a.	n.a.	12%	n.a.	n.a.	n.a.
of which female	86%	n.a.	n.a.	n.a.	88%	n.a.	n.a.	n.a.	88%	n.a.	n.a.	n.a.
Employees with fixed contracts	100%	100%	100%	100%	97%	n.a.	n.a.	n.a.	98%	100%	100%	100%
of which male	47%	n.a.	n.a.	n.a.	46%	n.a.	n.a.	n.a.	46%	n.a.	n.a.	n.a.
of which female	53%	n.a.	n.a.	n.a.	54%	n.a.	n.a.	n.a.	54%	n.a.	n.a.	n.a.
Employees with limited contracts	0%	0%	0%	0%	3%	n.a.	n.a.	n.a.	2%	0%	0%	0%
of which male	0%	n.a.	n.a.	n.a.	45%	n.a.	n.a.	n.a.	45%	n.a.	n.a.	n.a.
of which female	0%	n.a.	n.a.	n.a.	55%	n.a.	n.a.	n.a.	55%	n.a.	n.a.	n.a.
<b>Employees by region</b>												
Central Europe	0%	0%	0%	0%	0%	n.a.	n.a.	n.a.	0%	0%	0%	0%
of which male	0%	0%	0%	0%	0%	n.a.	n.a.	n.a.	0%	0%	0%	0%
of which female	0%	0%	0%	0%	0%	n.a.	n.a.	n.a.	0%	0%	0%	0%
Southeastern Europe	0%	0%	0%	0%	0%	n.a.	n.a.	n.a.	0%	0%	0%	0%
of which male	0%	0%	0%	0%	0%	n.a.	n.a.	n.a.	0%	0%	0%	0%
of which female	0%	0%	0%	0%	0%	n.a.	n.a.	n.a.	0%	0%	0%	0%
Russia	0%	0%	0%	0%	0%	n.a.	n.a.	n.a.	0%	0%	0%	0%
of which male	0%	0%	0%	0%	0%	n.a.	n.a.	n.a.	0%	0%	0%	0%
of which female	0%	0%	0%	0%	0%	n.a.	n.a.	n.a.	0%	0%	0%	0%
CEE Other	0%	0%	0%	0%	0%	n.a.	n.a.	n.a.	0%	0%	0%	0%
of which male	0%	0%	0%	0%	0%	n.a.	n.a.	n.a.	0%	0%	0%	0%
of which female	0%	0%	0%	0%	0%	n.a.	n.a.	n.a.	0%	0%	0%	0%
Austria (and Rest of World)	100%	100%	100%	100%	100%	n.a.	n.a.	n.a.	100%	100%	100%	100%
of which male	47%	56%	53%	54%	46%	n.a.	n.a.	n.a.	46%	56%	53%	54%
of which female	53%	44%	47%	46%	54%	n.a.	n.a.	n.a.	54%	44%	47%	46%
<b>New hires</b>												
Total	70	n.a.	n.a.	n.a.	89	n.a.	n.a.	n.a.	159	n.a.	n.a.	n.a.
Share of new recruits as percentage of total headcount for:												
Employees total	40%	n.a.	n.a.	n.a.	11%	n.a.	n.a.	n.a.	17%	n.a.	n.a.	n.a.
Employees under 30 years of age	16%	n.a.	n.a.	n.a.	4%	n.a.	n.a.	n.a.	7%	n.a.	n.a.	n.a.
Employees between 30 and 50 years of age	23%	n.a.	n.a.	n.a.	7%	n.a.	n.a.	n.a.	10%	n.a.	n.a.	n.a.
Employees over 50 years of age	1%	n.a.	n.a.	n.a.	0%	n.a.	n.a.	n.a.	0%	n.a.	n.a.	n.a.
Men	14%	n.a.	n.a.	n.a.	5%	n.a.	n.a.	n.a.	7%	n.a.	n.a.	n.a.
Women	26%	n.a.	n.a.	n.a.	6%	n.a.	n.a.	n.a.	10%	n.a.	n.a.	n.a.
Central Europe	0%	n.a.	n.a.	n.a.	0%	n.a.	n.a.	n.a.	0%	n.a.	n.a.	n.a.
Southeastern Europe	0%	n.a.	n.a.	n.a.	0%	n.a.	n.a.	n.a.	0%	n.a.	n.a.	n.a.
Russia	0%	n.a.	n.a.	n.a.	0%	n.a.	n.a.	n.a.	0%	n.a.	n.a.	n.a.
CEE Other	0%	n.a.	n.a.	n.a.	0%	n.a.	n.a.	n.a.	0%	n.a.	n.a.	n.a.
Austria (and Rest of World)	40%	n.a.	n.a.	n.a.	11%	n.a.	n.a.	n.a.	17%	n.a.	n.a.	n.a.
<b>Fluctuation<sup>1</sup></b>												
Total	13	5	11	8	199	n.a.	n.a.	n.a.	212	5	11	8
Share of fluctuation as a percentage of total headcount for:												
Employees total	7%	4%	10%	9%	26%	n.a.	n.a.	n.a.	22%	4%	10%	9%
Employees under 30 years of age	0%	0%	1%	1%	6%	n.a.	n.a.	n.a.	5%	0%	1%	1%
Employees between 30 and 50 years of age	6%	3%	8%	7%	13%	n.a.	n.a.	n.a.	11%	3%	8%	7%
Employees over 50 years of age	1%	1%	1%	1%	7%	n.a.	n.a.	n.a.	6%	1%	1%	1%
Men	5%	2%	5%	5%	14%	n.a.	n.a.	n.a.	12%	2%	5%	5%
Women	3%	2%	6%	5%	12%	n.a.	n.a.	n.a.	10%	2%	6%	5%
Central Europe	0%	0%	0%	0%	0%	n.a.	n.a.	n.a.	0%	0%	0%	0%
Southeastern Europe	0%	0%	0%	0%	0%	n.a.	n.a.	n.a.	0%	0%	0%	0%
Russia	0%	0%	0%	0%	0%	n.a.	n.a.	n.a.	0%	0%	0%	0%
CEE Other	0%	0%	0%	0%	0%	n.a.	n.a.	n.a.	0%	0%	0%	0%
Austria (and Rest of Welt)	7%	4%	10%	9%	26%	n.a.	n.a.	n.a.	22%	4%	10%	9%
<sup>1</sup> The figures also include internal transfers, which were above-average in RBG in 2014 due to the structural program "ZukunftPLUS".												
<b>Average number of training hours for employees, by position</b>												
B-1	43	10	n.a.	n.a.	21	n.a.	n.a.	n.a.	27	10	n.a.	n.a.
B-2	36	47	n.a.	n.a.	10	n.a.	n.a.	n.a.	13	47	n.a.	n.a.
Other managers <sup>2</sup>	34				4				11			
Other employees <sup>2</sup>	26	24	n.a.	n.a.	9	n.a.	n.a.	n.a.	12	24	n.a.	n.a.
<sup>2</sup> Other management staff are included in the line 'Other employees' in the years prior to 2014.												
<b>Share of employees with Performance Management</b>												
Total	100%	100%	94%	95%	100%	n.a.	n.a.	n.a.	100%	100%	94%	95%
Men	100%	n.a.	n.a.	n.a.	100%	n.a.	n.a.	n.a.	100%	n.a.	n.a.	n.a.
Women	100%	n.a.	n.a.	n.a.	100%	n.a.	n.a.	n.a.	100%	n.a.	n.a.	n.a.
B-1	100%	n.a.	n.a.	n.a.	100%	n.a.	n.a.	n.a.	100%	n.a.	n.a.	n.a.
B-2	100%	n.a.	n.a.	n.a.	100%	n.a.	n.a.	n.a.	100%	n.a.	n.a.	n.a.
Other managers	100%	n.a.	n.a.	n.a.	100%	n.a.	n.a.	n.a.	100%	n.a.	n.a.	n.a.
Other employees	100%	n.a.	n.a.	n.a.	100%	n.a.	n.a.	n.a.	100%	n.a.	n.a.	n.a.

\* Affiliated companies: includes the figures for Raiffeisen Bausparkasse Gesellschaft m.b.H., Raiffeisen Kapitalanlage-Gesellschaft m.b.H. and Raiffeisen-Leasing GmbH.

\*\* Raiffeisen Banking Group in Austria: includes the figures for RZB AG, Raiffeisen Bausparkasse Gesellschaft m.b.H., Raiffeisen Kapitalanlage-Gesellschaft m.b.H. and Raiffeisen-Leasing GmbH.

	RZB AG				AC*				RBG (total)**			
	2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011
<b>Diversity</b>												
<b>Quota for women</b>												
B	0%	0%	0%	0%	0%	n.a.	n.a.	n.a.	0%	0%	0%	0%
B-1	8%	8%	8%	0%	25%	n.a.	n.a.	n.a.	20%	8%	8%	0%
B-2	31%	27%	25%	17%	36%	n.a.	n.a.	n.a.	35%	27%	25%	17%
Other managers	17%	0%	0%	0%	32%	n.a.	n.a.	n.a.	28%	0%	0%	0%
Managers total	18%	14%	12%	4%	30%	n.a.	n.a.	n.a.	28%	14%	12%	4%
Employees total	53%	44%	47%	46%	54%	n.a.	n.a.	n.a.	54%	44%	47%	46%
<b>Share of minority groups</b>												
<b>Employees with disabilities</b>												
Board	0%				0%	n.a.	n.a.	n.a.	0%			
B-1	0%				0%	n.a.	n.a.	n.a.	0%			
B-2	0%				0%	n.a.	n.a.	n.a.	0%			
Other managers	0%				0%	n.a.	n.a.	n.a.	0%			
Other employees <sup>1</sup>	5%	0%	0%	0%	2%	n.a.	n.a.	n.a.	3%	0%	0%	0%
<sup>1</sup> includes all employees in the years 2011 - 2013												
<b>Employees with foreign citizenship</b>												
Board	0%				0%	n.a.	n.a.	n.a.	0%	n.a.	n.a.	n.a.
B-1	0%				0%	n.a.	n.a.	n.a.	0%	n.a.	n.a.	n.a.
B-2	0%				2%	n.a.	n.a.	n.a.	2%	n.a.	n.a.	n.a.
Other managers <sup>2</sup>	0%	0.8%	0.9%	0%	0%	n.a.	n.a.	n.a.	0%	n.a.	n.a.	n.a.
Other employees	0%	11%	9%	11%	4%	n.a.	n.a.	n.a.	4%	n.a.	n.a.	n.a.
<sup>2</sup> includes all managers in the years 2011 - 2013												
<b>Age groups</b>												
<b>Board</b>												
Board under 30 years of age	0%	n.a.	n.a.	n.a.	0%	n.a.	n.a.	n.a.	0%	n.a.	n.a.	n.a.
Board between 30 and 50 years of age	33%	n.a.	n.a.	n.a.	75%	n.a.	n.a.	n.a.	64%	n.a.	n.a.	n.a.
Board over 50 years of age	67%	n.a.	n.a.	n.a.	25%	n.a.	n.a.	n.a.	36%	n.a.	n.a.	n.a.
<b>B-1</b>												
Employees under 30 years of age	0%	n.a.	n.a.	n.a.	44%	n.a.	n.a.	n.a.	32%	n.a.	n.a.	n.a.
Employees between 30 and 50 years of age	67%	n.a.	n.a.	n.a.	44%	n.a.	n.a.	n.a.	50%	n.a.	n.a.	n.a.
Employees over 50 years of age	33%	n.a.	n.a.	n.a.	13%	n.a.	n.a.	n.a.	18%	n.a.	n.a.	n.a.
<b>B-2</b>												
Employees under 30 years of age	0%	n.a.	n.a.	n.a.	34%	n.a.	n.a.	n.a.	29%	n.a.	n.a.	n.a.
Employees between 30 and 50 years of age	92%	n.a.	n.a.	n.a.	45%	n.a.	n.a.	n.a.	51%	n.a.	n.a.	n.a.
Employees over 50 years of age	8%	n.a.	n.a.	n.a.	22%	n.a.	n.a.	n.a.	20%	n.a.	n.a.	n.a.
<b>Other managers</b>												
Employees under 30 years of age	0%	n.a.	n.a.	n.a.	21%	n.a.	n.a.	n.a.	16%	n.a.	n.a.	n.a.
Employees between 30 and 50 years of age	83%	n.a.	n.a.	n.a.	58%	n.a.	n.a.	n.a.	64%	n.a.	n.a.	n.a.
Employees over 50 years of age	17%	n.a.	n.a.	n.a.	21%	n.a.	n.a.	n.a.	20%	n.a.	n.a.	n.a.
<b>Other employees</b>												
Employees under 30 years of age	17%	n.a.	n.a.	n.a.	36%	n.a.	n.a.	n.a.	32%	n.a.	n.a.	n.a.
Employees between 30 and 50 years of age	72%	n.a.	n.a.	n.a.	51%	n.a.	n.a.	n.a.	55%	n.a.	n.a.	n.a.
Employees over 50 years of age	10%	n.a.	n.a.	n.a.	13%	n.a.	n.a.	n.a.	13%	n.a.	n.a.	n.a.

\* Affiliated companies: includes the figures for Raiffeisen Bausparkasse Gesellschaft m.b.H., Raiffeisen Kapitalanlage-Gesellschaft m.b.H. and Raiffeisen-Leasing GmbH.

\*\* Raiffeisen Banking Group in Austria: includes the figures for RZB AG, Raiffeisen Bausparkasse Gesellschaft m.b.H., Raiffeisen Kapitalanlage-Gesellschaft m.b.H. and Raiffeisen-Leasing GmbH.

# Inhouse ecology

As the RZB Group, we are committed to environmental and climate protection. The pioneer in this regard is the head office in Vienna. We work constantly on continuously improving our sustainability standards and the main environmental parameters in the most relevant areas and disseminate guidelines across the entire RZB Group. In the running of its office locations, the RZB Group has the aim of keeping environmental impacts as low as possible.

Our environmental management system in Austria is based on international norms and standards (ISO 14001). This is not a matter of merely fulfilling legal requirements or standards, but rather one of optimizing the use of energy and resources, and as such is a task of sustainable resource utilization and compliance with our high standards.

The network banks commenced with the building of an appropriate database in 2012, and the quality of the environmentally related KPIs (Key Performance Indicators) has been significantly improved ever since by a detailed analysis of strengths and weaknesses, among other measures. The network banks are conscious of their responsibility for the environment and will work to continuously improve this in the coming years.

As before, not all network banks are in a position to survey all environment-related KPIs in detail (e.g. waste and transport). In order to ensure comparability, the environmental indicators contain only the head office data, while the indicators of the network banks have additionally been summarized by region. There are no plans at present to collect environment-related data in all branches.

For the first time, the data is presented in accordance with our participation structure by the segment RZB Group, which includes the RBI Group and the Raiffeisen Banking Group in Austria, the segment RBI Group, which includes the network banks (NWB) and RBI AG in Austria, as well as the segment Raiffeisen Banking Group (RBG\*), which includes RZB AG and the RZB affiliated companies (AC\*\*) (please see pages 135-137). The data of the affiliated companies was surveyed this year for 2014 for the first time. As in previous years, the data were broken down by region in order to ensure comparability. The average CO<sub>2</sub> emissions and most of the indicators have declined in the RZB Group. The scope figures (scope defines the attribution of CO<sub>2</sub> emissions according to the Greenhouse Gas Protocol) cannot be compared with those from the previous year, because the parcel service and transport of goods were separated out. From 2015, these data should be comprehensively collected and presented for the entire RZB Group, and thus also flow into the scope calculations.

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

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\* Raiffeisen Banking Group in Austria: includes the figures for RZB AG, Raiffeisen Bausparkasse Gesellschaft m.b.H., Raiffeisen Kapitalanlage-Gesellschaft m.b.H. and Raiffeisen-Leasing GmbH.

\*\* Affiliated companies: includes the figures for Raiffeisen Bausparkasse Gesellschaft m.b.H., Raiffeisen Kapitalanlage-Gesellschaft m.b.H. and Raiffeisen-Leasing GmbH.



Overview of fair partner/inhouse ecology measures																				
		Location Vienna	CE							SEE					CEE Other	RU				
Topic	Measure	RBIAG/ RZBAG	RBSK	RKAG	RL	RBPL	TBSK	RBSI	RBCZ	RBHU	RBAL	RBBH	RBBG	RBKO	RBHR	RBRO	RBRS	RBRY	AVAL	RBRU
Energy conservation and efficiency	Electricity savings with lighting, preset energy-saving mode of computers	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Electricity and heat savings with a special evening/ weekend mode	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Measures involving the building/building envelope	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Other adaptations in heating and cooling	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Business travel	Measures to reduce the amount of business travel	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Material consumption	Measures to reduce paper consumption	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Recycled paper, paper with an environmental seal	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Environmental measures in the IT area	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Waste	Waste separation	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

\* For hazardous waste

## Present-state assessments and weak point analysis

A study carried out for the first time in 2009 in cooperation with the Sustainable Europe Research Institute (SERI) formed the quantitative base for all target definitions and measures pertaining to our environmental policy. Prior to the introduction of the software "mona", it surveyed and assessed the greenhouse gas emissions, the direct and indirect use of biotic and abiotic material as well as water consumption and land use at the Vienna sites. As the structure of the study and its results match our reporting tool "mona", we were able to derive the environmental effects from the Austrian study on the individual areas of electricity, heat, paper consumption and business travel for the entire Group and thus put further measures in place.

As announced in the last report, it was important for us to repeat the study after five years and to test the effectiveness of the measures we have taken to date. The principles of data collection were once again key building infrastructure, energy use, mobility data (traffic, logistics), materials used (resources, consumables) and waste streams. The system boundaries of this analysis were set in accordance with the Greenhouse Gas Protocol (WRI/WBCSD, 2009), which makes a distinction between direct and indirect emissions in three scopes. The following results and key topics were identified for RBI AG for the next five years.

- Business trips

Traffic has grown in recent years from the second-biggest to the biggest source of carbon emissions at the head office CO<sub>2</sub> biggest source of carbon emissions at the head office (it was energy consumption in 2009) and makes up over 73 per cent of our greenhouse gas emissions. Furthermore, compared to 2009, the absolute and relative emissions per employee have risen significantly. Reasons for this are the numerous measures taken in the area of energy, a new calculation method as required by the Greenhouse Gas Protocol, and an increase in trips made by plane.

- Energy

The share of greenhouse gas emissions due to energy consumption is now just ten per cent instead of 56 per cent. In contrast to 2009, heating, not electricity consumption, is now the biggest cause of emissions within the resource category. This shift was due to a reduction of electricity consumption, the conversion to green electricity, and the high energy efficiency of district cooling. The purchase of district cooling is also the main reason for the reduction in the overall carbon footprint of RBI AG of 3.5 per cent.

- Infrastructure

With ten per cent, infrastructure has the same share of the CO<sub>2</sub> footprint of RBI AG as energy. Although a number of assumptions had to be made for the data regarding the office building, it is nevertheless apparent that energy efficiency measures significantly improved the figures.

- Other categories

The material use accounts for the smallest share of all greenhouse gas emissions with 6 per cent, and shows a reduction of 17 per cent compared to 2009. This was achieved through the conversion to 100 per cent recycled paper, a decline in paper consumption, the reduction of IT devices, and the relocation to a new data center.

The starting point for measures relating to the environment for the whole RZB Group are the studies mentioned earlier and data evaluations from "mona" in recent years. The most important measures put in place since 2011 are listed below.

## Travel policy

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

## Mobility survey



Following the criticisms received from ratings agencies in the area of mobility, which is one of the RZB Group's three biggest causers of carbon emissions, further appropriate measures were taken. The first step was to revise the travel policy. Next, at the end of 2014, a mobility survey was held in Austria and at all network banks in German and English (with translations into the respective national languages), which collected information about mobility behavior to the place of work and on business trips.

The mobility survey received a response rate of around 18 per cent. It is notable that about 67 per cent of employees frequently travel to their place of work on public transport; private cars are used for parts of the route and make up a share of 52 per cent. Bicycles amount to 3 per cent of journeys. 80 per cent of employees live up to 20 km from their place of work. 40 per cent of employees hold a season ticket for public transportation. Environmental protection is an important concern for a pleasing 33 per cent of employees when choosing the mode of transport. Even more important for employees are time and cost savings, followed by comfort. 47 per cent of employees can see themselves making greater use of public transport. Desired improvement measures are above all for the increased use of cycling include, in particular, the installation of shower facilities and additional parking places, financial support for season tickets for public transportation and – when relocating – greater proximity to public transportation hubs.

42 per cent of employees who answered the survey go on business trips, 67 per cent of them solely within their own country, while 33 per cent travel both at home and abroad. For domestic trips, 61 per cent frequently make use of private cars (excl. passenger), followed by public transportation on 42 per cent and taxi journeys on 14 per cent (multiple answers were possible). 60 per cent of foreign trips are made mainly by plane, 31 per cent frequently use private cars (excl. passenger), 30 per cent use public transport. The share of those employees who frequently use public transport for journeys from/to the airport is pleasingly high at 47 per cent, although taxi rides are frequently used at 49 per cent.

Critical factors for the entire RZB Group can be seen in the high use of private cars, taxi journeys for trips to the airport, and the low number of employees who have an annual ticket for use on public transport. Positive aspects include the high degree of interest in environmental protection and the willingness to change travel behavior. Important measures for the coming years lies in the increased use of video conferences, the support of public transport season tickets, and a renewal of fleet vehicles in order to reduce emissions.

## Environmental policy

Since 2014, the RZB Group has been working on an environmental policy. The traditional Raiffeisen values form the foundations for the activities of all Raiffeisen organizations. They are also an important point of reference with regard to corporate responsibility in the RZB Group as it strives to operate in a sustainable manner.

As the RZB Group, we are committed to environmental and climate protection. The pioneer in this regard is the head office in Vienna. Since 2010, we have also been committed to the ten principles of the UN Global Compact, the largest corporate responsibility and sustainable development initiative in the world. In all spheres of action, we act in accordance with the three pillars of sustainability – business, society and environment – and determine our role accordingly. With respect to the environment, this specifically means:

### 1. Product ecology

The RZB Group strives, within the scope of its business activities, to meet the binding environmental regulations at local and EU level as well as international agreements on environmental protection. It acts in an environmentally-conscious manner and continually strives to improve its own environmental balance (see also "Inhouse Ecology"), as well as the environmental balance attributable to its product and services portfolio. The financing of, or participation in, transactions or projects that demonstrably and continually harm the environment does not conform to the business policy of the RZB Group. We continue to develop our products and services that contribute to sustainability and prioritize these areas.



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Jürgen Scheicher,  
Managing Director ZHS Office-  
& Facilitymanagement GmbH;  
Environment Officer of RZB AG  
& RBI AG

*"ZHS Office- & Facility-  
management GmbH has been  
supporting RZB AG and its  
subsidiaries in the area of  
inhouse ecology for more than  
20 years. I have also been an  
Environmental Officer and Chair  
of the Environmental Committee  
since 2010. My goal was to  
move away from occasionally  
opportunistic and uncoordinated  
individual activities towards the  
most systematic and strategic  
procedure possible. Which is  
why we started to survey our  
environmental footprint.  
Measures from this were derived  
which promised the greatest  
effect with the means available:  
the conversion to green  
electricity and CO<sub>2</sub>-neutral  
paper. Green electricity alone  
saves us 4,800 tonnes of  
CO<sub>2</sub> per year."*

QUOTE



## 2. Inhouse Ecology

The RZB Group is committed to continuously improving its services for the environment, where possible and meaningful beyond statutory requirements. The RZB Group works continuously to improve its sustainability standards and the main environmental parameters in the relevant areas. The environmental management system in Austria is based on international norms and standards (e.g. ISO 14001).

## 3. Environmentally friendly society

As an “engaged citizen”, we do everything possible to promote the transformation to an environmentally friendly society and low-carbon society. As part of our climate-protection activities, we work to promote communication on the topic of climate change in and via the RZB Group as well as to support an intense commitment to a climate-friendly society. It is also our goal to promote the environmental awareness of the population through selected cooperations and to support environmental and climate protection initiatives (especially in the context of the Raiffeisen Climate Protection Initiative). We make our measures for society transparent through sustainable and climate-relevant reporting, such as our participation in the Carbon Disclosure Project.

## Environmental targets

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

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

The base year for the calculations is 2011. Primarily responsible for implementing and evaluating the achievement of our targets are the environmental committee, the Sustainability Management Department, Facility Management, and the Sustainability Officers at the network banks. You can find details concerning our targets on our website.

## Supplier evaluation and purchasing

ZHS Office- & Facilitymanagement GmbH (ZHS) is responsible for all purchasing activities for RZB AG and some of those for RBI AG and affiliated companies. The tasks performed by ZHS include: Building & property administration, building management, energy management, space & relocation management, event support, office resource purchasing, waste management, environmental protection, etc.

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

The supplier survey for the leading suppliers of ZHS was further consolidated in the past year. This covered the following topics:

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



In addition, the 30 leading suppliers – both for Austria and for the entire RZB Group – were contacted for the first time in 2014 and asked about their environmental and social commitments. 28 suppliers filled out the questionnaire. The results show that half of all suppliers have environment-related certificates for their company and products, while two thirds of companies publish their environmental data in the form of a sustainability report via the CDP or via the UN Global Compact Report.

Only one of the companies surveyed was able to provide information on the tkm (ton kilometers or tkm are calculated from the transported mass in tons and the distance covered in kilometers) traveled for us. Only one company had proceedings due to the infringement of environmental regulations, but is already taking measures in this regard. We see the survey as an important step towards raising further awareness amongst our suppliers and will now conduct it on an annual basis.



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

## Carbon Disclosure Project (CDP)

RBI AG has participated in the Carbon Disclosure Project annually since 2011. This is a non-profit organization (NPO) with the goal of promoting transparency at companies in terms of their goals and strategies and consequently of reducing CO<sub>2</sub> emissions. The CDP now administers the world's largest database of environmental data for listed companies. RBI AG has had an audit performed in accordance with ISO 14064-3 since 2013. It was awarded for these trust-promoting measures as well as for the large reduction in CO<sub>2</sub> emissions by partly moving into a lowest-energy building and was added to the Performance Leadership Index for the second time with 96A.

## Inhouse ecology at the Vienna sites

Both locations of head office in Vienna have been operated in accordance with the standards of an environmental management system (ISO 14001) since 1998. The relocation of the affiliated companies to the new, shared location also simplifies the implementation of central environmental measures because the building is operated by ZHS Office- & Facilitymanagement GmbH. The improvement in ecology concerns not only the building itself, but also supporting processes, such as purchasing. The same CO<sub>2</sub>-neutral office paper will in future be procured for all companies. All of these processes are embedded in an environmental management system.

In some instances, the key ratios per employee rose significantly in 2014 in comparison with 2013. The reason for this is that only the actual occupancy rates have been surveyed since 2014 and empty workstations are no longer counted.

The following measures were implemented in recent years:

- Increase in the proportion of energy-efficient offices  
One goal is to increase the energy efficiency of the offices. This concerns both the buildings themselves as well

as the business and staff traffic to the sites. The new "R19" site has been constructed in 1190 Vienna with these considerations in mind. The building is located right by the express train/subway station, making it ideally connected to the public transport system. The first staff members moved into the building in 2013 (see also Carbon Disclosure Project). When finished, the site will have five interconnected buildings with a total of 46,000 m<sup>2</sup> of lowest-energy office space (Class A - 20 kWh/m<sup>2</sup> and year). The air conditioning system - powered by district cooling - is particularly innovative. It reduces CO<sub>2</sub> emissions by around 70 per cent compared to conventional air conditioning systems. The relocation of Raiffeisen-Leasing GmbH to the "Space2move" site took place in 2014. Other affiliated companies will follow in 2015.

- Improvement to the supply infrastructure of the server landscape

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

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

- Energy Efficiency

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

- Fleet

A conscious start on equipping the fleet with low-emission vehicles was made in recent years. This has allowed the specific CO<sub>2</sub> emissions of the fleet of RBI AG to be reduced by approx. 20 per cent since 2010.

## Environmental Committee

In terms of their responsibility for environmental measures, the Managing Boards of RZB AG and RBI AG appointed an Environment Officer and an inhouse Environmental Committee in 1994. The Environmental Committee is the advisory and decision-making committee. Permanent members are the Environment Officers, the representatives of the Sustainability Management Department and the Staff Council. Depending on the field of expertise, further representatives of the departments, such as Purchasing, Marketing or IT, will be involved in the meetings. The Environmental Committee is convened at least twice a year by the Environment Officer.

Tasks of the Environmental Committee include developing decision-making principles for the Managing Board regarding ecological strategies, planning and initiatives, as well as conducting periodic present-state assessments and weak point analyses.

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

## Environmental aspects in the staff restaurants

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

Environmental measures for the SV restaurant at the site of RZB AG and RBI AG include the increased use of organic products, with a share of about 6.5 per cent in the overall assortment, increased attention to regional and seasonal buying, and the use of take-away cups produced from corn starch for freshly made health shakes. Another aspect is the constant optimization of the fish assortment. Attention is paid when designing the menus not to select any types of fish that are on the Red List of the WWF. The own-brand SV Ice Tea NEW has been offered as a Fairtrade option since the beginning of 2015. In addition, the reconditioning of disposed waste cooking oils into environmentally sustainable biodiesel achieved a reduction in CO<sub>2</sub> of 2,622 kg CO<sub>2</sub>e. (CO<sub>2</sub>e is the conversion of the hazard potential of the relevant, climate-influencing gases into an equivalent amount of CO<sub>2</sub>.)

## Inhouse ecology at the network banks

The group-wide environmental rules are already being implemented at all network banks. This applies in particular to the reporting via "mona", the travel policy and the supplier survey. Special measures of individual network banks in the environmental area since the year 2011 are listed below.

### Central Europe (CE)

Since 2014, Raiffeisen Bank Polska S.A. in Poland has relied increasingly on the use of internal awareness-raising measures to conserve energy, including cooling and water.

Raiffeisenbank a.s. in the Czech Republic evaluates its suppliers according to ecological and other criteria, such as certification according to international standards.

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

### Southeastern Europe (SEE)

Raiffeisenbank Austria d.d. in Croatia introduced an energy and environmental management system in the Magazinska building (a head office in Croatia) in 2013.

In 2013, Raiffeisen Bank d.d. Bosna i Hercegovina installed solar panels at the head office that produce electricity for internal consumption.

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

(Bulgaria) EAD moved from two buildings into a new main building with high environmental standards.

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

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

## **Russia (RU)**

The head office of AO Raiffeisenbank in Russia meets high environmental standards.

## **Central and Eastern Europe Other (CEE Other)**

Priorbank JSC in Belarus has been a member of the Association for Renewable Energy since 2010.



# Inhouse ecology – Environment-related KPIs

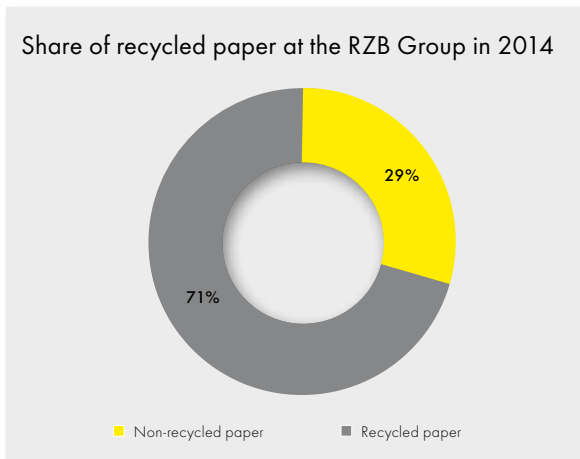
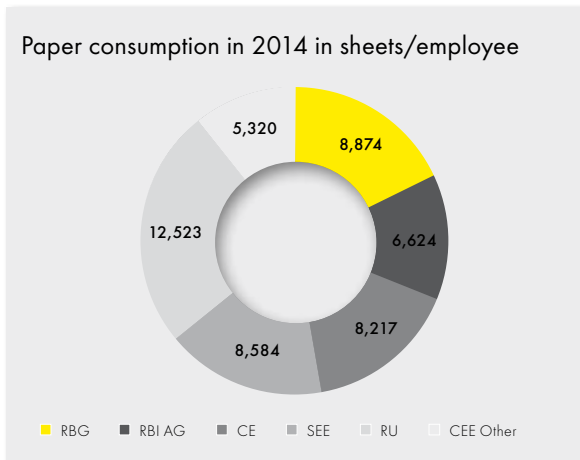
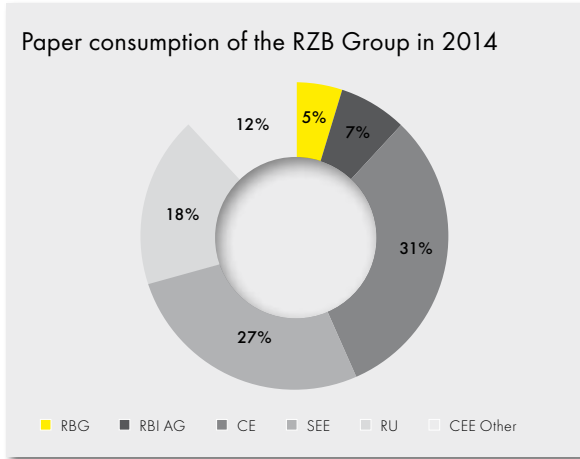
The individual environment-related Key Performance Indicators (KPIs) of the entire RZB Group are broken down by region below.

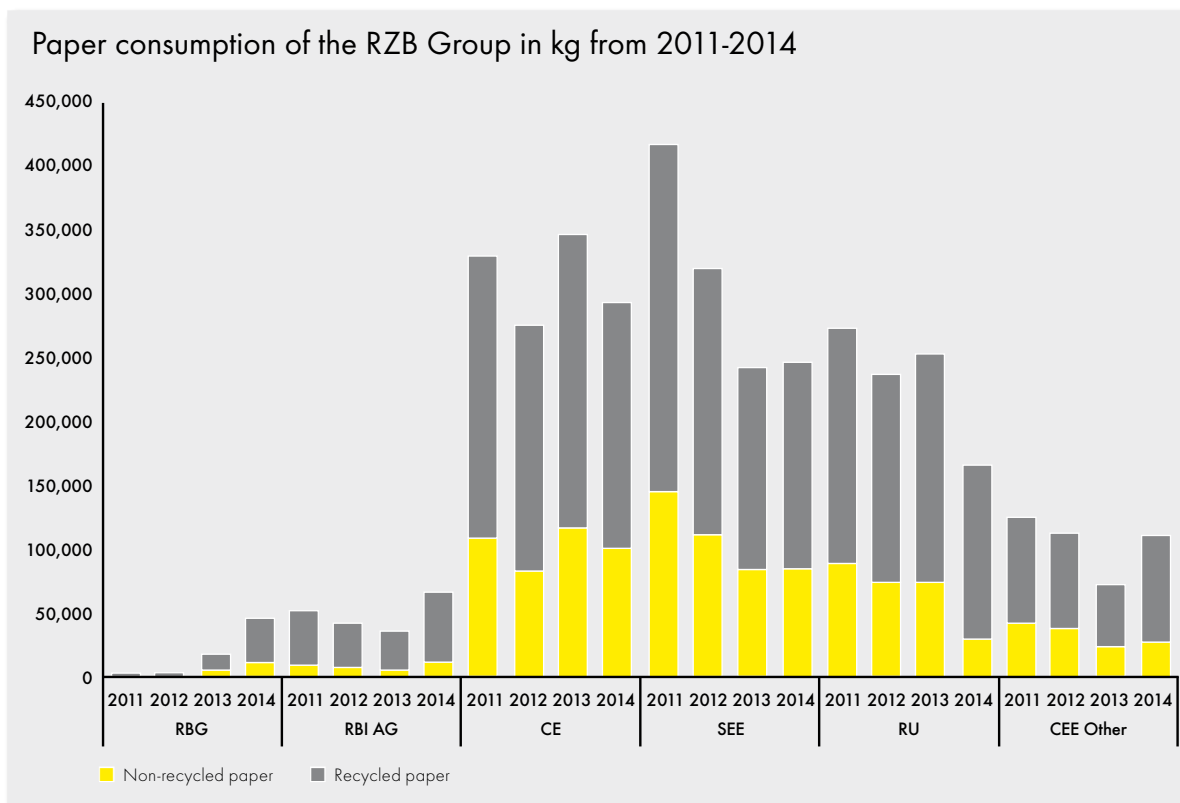
## Material consumption

In the area of material consumption, paper is the most important resource for financial service providers. Efforts have been made for years to reduce levels of paper consumption. Double-sided printing is already a default setting both in Austria and at most of the network banks, so is not mentioned separately from here on.

In total, approx. 920 tonnes of paper, or four per cent less than in the previous year, were used in the RZB Group in 2014, with Central Europe continuing to account for the biggest share of 32 per cent or 292 tonnes/year, following a pleasing reduction of 16 per cent over the previous year. RBG has the smallest share in total consumption of five per cent or 44 tonnes/year. Paper consumption at RBG has more than doubled following their addition to the scope of reporting.

In terms of paper consumption per employee and year, which averages 8,170 sheets, Russia remains the biggest consumer with 12,523 sheets/employee, although it has been able to significantly reduce consumption compared to the previous year. CEE Other has the lowest consumption of 5,320 sheets per employee. The shares of recycled paper used in the RZB Group is a pleasing 71 per cent. RBI AG and Russia have the highest share of recycled paper of over 80 per cent.





Material consumption in 2014	RBG	RBI AG	CE	SEE	RU	CEE Other
<b>Non-recycled paper in kg</b>	12,172	12,208	100,756	85,759	31,081	28,115
<b>Recycled paper in kg</b>	31,973	52,046	191,464	160,760	132,502	81,493
<b>Paper, total, in kg</b>	44,145	64,254	292,220	246,519	163,583	109,608

## Material consumption at the Vienna sites

Since 2013, paper documents have been captured by electronic data rooms in a virtual building called the Raiffeisen Data Room Center. This enables paperless meetings to be held. The documents for meetings can be accessed via an app on notebooks, tablets or smartphones. The increased paper consumption in 2014 resulted mainly from the initial data survey from the affiliated companies, the construction of a second paper store at the new location and a better data information base.

By concentrating the associated companies at the new energy-efficient locations, it has been possible to purchase 100 per cent recycled paper made in Austria since 2014. In 2015, the printer infrastructure technology will also be renewed and the printing process optimized.

At Raiffeisen Kapitalanlage-Gesellschaft m.b.H., a significant reduction in the number of printers and paper consumption was achieved through the creation of a new printer landscape with "Follow me print". With this architecture in place, a climate-neutral

printing concept was also implemented.

## Material consumption at the network banks

### Central Europe (CE)

After introducing the electricity-saving program Go-Green!, Raiffeisen Bank Polska S.A. in Poland directed its attention to the increased use of electronic account statements.

Tatra banka, a.s. in Slovakia has implemented measures for the reduction of paper consumption and the use of recycled paper.

Raiffeisen Banka d.d. in Slovenia uses central printers on which only selected documents (e.g. contracts) can be printed.

Numerous environmental measures were implemented by Raiffeisen Bank Zrt. in Hungary, and a further reduction of the paper consumption is planned for the coming years.

### Southeastern Europe (SEE)

Raiffeisen Bank Sh.a. in Albania introduced an energy and environmental management system in 2013.

In mid-2013, Raiffeisen BANK d.d. Bosna i Hercegovina introduced Raiffeisen Mobile Banking (R'm'B), which is being used by increasing numbers of customers. The bank also switched to the use of central printouts. Thanks to these measures, paper consumption was reduced significantly during 2014. In addition, Raiffeisen BANK d.d. Bosna i Hercegovina uses paper bearing the EFC environmental symbol.

Raiffeisenbank (Bulgaria) EAD uses copy paper bleached without chlorine (ECF) or completely chlorine-free (TCF), and a switch to recycled paper is currently under consideration. The customers are also encouraged to switch to paper-free banking. A mobile banking app for smartphone users was introduced to support this shift.

Raiffeisen Bank Kosovo J.S.C. is planning to implement initiatives to raise employee awareness in the next few years in order to further reduce paper consumption. Since 2015, internal memos have no longer been printed out; they are distributed exclusively via the intranet.

In 2013, Raiffeisenbank Austria d.d. in Croatia switched to sending documents electronically and implemented a document management system. Printers have also been replaced by thermal printers, and an electronic signature for customers has been introduced. The bank aims to reduce paper consumption by around 20 per cent by 2020.

### Russia (RU)

AO Raiffeisenbank in Russia uses about 80 per cent free of chlorine (EFC) MONDI IQ Economy recycled paper. The bank has a printer regulation that stipulates measures for reducing paper consumption, and great progress toward this goal was made in 2014.

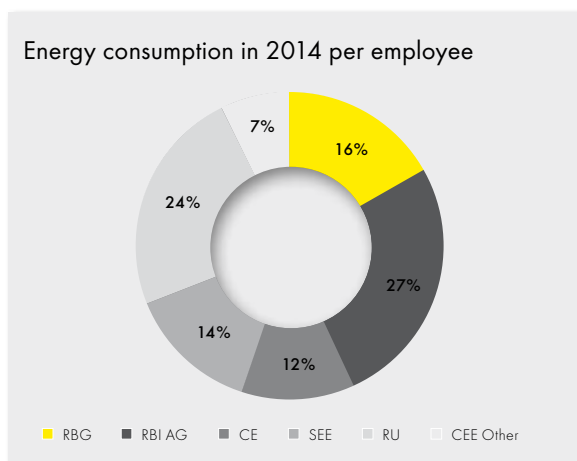
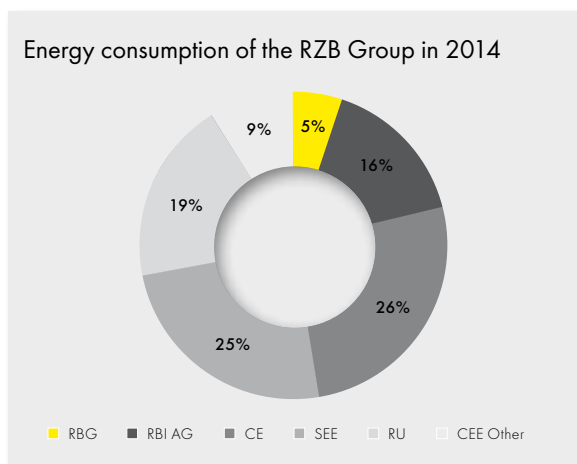
### Central and Eastern Europe Other (CEE Other)

Priorbank JSC in Belarus reduced paper consumption in 2012 and 2013 through an increased use of electronic documents, among other measures. However, paper consumption increased again in 2014. Measures to reduce the quantity of printed materials are planned for the coming years.

## Energy consumption

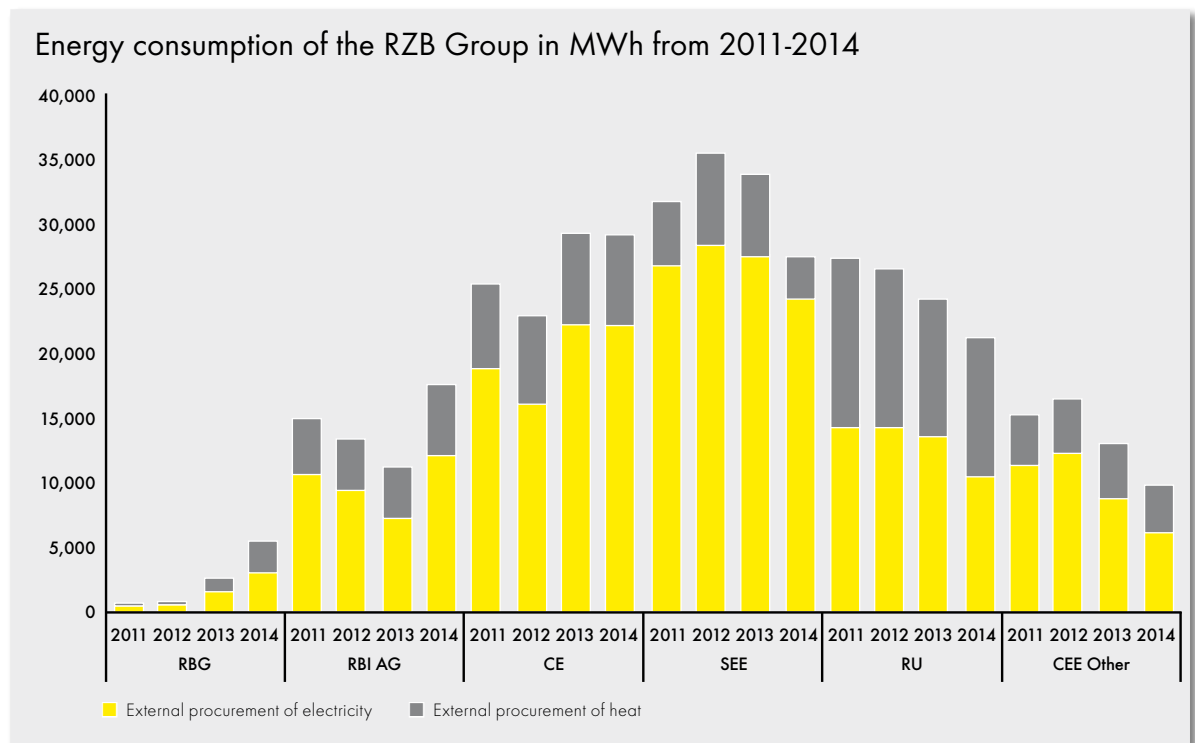
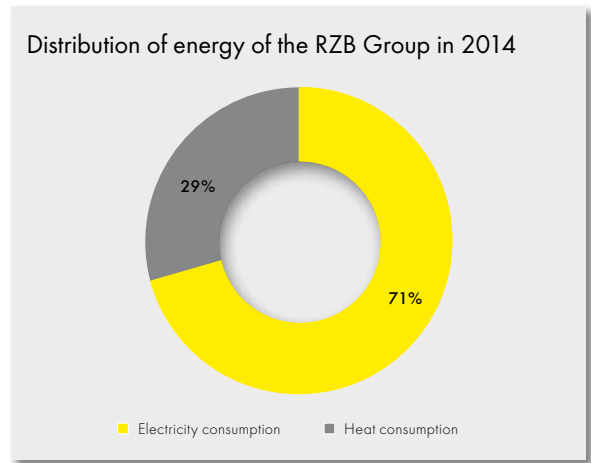
Indirect energy consumption is the largest source of CO<sub>2</sub> emissions at the RZB Group: Electricity consumption accounts for 71 per cent of indirect energy consumption, while heating consumes about 29 per cent. Direct energy consumption (emergency power generator) accounts for a negligible share of total consumption and emissions and is shown in the tables on page 135.

The entire indirect energy consumption of the RZB Group was about 110 GWh in 2014 (three per cent lower than the previous year). Of this, about 78 GWh was needed for electricity and 32 GWh for heating. Southeastern Europe has the largest share of electricity consumption of approximately 31 per cent (twelve per cent below the previous year) and Russia the biggest share of heat consumption at approximately 35 per cent (same as the previous year). The Raiffeisen affiliated companies have the smallest share of electricity consumption of four per cent (after doubling due to new reporting limits), and the affiliated companies also have the lowest share of heat consumption of eight per cent (after doubling due to new reporting periods). In terms of employee and



year, the average energy consumption for electricity and heat is 4,950 kWh. At the top of the annual consumption list is Russia with 8,078 kWh per employee, while CEE Other is at the bottom with 2,391 kWh per employee.

One key to minimizing energy consumption at the office sites is to be found in the site policy and in the energy use per m<sup>2</sup>. Additional starting points for achieving these energy efficiency objectives include the adjustment of heating and air-conditioning settings as well as the optimization of lighting.



Energy consumption in 2014	RBG	RBI AG	CE	SEE	RU	CEE Other
Electricity in MWh	3,054	12,205	22,093	24,180	10,547	6,158
Heating in MWh	2,541	5,369	7,026	3,237	10,601	3,714
Total energy consumption in MWh	5,595	17,574	29,119	27,417	21,148	9,872

### Energy consumption at the Vienna sites

In Austria, the partial relocation of RBI AG to "Space2move" commenced in 2013, followed by Raiffeisen-Leasing GmbH in 2014. The new site has much better energy efficiency than the old leased premises. The average district heating requirement and electricity consumption per employee have also been sharply reduced by this. The air conditioning system - powered by district cooling - is innovative. It reduces CO<sub>2</sub> emissions by around 70 per cent compared to

conventional air conditioning systems. The positive effects of the remodeling in 2014 have yet to make their mark; in addition, empty space was reserved or had to be provided for the relocation of Raiffeisen-Leasing GmbH to "Space2move".

However, not only the consumption of energy - and especially of electricity - is decisive in determining the extent of environmental impacts. The origin of such energy is also a key factor, and as such, all electricity at the present office sites in Vienna has been sourced

entirely from hydroelectric power since 2011. Since January 2013, these sites have solely been supplied with green electricity from small hydroelectric plants, wind power, biomass, geothermal energy and photovoltaics. This should also apply for the majority of the affiliated companies in 2015.

By optimizing the climate control and lighting systems, a reduction in energy consumption was achieved in the building of Raiffeisen Bausparkasse Gesellschaft m.b.H. in 2014.

Raiffeisen Kapitalanlage-Gesellschaft m.b.H. was "Ökoprofit" certified and received multiple awards from ÖKO Business Plan Vienna each year from 2008 to 2013. The reason for this were the numerous energy-saving measures implemented recent years, such as in the building envelope, the replacement of all window seals, the conversion to Green IT incl. automatic shutdown of the PCs, etc. No further attempts at own certification were made in 2014 due to the planned change of location.

## Energy consumption at the network banks

### Central Europe (CE)

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

One of the buildings of Tatra banka, a.s. in Slovakia is a low-energy building that is heated with waste heat from the data center. Another building requires less energy thanks to its double-glazed façade. The heating is turned down in the evening and on weekends with a timer. Old systems are continuously replaced with new equipment with lower energy consumption.

Motion-controlled light switches were installed at the head office to save electricity. At seven branches of Tatra banka, a.s. in Slovakia, low-energy lights have been in use since 2014. The results should be evaluated in 2015 and similar replacements performed in other branches, if appropriate. Additionally, the IT department replaced old PCs and monitors at the head office with more energy-efficient equipment. All employees switch off their PCs before they leave work. About ten per cent of the purchased electrical energy comes from renewable energy sources such as hydropower, wind or solar energy.

Raiffeisen Banka d.d. in Slovenia uses energy-saving bulbs in all branch offices. At the head office, the warm air produced in the data center is also used for heating the building.

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

In the last three years, the main focus of attention at Raiffeisen Bank Zrt. in Hungary has been on improving the technical equipment and installations in order to reduce energy consumption. The office building in Budapest is heated with geothermal heat, and the back office headquarters is cooled in this way. A low-energy mode is activated on nights and weekends. Motion-controlled light switches were also installed at the head office and should be further expanded in the coming years. The heating, ventilation and air-conditioning system was connected and is managed from a control room. The number of gas boilers at the head office was also reduced by 50 per cent in 2014. Replacement of the conventional light bulbs with LED lights is planned for the coming years.

### Southeastern Europe (SEE)

Raiffeisen Bank Sh.a. in Albania replaced all incandescent bulbs with LED luminaires and improved the thermal insulation in 2013. Roughly 98 per cent of the electricity is procured from hydropower.

For energy-saving reasons, the building of the head office of Raiffeisen BANK d.d. Bosnia i Hercegovina had a glass facade constructed that led to less electricity consumption due to much better lighting levels. A building management system was also implemented with special software that automatically regulates the airconditioning and heating. The server room and technical rooms have been cooled in winter with fresh air since 2009. Solar panels for hot water production were installed in 2013. In 2014, all office rooms, hallways and illuminated advertisements were switched to LED lights; motion-controlled light switches were installed in the stairwells.

At the start of 2014, Raiffeisenbank (Bulgaria) EAD moved out of two of the four head office buildings and into a new office building that lives up to modern environmental standards. Additional measures to

reduce the electricity and heat consumption are planned for the coming years, including central heating control in the business areas and the use of LEDs. All illuminated advertisements of the bank are already sensor-controlled. The information technology and office equipment satisfy the ENERGY STAR environmental and energy standard.

To reduce electricity consumption, LED light panels have been increasingly used by Raiffeisen Bank Kosovo J.S.C. since the year 2013. The bank strives to meet high environmental standards in the maintenance of electronic equipment. In addition, initiatives are being prepared to raise employee awareness about the need to reduce electricity consumption. The construction of a new head office building was begun in the year 2014. The new building should live up to the most recent environmental standards and further reduce the electricity consumption.

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

Since the year 2014, LED lights have been used in all illuminated signs at Raiffeisen Bank S.A. in Romania. The use of LED lighting in the office spaces is planned for 2015. Publicly accessible areas in the branches have motion-controlled lighting. In addition, a more environmentally friendly refrigerant is now used, and timer switches have been installed in the heating systems. 2015 should see investment in a more energy-efficient air-conditioning system. Typical heat pumps were replaced by an inverter technology. A building control system was also introduced in both head office buildings in 2014. The new system allows for central control and optimization of lighting and cooling.

Environmental protection was an important consideration in the construction of the head office of Raiffeisen banka a.d. in Serbia during 2011 and 2012. Special attention was paid to the insulation of the building envelope. The use of solar energy is currently being evaluated. The bank has equipped the air cooler system in the data center with a freecooling mode. A building specially designed for data centers is in planning to further reduce energy consumption. Ancillary rooms and communication areas are equipped with IR sensors. The general lighting is controlled by the building management system and can be switched off once everyone has gone home in the evening. Since 2013, Raiffeisen banka a.d. in Serbia has been working on converting to LED lighting. The careful selection of technical solutions for cooling and heating has resulted in a reduction in electricity consumption.



© RBRU

Renat Lotfullin, Head of Office Management Department, AO Raiffeisenbank, Russia

*"Every successful company constantly thinks about how to satisfy the needs of its clients, employees and shareholders. But only the best companies are concerned about the environmental impact of their business. I really appreciate my job for the opportunity to make a positive impact on the environment. Unfortunately we cannot change everything at once, but this aspect can be considered in our day-to-day projects and activities. Without doubt, the greatest environmental benefits are achieved in large projects, and we have done a lot in this respect in recent years. However, there are many small things we can also do. For example, banks use a great deal of paper. We therefore regularly consider whether the printouts can be avoided. Since an average tree makes about 20-30 standard 500-sheet packs of office paper, even these small initiatives can save a small forest over time. And that is a good feeling".*

QUOTE



**Russia (RU)**

In 2014, AO Raiffeisenbank in Russia moved into a new, 26,000 m<sup>2</sup> office building. In construction of the building, attention was paid to energy and resource conservation through high-quality thermal insulation of the exterior façade, motion-controlled lighting systems, low-energy office lights, sensor-controlled faucets in the sanitary facilities and efficient ventilation.

Good progress was made in 2014 on the process of replacing all computers at the head office with energy-saving thin client technology.

**Central and Eastern Europe Other (CEE Other)**

In 2013, Raiffeisen Bank Aval JSC in Ukraine managed to reduce electricity consumption by over 30 per cent through a variety of measures, such as the project "Enterprise Server Consolidation", virtualization of the servers and a switch to LED lighting. The electricity consumption of the bank's data centers was reduced by an impressive 50 per cent. In addition, the cooling system was modernized and replaced with an energy-saving inventory system. LED lamps have also been in use at five branches since 2014. In 2015, it is planned to replace gas heaters as far as possible with electrically powered heaters.

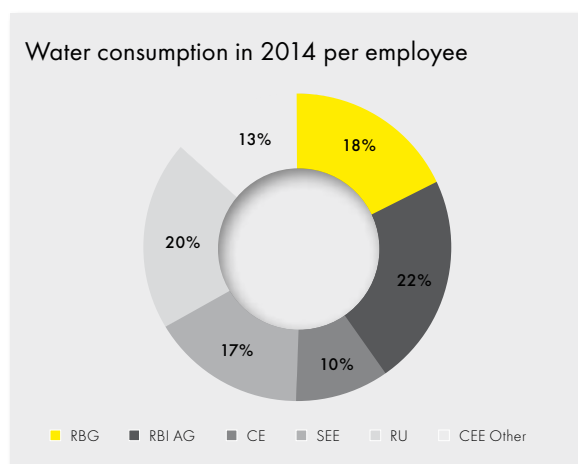
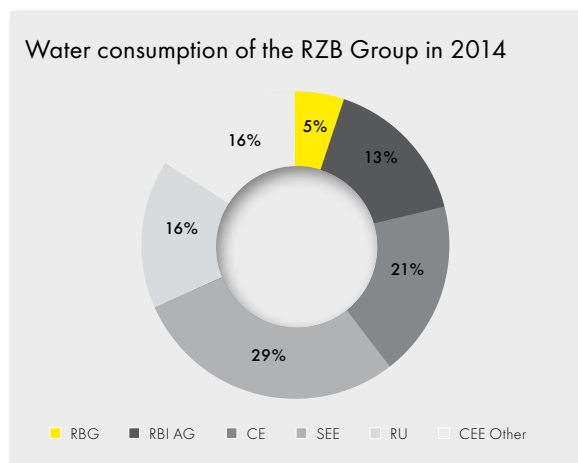
The lighting at Priorbank JSC in Belarus has been partially converted to luminescent lights with electricity savings of approx. 75 percent and to LED luminaires with electricity savings of approx. 85 per cent. Control sensors for the lighting systems were also introduced in 2013. For energy-intensive systems, such as the hot water supply, an automatic timer was installed. This should result in energy savings of 50 per cent. The server rooms, which consume large amounts of electricity, as well as the heating system were modernized. In addition, thermal insulation measures such as new façade insulation and window replacements in the building were implemented, and computers were switched to LCD monitors. These measures brought about a significant reduction in electricity consumption in 2014. Additional measures are planned in the branches for 2015 involving such areas as lighting and the control of heat and hot water. At the head office, additional improvements in the automation of the air-conditioning system as well as improvements in the thermal insulation of the heating systems are planned. Informational materials on the topic of energy conservation should be distributed to the employees in the future.

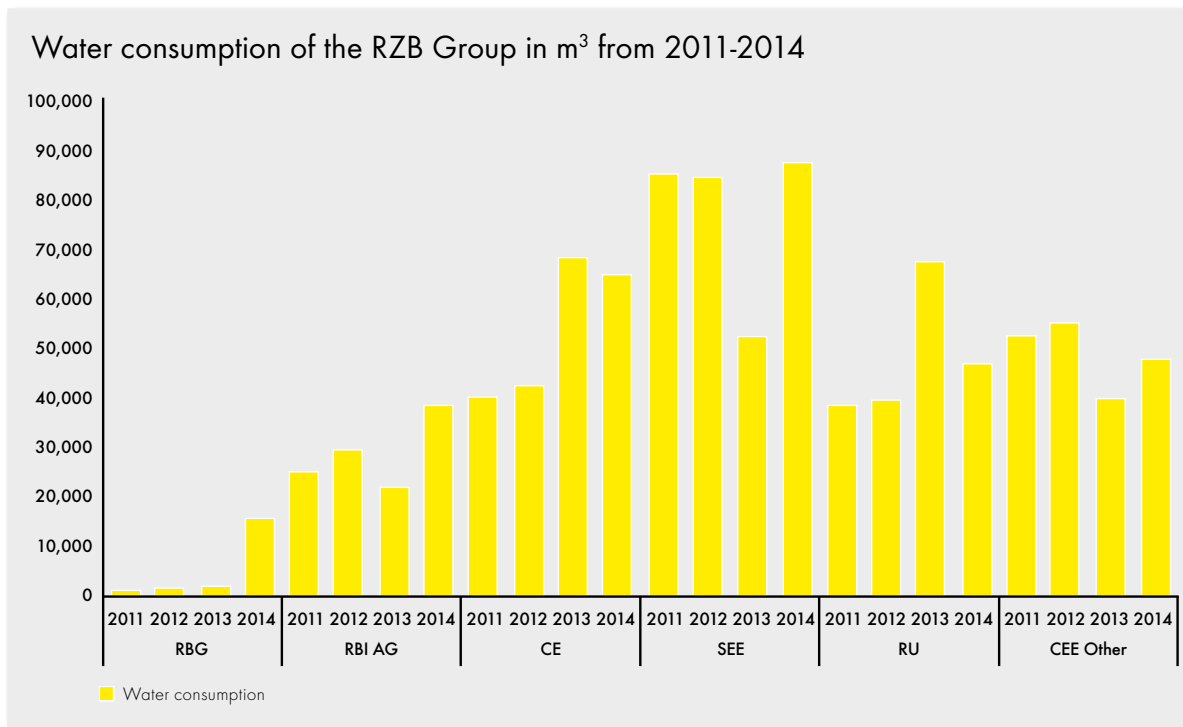
**Water consumption**

The water consumption of the RZB Group (only tap water is used) is comparably low and fortunately has hardly any effect on the CO<sub>2</sub> footprint. Total annual water consumption was 300,272 m<sup>3</sup> or 13 m<sup>3</sup>/employee in 2014. At the top of the list with the biggest share of total water consumption is Southeastern Europe with over 87,176 m<sup>3</sup> or 29 per cent (67 per cent increase compared to the previous year), while the smallest share is at the affiliated companies with 15,595 m<sup>3</sup> or five per cent (five-fold increase over the previous year, see below for explanation). The biggest level of water consumption per employee is found at RBI AG with 20 m<sup>3</sup>, while Central Europe has the smallest with nine m<sup>3</sup>/year.

**Water consumption at the Vienna sites**

The relatively high level of water consumption in Austria in 2014 can be explained by the change to the system boundaries.





Water consumption in 2014	RBG	RBI AG	CE	SEE	RU	CEE Other
Water consumption in m <sup>3</sup>	15,595	38,398	64,501	87,176	46,776	47,826

**Water consumption at the network banks**

**Central Europe (CE)**

Wash basins at Tatra banka, a.s. in Slovakia were equipped with a pressure regulator to reduce the amount of water used. Monthly reports ensure effective management of electricity and water consumption in all of the bank’s activities.

Raiffeisen Bank Zrt. in Hungary uses waste water to irrigate the courtyard gardens. Water faucets were upgraded in 2014 to reduce tap water consumption. In addition, separator systems for cleaning the waste water were installed, and flow regulators were installed in the water faucets.

**Southeastern Europe (SEE)**

Raiffeisenbank (Bulgaria) EAD implemented a number of measures for reduction of water consumption, such as installing flow regulators and switching to water-saving washing systems. Since 2014, energy-efficient and environmentally friendly water dispensers have been used at the head office. The environmentally friendly technology should be brought to the branches as well in 2015.

**Central and Eastern Europe Other (CEE Other)**

Priorbank JSC in Belarus successively installed shut-off valves and optical sensors in the water supply system to lower water consumption.

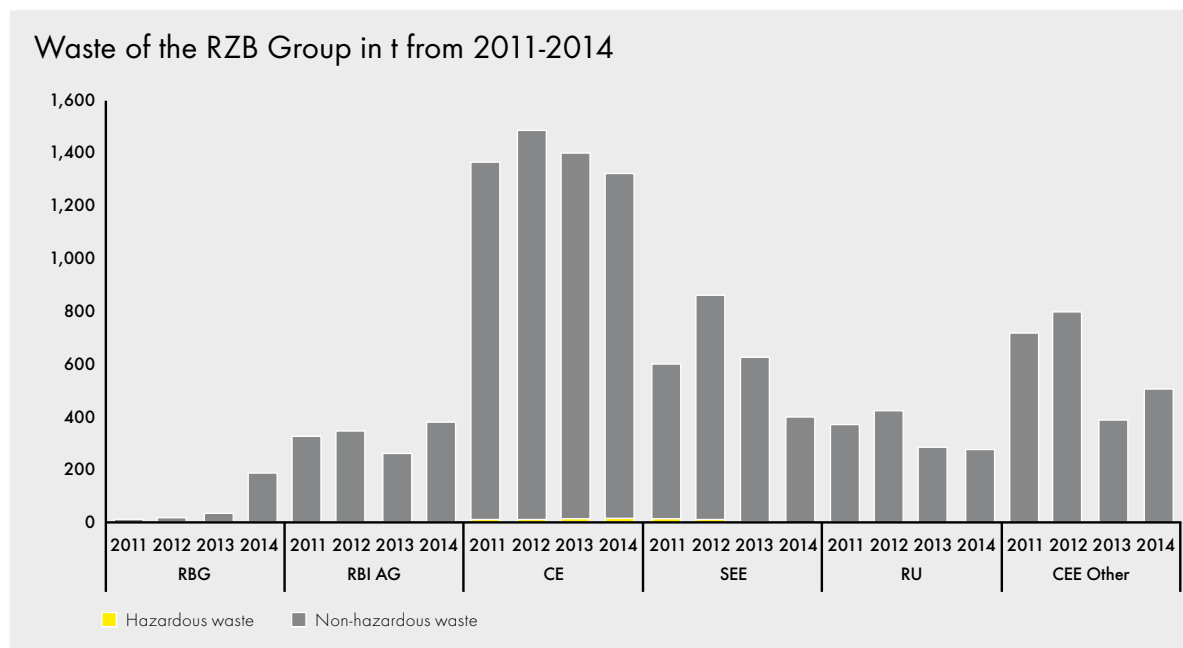
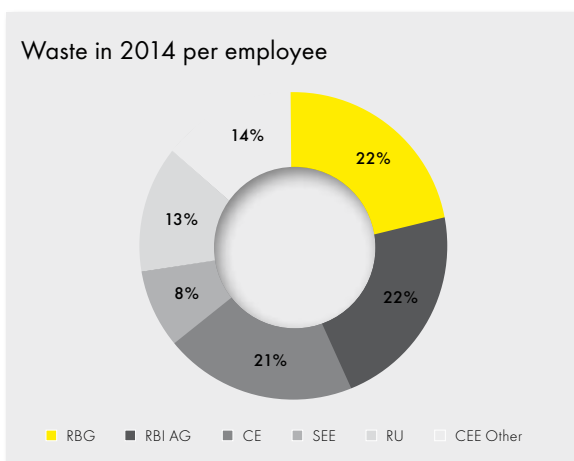
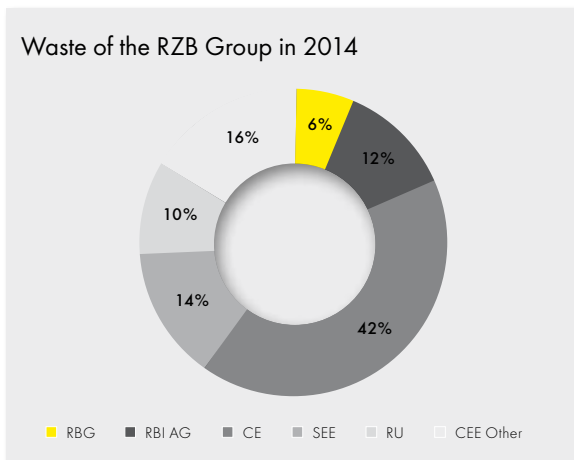


## Waste

The waste produced by the RZB Group amounts to about 3,162 tonnes per year (increase of one per cent over the previous year) or 140 kg/employee (nine per cent decrease compared to the previous year), with over 97 per cent decrease of it being non-hazardous waste. The hazardous waste is disposed of accordingly. Central Europe has the biggest share in total waste produced with 42 per cent or 1,330 tonnes (five per cent decrease compared to the previous year). However, the aim is to further improve the data situation in this category at the network banks.

The smallest amount of waste is produced by Russia with 10 per cent or slightly over 311 tonnes total waste/year (one per cent decrease).

RBI AG also has the biggest amount of waste in terms of the employee indicator, with 195 kg/employee (27 per cent increase compared to the previous year). SEE reported the lowest waste per employee of 76 kg/employee (32 per cent decrease).



Waste in 2014	RBG	RBI AG	CE	SEE	RU	CEE Other
Hazardous waste in t	0.7	2.9	12.2	1.2	0.1	0.2
Non-hazardous waste in t	190.9	375.0	1,309.8	402.7	281.5	510.0
Total waste in t	192.0	378.7	1,329.6	438.1	310.6	512.6

## Waste at the Vienna sites

In the area of waste, the main objectives are to avoid waste and to deal carefully with the available resources. We therefore place particular focus on the recycling of those waste streams that can be returned to the production process as reusable material. The avoidance of dangerous waste is also particularly important. Measures taken include the use of long-life luminaires (LED) and converting the archiving to digital processes. The amount of residual waste was also reduced. The increase in the amounts of bulky waste in 2013 can be explained by the closure of storage areas. The amount of cardboard boxes and packaging materials was pleasingly reduced by around 4,000 kg in 2014, while the total amount of electrical and electronic waste was reduced by almost 3,000 kg. 9,000 kg of waste glass was sent for recycling in 2014.

Waste disposal cost a total of € 96,899 in 2014.

For many years, Raiffeisen Kapitalanlage-Gesellschaft m.b.H. and Raiffeisen Bausparkasse Gesellschaft m.b.H. have implemented waste separation with measures for reducing waste. The waste figures per employee of Raiffeisen Bausparkasse were very high in 2014 (362 kg/employee), which is why the waste figures of the RBG increased. The figures will probably reduce significantly as a result of the relocation to the new site.

## Waste at the network banks

### Central Europe (CE)

Waste separation was introduced in 2013 at Tatra banka, a.s. in Slovakia.

Raiffeisen Banka d.d. in Slovenia has carried out separated waste disposal since 2012, with primarily paper being collected separately and recycled. Printer cartridges are also refilled.

Raiffeisenbank a.s. in the Czech Republic operates an extensive environmental management system with waste separation of paper and plastic and environmentally sound disposal of solid waste and waste water.

In 2013, waste separation was introduced at Raiffeisen Bank Zrt. in Hungary.

## Southeastern Europe (SEE)

Raiffeisen Bank Sh.a. in Albania switched in 2014 to a new waste disposal system based on "green recycling". Both the head office and the branches follow this system.

In 2013, Raiffeisenbank (Bulgaria) EAD introduced the separate collection of waste and valuable resources. For this purpose, the bank also changed the contract conditions with the cleaning company. The intention is to expand this initiative in the coming years.

Continuous improvements are being made within Raiffeisen Bank Kosovo J.S.C. with respect to waste management.

One of the most important milestones for Raiffeisenbank Austria d.d. in Croatia in 2013 was the introduction of professional and environmentally friendly waste disposal.

In 2013, Raiffeisen banka a.d. in Serbia installed oil separators for the parking areas as well as grease separators for waste water from the kitchen. The waste management plan was introduced at the head office and all branches in 2014.

### Russia (RU)

Every five years, a comprehensive waste report on the types of waste is produced at AO Raiffeisenbank in Russia to comply with legal regulations. This document is inspected by an independent party. The annual payments for disposal are determined based on this document. The entire disposal work is outsourced to certified providers. For example, light bulbs are disposed of as a special waste category.

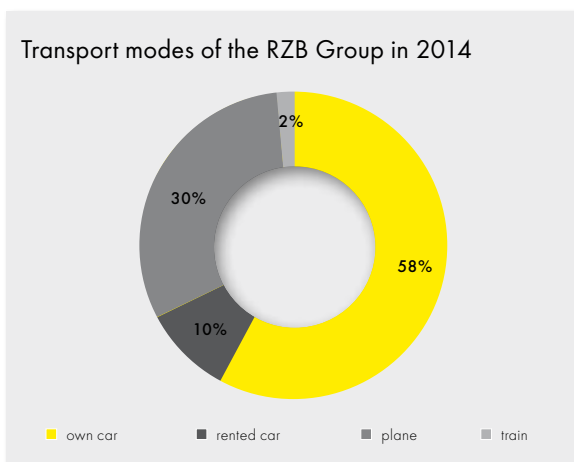
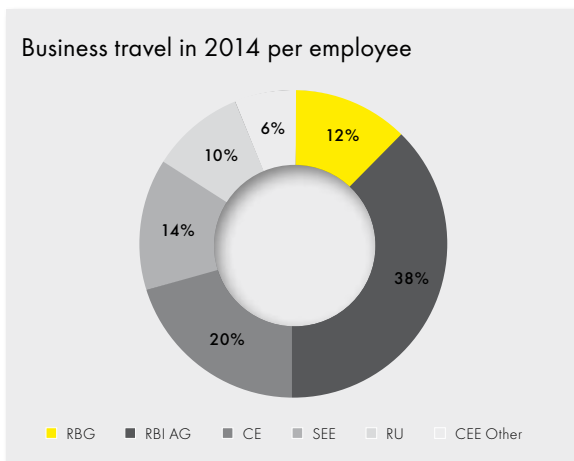
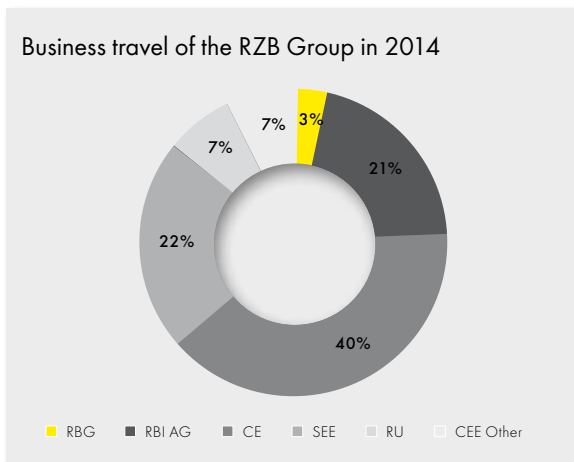
## Transport

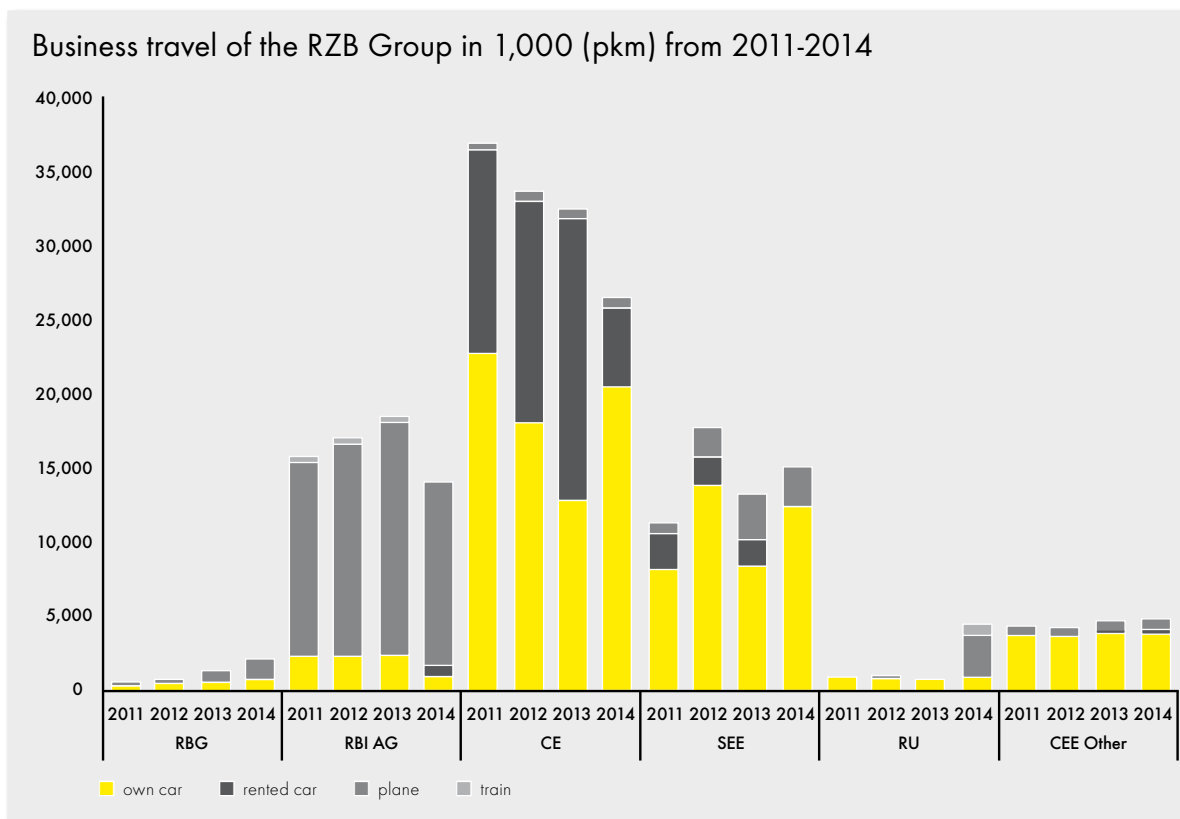
Business travel is the second biggest cause of CO<sub>2</sub> in the RZB Group. For this reason, measures in this area are constantly being evaluated. For example, the travel policy for business trips was revised in accordance with environmental aspects in 2013 (see page 112), and a mobility survey was conducted at the end of 2014 (see page 112f). As is the case with waste, the data for business trips are still not satisfactory, as some network banks are not yet able to report adequately on trips made by plane or train. However, the data survey in Russia has improved significantly and is deserving of special mention here.

According to currently available information, business trips totaled slightly over 67 million pkm (passenger kilometers or "pkm" are calculated on the number of persons carried and the distance covered), of which Central Europe has the biggest share of 39 per cent or 26 million pkm (18 per cent decrease, despite the better data situation). The affiliated companies have the smallest share of four per cent or approx. 2.2 million pkm.

Business trips in terms of employee and year averaged 2,988 pkm, with RBI AG recording the strongest trip activity of 7,226 pkm/employee and year (but 26 per cent decrease compared to the previous year). CEE Other has the fewest business trips per employee of 1,149 pkm (34 per cent compared to the previous year).

If the means of transport are compared, then business trips in a private car make up the biggest share with 58 per cent, followed by flights on 35 per cent. Trips by rail make up the smallest share with about two per cent.





Business travel in pkm 2014	RBG	RBI AG	CE	SEE	RU	CEE Other
Own car in pkm	608,083	990,665	20,471,915	12,494,372	875,280	3,759,468
Rented car in pkm	0	465,187	5,516,000	0	0	230,701
Plane in pkm	1,376,930	12,591,914	507,886	2,541,427	2,769,000	753,947
Train in pkm	51,600	0	32,936	0	1,145,579	715
<b>Total passenger km</b>	<b>2,036,613</b>	<b>14,047,766</b>	<b>26,528,737</b>	<b>15,035,799</b>	<b>4,789,859</b>	<b>4,744,831</b>

## Transport at the Vienna sites

In order to reduce CO<sub>2</sub> emissions, the costs incurred by employees for annual public transport tickets in Vienna has been covered in full by RZB AG and RBI AG since 2014. In addition, employees are given their own bicycle rooms and bicycle parking space in front of the head office. A special bicycle repair service is also offered every year. Company bikes are available for our employees to use for business trips within Vienna.

Efforts were made to use renewable fuels in our company vehicles and to promote e-mobility, which led to a reduction in CO<sub>2</sub> emissions for the fleet of four per cent in the last year to 179g CO<sub>2</sub>/km.

The measures put in place have shown an effect on business trips. Travel activity has been significantly reduced by projects that make it easier to use alternative methods of communication, such as video or web conferences.

Raiffeisen-Leasing GmbH has introduced a company car program. CO<sub>2</sub> limits are defined in the different authorization categories. Fines apply if employees exceed these. A bonus is applied for the selection of an electric or hybrid vehicle that uses less fuel. In addition, an inhouse mobility management system has been developed for employees in order to optimize the utilization of pool vehicles, especially with alternative drive units, and to encourage the switch to public transport.

Furthermore, Raiffeisen Kapitalanlage-Gesellschaft m.b.H is testing a new conferencing tool with the aim of reducing the number of business trips.

## Travel at the network banks

### Central Europe (CE)

The goal of Raiffeisen Bank Polska S.A. in Poland is to increasingly replace air travel with more train and car travel as well as an increased use of video conferences.

The vehicle fleet of Tatra banka, a.s. in Slovakia has been partially replaced to lower the fuel consumption and CO<sub>2</sub> emissions. Telephone and video conferences receive preference over business travel. The purchase of a hybrid or hybrid electric vehicle is also planned for 2015.

The employees of Raiffeisenbank a.s. in the Czech Republic participated in the competition "Bike 2 work" for the first time in 2014 and commuted to work by bicycle almost every day for a month. The bank paid the participation fee and provided infrastructure (parking in the garages, showers, etc.). Overall, 180 tons of CO<sub>2</sub> were saved. The initiative should be supported again in 2015.

To reduce business trips, Raiffeisen Bank Zrt. in Hungary relies increasingly on video conferences. The system was upgraded accordingly in 2013. The Raiffeisen Bank offers its employees the use of a free shuttle bus service, with the aim of reducing the need for individual transport. Use of the shuttle bus service has been further optimized as of January 2015. Employees receive an allowance for public transportation. The vehicle fleet was also reduced.

### Southeastern Europe (SEE)

Business flights made by employees of Raiffeisen Bank Sh.a. in Albania should be reduced by 40 per cent in the next few years by encouraging the use of video conferences coupled with awareness-raising measures.

Raiffeisen BANK d.d. Bosna i Hercegovina is planning to improve coordination between departments making business trips to the same destination.

Raiffeisenbank (Bulgaria) EAD is pursuing a strict travel policy and introduced a guideline on "carpooling" in 2013. At the same time, the bank reduced the number of company vehicles by roughly 20 per cent and relies increasingly on video and telephone conferences. Raiffeisen Bank Kosovo J.S.C. would like to reduce the number of business trips and increasingly holds video conferences on a real-time platform.

Raiffeisenbank Austria d.d. in Croatia is also increasing the use of video conferences to reduce business travel. In addition, company vehicles should be replaced with more efficient and environmentally friendly models that meet the EURO 5 standard.

In the area of transportation, Raiffeisen Bank S.A. in Romania significantly reduced its fuel consumption in the year 2012. Bicycles are provided to the employees at the head office. The vehicle fleet was also replaced in 2014 with more environmentally friendly vehicles. As in previous years, the bank continued support for the bicycle sharing program in cooperation with Green Revolution ([www.greenrevolution.ro](http://www.greenrevolution.ro)), which is available in eight Romanian cities.

### Russia (RU)

AO Raiffeisenbank in Russia updated its internal business travel policy in 2014 based on cost and environmental considerations. The bank also reduced the size of its vehicle fleet by over 40 per cent.

### Central and Eastern Europe Other (CEE Other)

In 2014, Priorbank JSC in Belarus established the program "Fit for Future 2016" with measures to reduce business travel.

## Parcel service and transport of goods

The parcel service and transport of goods was reported on by several network banks, but not yet in full. This indicator has an effect on scope 1 and 3 emissions.

The total parcel service and transport of goods amounts, according to the latest data, to slightly more than 1 million tkm (tonne kilometers or tkm are calculated from the transported mass in tonnes and the distance covered in kilometers). As the indicator is not yet reported, the available data are not included in the scope emissions and have also been retrospectively deducted from the scopes for 2011-2013.

## CO<sub>2</sub> emissions

The biggest areas of CO<sub>2</sub>e emissions (CO<sub>2</sub>e is the conversion of the hazard potential of the relevant, climate-influencing gases into an equivalent amount of CO<sub>2</sub>) of the RZB Group are energy consumption on 71 per cent, followed by business travel on 24 per cent. In third place comes materials consumption (paper) and waste on approx. three per cent. Other emissions are caused by water consumption. The CO<sub>2</sub>e emissions of the RZB Group total approx. 58,451 tonnes CO<sub>2</sub>e (down 20 per cent compared to the previous year). The reduction comes mainly from efficiency measures relating to the areas of buildings, electricity and heat.

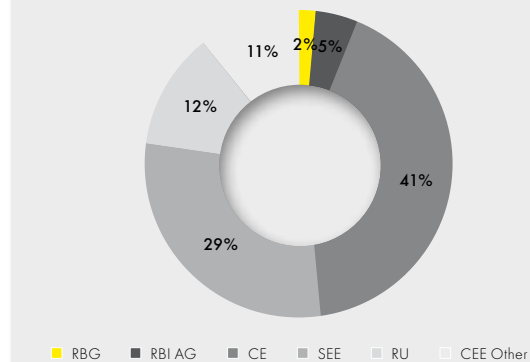
Central Europe has the biggest share in total emissions of 42 per cent or 24,263 tonnes CO<sub>2</sub>e. RBG has the smallest share with two per cent or 1,009 tonnes of CO<sub>2</sub>e (four times more than the previous year due to the expansion of the system boundaries).

The CO<sub>2</sub>e emissions of the RZB Group per employee and year are approx. 2,613 tonnes (28 per cent decrease). Central Europe has the biggest share per employee of approx. 3,404 tonnes/employee and year (21 per cent decrease). RBG has the smallest share of 1,012 kg/employee.

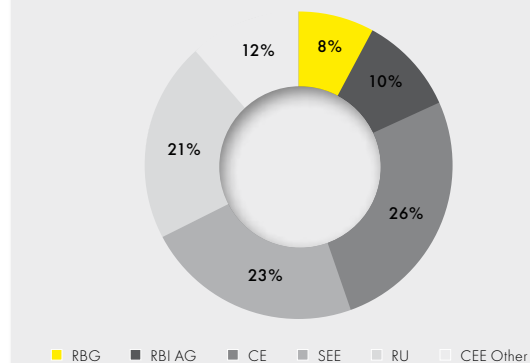
Particularly relevant is the division of the emissions into three "scopes" (The scope defines the attribution of CO<sub>2</sub> emissions according to the Greenhouse Gas Protocol). Scope 1 covers all emissions generated directly through combustion in company plants, scope 2 the purchased energy such as electricity and heat. Scope 3 covers the emissions generated by third-party services and advance services such as paper, water consumption, waste and business trips. The scope 2 emissions of the RZB Group make up the biggest share of 49 per cent, with the main causers being electricity and heat consumption. The scope 3 emissions of the RZB Group make up the biggest share of 39 per cent, with the main causers being electricity and heat consumption. Scope 1 emissions have the smallest share of 12 per cent, with business trips undertaken in private cars accounting for the biggest share.

In the area of emissions, the main goal of all efforts is to avoid emissions in the mobility sector and to reduce the amount of electricity and heat used. It is also planned to revise the environmental targets of the RZB Group in 2015 with short to long-term objectives.

Scope 1-3 emissions of the RZB Group in 2014<sup>1</sup>

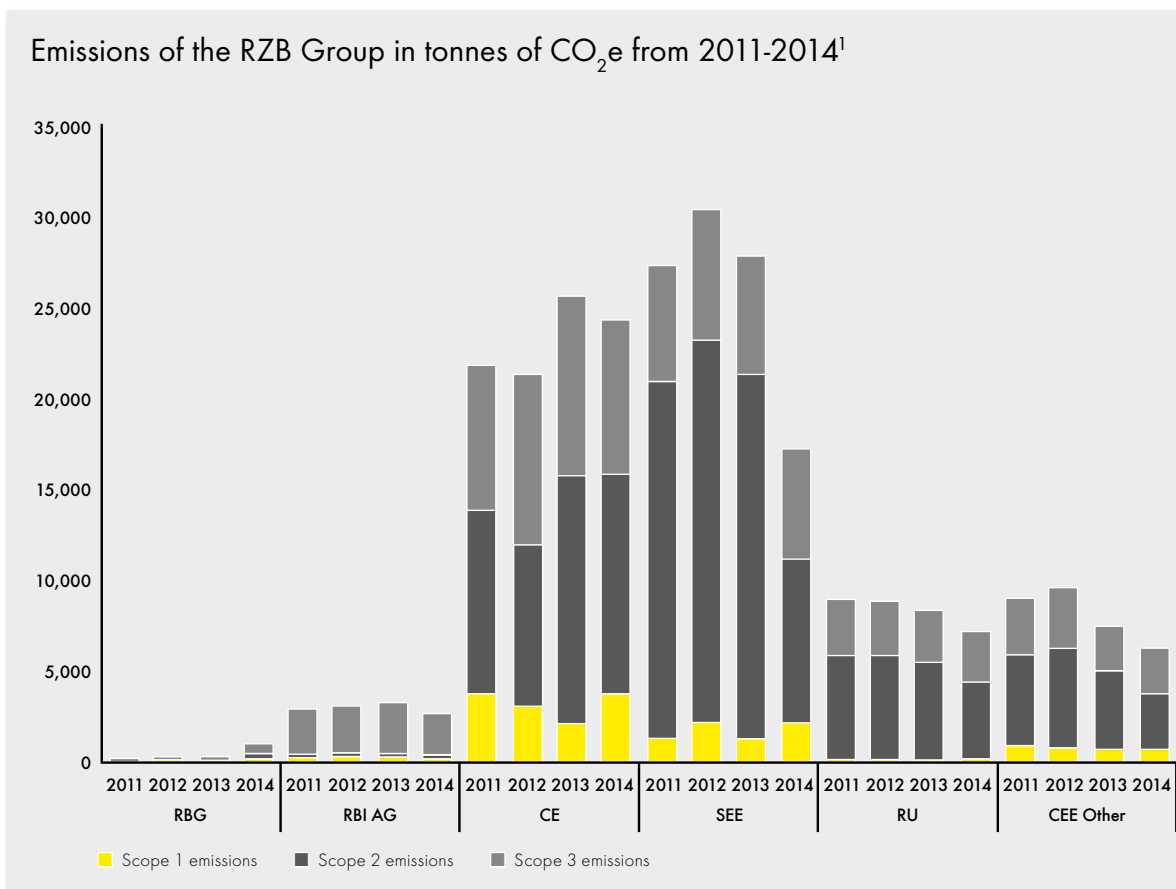


Scope 1-3 emissions in 2014 per employee<sup>1</sup>



The goals were set at a low level because the RZB Group has very low initial values and an early achievement of the goal is considered quite positive; adjustment of the values is planned upon early achievement of the goal.

<sup>1</sup> excl. parcel service and transport of goods



CO <sub>2</sub> emissions in 2014	RBG	RBI AG	CE	SEE	RU	CEE Other
Scope 1 emissions in t	113	199	3,759	2,111	123	696
Scope 2 emissions in t	354	151	11,972	9,027	4,261	3,055
Scope 3 emissions in t	541	2,314	8,532	6,009	2,742	2,497
Scope 1+2 in t	468	350	15,731	11,137	4,384	3,751
Scope 1+2+3 in t	1,009	2,663	24,263	17,147	7,126	6,248

## Compliance with legal regulations

Compliance with legal regulations is subjected to a stringent procedure defined in the management system. There were no convictions due to violations of environmental protection regulations in 2014 at the Vienna sites or the network banks.

<sup>1</sup> excl. parcel service and transport of goods

## Overview of key ratios

For the first time, we are able to give an overview of the entire RZB Group including the affiliated companies. The absolute increase in the figures can mainly be explained by the annual improvement in the data situation at the network banks. This is essentially viewed in positive terms. Nevertheless, big efforts are being made in those areas with high emissions with the aim of reducing them by putting suitable measures in place.

An increase in the key ratios in Austria can also be identified because the data of Raiffeisen Bausparkasse, Raiffeisen-Leasing GmbH and Raiffeisen Kapitalanlage-Gesellschaft m.b.H. were also recorded for the first time. Compared to the regions, however, the share of Austria is relatively low, with the exception of business travel. This can be explained by the fact that many trips to international stakeholder representations etc. are conducted from head office.

Pleasingly, the consumption shares per employee fell in almost all areas (except for water consumption).



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Alketa Kajno, Head of Facility & Demand Management Unit, Raiffeisen Bank Sh.a., Albania

“Nothing could be better than a bank that saves people’s money and people’s health.” When I think about the environment, I take a very practical perspective. For me, it means an investment in the future. Making office space eco-friendly requires much more than just rearranging furniture. Changing the interior design is what really has a positive impact on the office environment, one that will be beneficial to me, my colleagues and our clients.

Even if the budget is limited, it is crucial to have more than a single option when starting such projects. My first thought is about maximizing the office space to motivate employees to perform at their best – in other words, spacious, fresh and clean rooms. My second thought goes to furniture. Less is more! Comfort and durability are the key factors when selecting furniture, and I always try to pay attention to both price and quality. I also strive to switch to more energy-efficient options for the lighting, heating and cooling systems.”

QUOTE





	RBI Group				RBG*				RZB Group (total)			
	2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011
<b>Material</b>												
Non-recycled paper in t	258	310	316	397	12	6	0	0	270	315	316	397
Recycled paper in t	618	636	665	794	32	11	2	2	650	647	667	796
Total recycled paper in t	876	946	981	1,190	44	17	2	2	920	963	983	1,193
Paper consumption in sheets/employee	8,139	9,611	10,243	11,655	8,874	7,081	4,443	5,278	8,172	9,551	10,211	11,628
Recycling input in per cent	71	67	68	67	72	67	81	81	71	67	68	67
<b>Direct energy consumption</b>												
Emergency power generator in MWh	192	260	274	269	4	2	1	5	196	262	275	274
Direct energy consumption in kWh/employee	9	13	14	13	4	4	5	56	9	13	14	13
<b>Indirect energy consumption</b>												
External procurement of electricity in MWh	75,183	79,183	80,398	81,810	3,054	1,534	566	481	78,236	80,717	80,964	82,291
External procurement of heat in MWh	29,948	32,590	34,519	32,883	2,541	1,139	239	195	32,489	33,729	34,758	33,078
Total energy consumption in MWh	105,130	111,773	114,917	114,693	5,595	2,673	805	676	110,725	114,446	115,722	115,369
Electricity consumption in kWh/employee	3,485	4,015	4,190	3,996	3,063	3,182	5,242	5,526	3,466	3,995	4,196	4,003
Heat consumption in kWh/employee	1,388	1,653	1,799	1,606	2,549	2,363	2,216	2,241	1,439	1,670	1,801	1,609
<b>Water</b>												
Water consumption in 1,000 m <sup>3</sup>	285	249	250	240	16	2	2	1	300	251	252	241
Water consumption in m <sup>3</sup> /employee	13	13	13	12	16	4	16	13	13	12	13	12
<b>Waste</b>												
Hazardous waste for incineration in t	1	0	0	0	0	0	0	0	1	13	264	182
Hazardous waste for landfill in t	5	6	8	6	0	0	0	0	5	6,184	7,736	6,472
Hazardous waste for recycling in t	11	5	7	1	0	0	0	0	12	5,515	7,162	11,057
Non-hazardous waste for incineration in t	1,233	1,223	1,773	1,677	76	19	6	5	1,309	1,242	1,779	1,682
Non-hazardous waste for landfill in t	859	946	1,211	930	0	1	0	0	859	947	1,211	929
Non-hazardous waste for recycling in t	788	788	923	771	114	22	14	10	902	810	937	781
Old electronic devices for recycling in t	74	91	49	31	0	1	0	0	75	92	49	31
Total hazardous waste in t	17	12	15	18	1	0	0	0	17	12	15	18
Total non-hazardous waste in t	2,879	2,957	3,907	3,378	191	43	21	15	3,070	3,000	3,928	3,392
Waste in kg/employee	138	155	207	167	193	91	194	171	140	154	207	167
<b>Business travel</b>												
1,000 pkm in own car	38,592	28,231	38,827	38,133	608	446	402	313	39,200	28,677	39,229	38,446
1,000 pkm in rented car	6,212	20,993	16,877	16,069	216	0	0	0	6,428	20,993	16,877	16,069
1,000 pkm by plane	19,164	19,924	17,568	15,109	1,377	692	290	285	20,541	20,615	17,858	15,393
1,000 pkm by train	1,179	220	208	198	52	17	14	17	1,231	237	222	215
Total passenger km in thousands	65,147	69,368	73,480	69,508	2,252	1,155	706	615	67,399	70,523	74,186	70,123
Business travel in pkm/employee	3,020	3,518	3,830	3,395	2,259	2,396	6,538	7,074	2,986	3,491	3,845	3,411
<b>CO<sub>2</sub> emissions<sup>1</sup></b>												
Scope 1 emissions in t	6,888	4,505	6,333	6,399	113	53	48	38	7,001	4,558	6,381	6,437
Scope 2 emissions in t	28,465	43,211	41,102	40,368	354	22	7	6	28,820	43,233	41,109	40,374
Scope 3 emissions in t	22,089	25,093	23,939	23,526	541	172	73	68	22,631	25,265	24,012	23,594
Scope 1+2 in t	35,353	47,716	47,435	46,767	468	75	55	44	35,821	47,791	47,490	46,811
Scope 1+2+3 in t	57,442	72,810	71,375	70,293	1,009	247	127	112	58,451	73,056	71,502	70,405
Scope 1+2+3 in kg/employee	2,663	3,692	3,720	3,434	1,012	512	1,180	1,284	2,613	3,616	3,706	3,425

\* Raiffeisen Banking Group in Austria: includes the figures for RZB AG, Raiffeisen Bausparkasse Gesellschaft m.b.H., Raiffeisen Kapitalanlage-Gesellschaft m.b.H. and Raiffeisen-Leasing GmbH.

<sup>1</sup> excl. parcel service and transport of goods

	CE				SEE				RU			
	2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011
<b>Material</b>												
Non-recycled paper in t	101	119	82	109	86	85	112	146	31	75	75	89
Recycled paper in t	191	227	193	219	161	157	208	271	133	176	160	183
Total paper in t	292	346	275	328	247	242	320	416	164	251	235	272
Paper consumption in sheets/employee	8,217	11,675	9,799	11,374	8,584	7,913	10,119	12,941	12,523	16,512	16,871	19,056
Recycling input in per cent	66	66	70	67	65	65	65	65	81	70	68	67
<b>Direct energy consumption</b>												
Emergency power generator in MWh	41	55	76	57	101	166	166	86	2	8	8	8
Direct energy consumption in kWh/employee	6	9	14	10	18	27	26	13	1	3	3	3
<b>Indirect energy consumption</b>												
External procurement of electricity in MWh	22,093	22,172	16,123	18,744	24,180	27,383	28,265	26,675	10,547	13,576	14,245	14,327
External procurement of heat in MWh	7,026	7,108	6,756	6,597	3,237	6,470	7,211	5,048	10,601	10,672	12,300	13,000
Total energy consumption in MWh	29,119	29,279	22,879	25,341	27,417	33,853	35,476	31,722	21,148	24,248	26,545	27,327
Electricity consumption in kWh/employee	3,100	3,732	2,867	3,240	4,201	4,463	4,464	4,136	4,029	4,458	5,104	5,011
Heat consumption in kWh/employee	986	1,196	1,201	1,140	562	1,055	1,139	783	4,049	3,505	4,407	4,547
<b>Water</b>												
Water consumption in 1,000 m <sup>3</sup>	65	68	42	40	87	52	84	85	47	67	39	38
Water consumption in m <sup>3</sup> /employee	9	11	8	7	15	9	13	13	18	22	14	13
<b>Waste</b>												
Hazardous waste for incineration in t	0	0	0	0	0	0	0	0	0	0	0	0
Hazardous waste for landfill in t	4	5	4	4	0	1	1	2	0	0	0	0
Hazardous waste for recycling in t	8	4	1	4	1	0	5	6	0	0	0	0
Non-hazardous waste for incineration in t	815	893	1,062	987	0	0	0	0	0	0	0	0
Non-hazardous waste for landfill in t	136	175	217	198	292	429	475	222	238	210	387	377
Non-hazardous waste for recycling in t	358	321	202	175	111	195	379	372	43	81	44	0
Old electronic devices for recycling in t	8	3	3	14	34	63	24	6	29	22	17	8
Total hazardous waste in t	12	10	5	9	1	1	6	8	0	0	0	0
Total non-hazardous waste in t	1,310	1,389	1,481	1,359	403	623	854	594	282	291	431	377
Waste in kg/employee	187	236	265	239	76	112	140	94	119	103	161	135
<b>Business travel</b>												
1,000 pkm in own car	20,472	12,779	18,109	22,814	12,494	8,411	13,781	8,157	875	719	763	859
1,000 pkm in rented car	5,516	19,005	14,894	13,673	0	1,810	1,914	2,396	0	0	64	0
1,000 pkm by plane	508	569	558	457	2,541	2,924	1,900	697	2,769	n.a.	n.a.	n.a.
1,000 pkm by train	33	21	13	10	0	0	0	0	1,146	n.a.	n.a.	n.a.
Total passenger km in thousands	26,529	32,375	33,574	36,954	15,036	13,145	17,595	11,250	4,790	719	827	859
Business travel in pkm/employee	3,722	5,449	5,970	6,387	2,612	2,143	2,779	1,744	1,830	236	296	300
<b>CO<sub>2</sub> emissions<sup>1</sup></b>												
Scope 1 emissions in t	3,759	2,136	3,056	3,803	2,111	1,239	2,162	1,319	123	87	92	103
Scope 2 emissions in t	11,972	13,512	8,790	9,967	9,027	19,986	20,991	19,541	4,261	5,401	5,699	5,749
Scope 3 emissions in t	8,532	9,890	9,401	7,950	6,009	6,501	7,120	6,344	2,742	2,818	3,018	3,055
Scope 1+2 in t	15,731	15,648	11,847	13,769	11,137	21,225	23,152	20,861	4,384	5,488	5,790	5,852
Scope 1+2+3 in t	24,263	25,538	21,248	21,720	17,147	27,727	30,272	27,205	7,126	8,306	8,809	8,907
Scope 1+2+3 in kg/employee	3,404	4,299	3,778	3,754	2,979	4,519	4,781	4,218	2,722	2,728	3,156	3,115

	CEE Other				RBI AG				RBI Group (total)			
	2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011
<b>Material</b>												
Non-recycled paper in t	28	25	39	43	12	7	8	10	258	310	316	397
Recycled paper in t	81	4	72	80	52	29	32	41	618	636	665	794
Total paper in t	110	71	111	123	64	36	40	51	876	946	981	1,190
Paper consumption in sheets/employee	5,320	5,225	8,536	7,336	6,624	3,794	4,362	5,048	8,139	9,611	10,243	11,655
Recycling input in per cent	74	65	65	65	81	81	81	81	71	67	68	67
<b>Direct energy consumption</b>												
Emergency power generator in MWh	20	5	15	10	28	25	9	108	192	260	274	269
Direct energy consumption in kWh/employee	5	2	6	3	14	14	5	53	9	13	14	13
<b>Indirect energy consumption</b>												
External procurement of electricity in MWh	6,158	8,801	12,341	11,404	12,205	7,251	9,424	10,660	75,183	79,183	80,398	81,810
External procurement of heat in MWh	3,714	4,218	4,269	3,916	5,369	4,122	3,983	4,322	29,948	32,590	34,519	32,883
Total energy consumption in MWh	9,872	13,019	16,610	15,320	17,574	11,374	13,407	14,982	105,130	111,773	114,917	114,693
Electricity consumption in kWh/employee	1,491	3,237	4,732	3,393	6,278	3,857	5,147	5,288	3,485	4,015	4,190	3,996
Heat consumption in kWh/employee	900	1,551	1,637	1,165	2,762	2,193	2,175	2,144	1,388	1,653	1,799	1,606
<b>Water</b>												
Water consumption in 1,000 m <sup>3</sup>	48	40	55	52	38	22	29	25	285	249	250	240
Water consumption in m <sup>3</sup> /employee	12	15	21	16	20	12	16	12	13	13	13	12

<sup>1</sup> excl. parcel service and transport of goods

	CEE Other				RBI AG				RBI Group (total)			
	2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011
<b>Waste</b>												
Hazardous waste for incineration in t	0	0	0	0	1	0	0	0	1	0	0	0
Hazardous waste for landfill in t	0	0	0	0	0	0	3	0	5	6	8	6
Hazardous waste for recycling in t	0	0	0	0	2	1	1	1	11	5	7	11
Non-hazardous waste for incineration in t	287	221	604	581	130	109	107	109	1,233	1,223	1,773	1,677
Non-hazardous waste for landfill in t	192	133	133	133	0	0	0	0	859	946	1,211	930
Non-hazardous waste for recycling in t	31	38	61	7	245	153	236	218	788	788	923	771
Old electronic devices for recycling in t	3	2	2	1	1	2	2	1	4	91	49	31
Total hazardous waste in t	0	0	0	0	3	1	3	1	17	12	15	18
Total non-hazardous waste in t	510	391	798	720	375	262	343	327	2,879	2,957	3,907	3,378
Waste in kg/employee	124	145	307	215	195	141	191	163	138	155	207	167
<b>Business travel</b>												
1,000 pkm in own car	3,759	3,931	3,856	3,940	991	2,391	2,317	2,363	38,592	28,231	38,827	38,133
1,000 pkm in rented car	231	178	6	0	465	0	0	0	6,212	20,993	16,877	16,069
1,000 pkm by plane	754	630	608	622	12,592	15,801	14,502	13,333	19,164	19,924	17,568	15,109
1,000 pkm by train	1	1	1	1	0	199	194	187	1,179	220	208	198
Total passenger km in thousands	4,745	4,740	4,470	4,562	14,048	18,390	17,014	15,883	65,147	69,368	73,480	69,508
Business travel in pkm/employee	1,149	1,743	1,714	1,357	7,226	9,782	9,292	7,879	3,020	3,518	3,830	3,395
<b>CO<sub>2</sub> emissions<sup>1</sup></b>												
Scope 1 emissions in t	696	753	744	867	199	291	279	307	6,888	4,505	6,333	6,399
Scope 2 emissions in t	3,055	4,217	5,507	4,982	151	95	115	129	28,465	43,211	41,102	40,368
Scope 3 emissions in t	2,497	2,479	3,261	3,115	2,314	2,859	2,653	2,481	22,089	25,093	23,939	23,526
Scope 1+2 in t	3,751	4,969	6,251	5,849	350	386	395	436	35,353	47,716	47,435	46,767
Scope 1+2+3 in t	6,248	7,449	9,512	8,964	2,663	3,245	3,048	2,917	57,442	72,810	71,375	70,293
Scope 1+2+3 in kg/employee	1,513	2,739	3,647	2,667	1,370	1,726	1,664	1,447	2,663	3,692	3,720	3,434

	RZB AG				AC*				RBG** (total)			
	2014	2013	2012	2011	2014	2013	2012	2011	2014	2013	2012	2011
<b>Material</b>												
Non-recycled paper in t	1	0	0	0	11	5	n.a.	n.a.	12	6	0	0
Recycled paper in t	4	2	2	2	28	9	n.a.	n.a.	32	11	2	2
Total paper in t	5	2	2	2	39	15	n.a.	n.a.	44	17	2	2
Paper consumption in sheets/employee	4,655	3,853	4,443	5,278	9,946	8,249	n.a.	n.a.	8,874	7,081	4,443	5,278
Recycling input in per cent	81	81	81	81	71	65	n.a.	n.a.	72	67	81	81
<b>Direct energy consumption</b>												
Emergency power generator in MWh	3	2	1	5	0	0	n.a.	n.a.	4	2	1	5
Direct energy consumption in kWh/employee	16	14	5	56	0	0	n.a.	n.a.	0	0	0	0
<b>Indirect energy consumption</b>												
External procurement of electricity in MWh	1,044	752	566	481	2,009	782	n.a.	n.a.	3,054	1,534	566	481
External procurement of heat in MWh	419	283	239	195	2,122	856	n.a.	n.a.	2,541	1,139	239	195
Total energy consumption in MWh	1,464	1,035	805	676	4,131	1,638	n.a.	n.a.	5,595	2,673	805	676
Electricity consumption in kWh/employee	5,170	5,876	5,242	5,526	2,527	2,208	n.a.	n.a.	3,063	3,182	5,242	5,526
Heat consumption in kWh/employee	2,077	2,212	2,216	2,241	2,669	2,418	n.a.	n.a.	2,549	2,363	2,216	2,241
<b>Water</b>												
Water consumption in 1,000 m <sup>3</sup>	3	2	2	1	12	0	n.a.	n.a.	16	2	2	1
Water consumption in m <sup>3</sup> /MA	16	17	16	13	16	0	n.a.	n.a.	16	4	16	13
<b>Waste</b>												
Hazardous waste for incineration in t	0	0	0	0	0	0	n.a.	n.a.	0	0	0	0
Hazardous waste for landfill in t	0	0	0	0	0	0	n.a.	n.a.	0	0	0	0
Hazardous waste for recycling in t	0	0	0	0	0	0	n.a.	n.a.	0	0	0	0
Non-hazardous waste for incineration in t	11	8	6	5	66	12	n.a.	n.a.	76	19	6	5
Non-hazardous waste for landfill in t	0	0	0	0	0	1	n.a.	n.a.	0	1	0	0
Non-hazardous waste for recycling in t	21	11	14	10	94	12	n.a.	n.a.	114	22	14	10
Old electronic devices for recycling in t	0	0	0	0	0	1	n.a.	n.a.	0	1	0	0
Total hazardous waste in t	0	0	0	0	0	0	n.a.	n.a.	1	0	0	0
Total non-hazardous waste in t	32	18	21	15	159	25	n.a.	n.a.	191	43	21	5
Waste in kg/employee	158	143	194	171	201	72	n.a.	n.a.	193	91	194	171
<b>Business travel</b>												
1,000 pkm in own car	316	446	402	313	292	0	n.a.	n.a.	608	446	402	313
1,000 pkm in rented car	49	0	0	0	1	67	0	n.a.	216	0	0	0
1,000 pkm by plane	452	433	290	285	925	258	n.a.	n.a.	1,377	692	290	285
1,000 pkm by train	0	17	14	17	52	0	n.a.	n.a.	52	17	14	17
Total passenger km in thousands	817	897	706	615	1,435	258	n.a.	n.a.	2,252	1,155	706	615
Business trips in pkm/employee	4,046	7,005	6,538	7,074	1,805	730	n.a.	n.a.	2,259	2,396	6,538	7,074
<b>CO<sub>2</sub> emissions<sup>1</sup></b>												
Scope 1 emissions in t	61	53	48	38	53	0	n.a.	n.a.	113	53	48	38
Scope 2 emissions in t	13	9	7	6	342	13	n.a.	n.a.	354	22	7	6
Scope 3 emissions in t	114	99	73	68	427	73	n.a.	n.a.	541	172	73	68
Scope 1+2 in t	73	62	55	44	394	13	n.a.	n.a.	468	75	55	44
Scope 1+2+3 in t	188	161	127	112	821	86	n.a.	n.a.	1,009	247	127	112
Scope 1+2+3 in kg/employee	929	1,259	1,180	1,284	1,033	242	n.a.	n.a.	1,012	512	1,180	1,284

<sup>1</sup> excl. parcel service and transport of goods

\* Affiliated companies: includes the figures for Raiffeisen Bausparkasse Gesellschaft m.b.H., Raiffeisen Kapitalanlage-Gesellschaft m.b.H. and Raiffeisen-Leasing GmbH.

\*\* Raiffeisen Banking Group in Austria: includes the figures for RZB AG, Raiffeisen Bausparkasse Gesellschaft m.b.H., Raiffeisen Kapitalanlage-Gesellschaft m.b.H. and Raiffeisen-Leasing GmbH.

## Future outlook and sustainability program

### Human Resources

The changes and adjustments to new framework conditions will continue in 2015. This will require HR to provide executives in the RZB Group with support and a range of suitable tools. The HR team has therefore re-established itself at the RBI head office in Vienna in 2015. New roles have been created in order to support the looked-after units even better. In future, one HR Business Partner and one LDC consultant (Learning, Development & Change Management) will support managers with their management tasks. The HR Services Team is the point of contact for all HR topics for around 4,000 people in the broad range of companies of the RZB Group in Austria. Work is also being done to enable employees to personally access information on various HR topics via the intranet.

The online sustainability training course developed in 2014 will be implemented in summer 2015 and will subsequently be mandatory for all new employees to complete.

Tatra banka, a.s. in Slovakia will introduce the principle of "two weeks minimum vacation" in order to enable a real break in everyday working life and to increase levels of productivity and well-being.

Managers of Raiffeisen Bank Zrt. in Hungary can choose a module on the topic of resilience and integrity in order to advance their development. Attention will also be paid to the range of First Aid courses in order to increase the number of potential first-aiders and to offer them the opportunity to practice and broaden their knowledge.

At Raiffeisen Bank Sh.a. in Albania, the existing HR policies in respect of Performance Management and topics such as Diversity and Employees with Special Needs will be updated.

Sport and work-life balance programs will be initiated at Raiffeisenbank (Bulgaria) EAD.

Raiffeisenbank Austria d.d. will participate in a project in Croatia that is intended to improve the employment opportunities of disadvantaged groups of the population. The bank will provide training and internships for 15 project participants – such as people with disabilities, unemployed young people or woman over 45 years of age from across Croatia.

At Raiffeisen Bank S.A. in Romania, several attendance training courses in the areas of banking business, technical and soft skills will be converted to eLearning in 2015. There are also plans to revise the regulation for social services, which are available to all employees.

In addition to internal stress management training for all teller employees, Raiffeisen banka a.d. in Serbia is planning the development and implementation of a new internal program on the topic of conflict management.

The training courses on Compliance and Avoidance of Money-Laundering for AO Raiffeisenbank in Russia should be improved in 2015. The development of a transparent and flexible motivation system is also planned.

### Inhouse ecology

In 2013, RZB AG and RBI AG set environmental targets for the first time and defined related existing and new measures. These include, amongst others, the areas of procurement, electricity and heat consumption, cooling, mobility, waste, and information technology. These environmental targets were revised in and further expanded in 2014. They will be published during the course of 2015.

The RZB Group is particularly concerned about reducing CO<sub>2</sub> emissions in business trips. Initial measures, which remain to be evaluated in the coming years, have already been mentioned in the chapter "Transport". Above all, the results of the mobility survey will be forwarded to all network banks this year for further analysis. In addition, improvements to the supply infrastructure for the necessary server landscape are a goal of the RZB Group.

The Carbon Disclosure Project (CDP) will be continued in 2015. Network banks should be surveyed for the first time.

## Excerpt from the Sustainability Program

Fair partner				
General objectives: Comprehensive stakeholder involvement; high employer attractiveness; reduction of our environmental impacts				
Strategy area	Objectives	Measures	Status	
Fair partner (employees, stakeholder inclusion)	Ensuring future viability for 2025 in the area of sustainability/ employees	Ensuring a meaningful work environment.	Ongoing	
Fair partner (employees, stakeholder inclusion)	Update of the materiality analysis	Conducting of an online survey with the goal of updating the existing materiality matrix. The topics presented in the materiality analysis should be the basis for this. An expansion of the survey to include stakeholders of the network banks is planned.	Ongoing	
Fair partner (Employees)	Increase in the quota of women in top management to 35 per cent in 5 to 10 years	Achievement of a share of women of 35 per cent on the Supervisory Board, Managing Board and in higher management of RZB AG and RBI AG through the advancement of appropriate measures such as direct address or supporting measures.	Ongoing	
Fair partner (Inhouse ecology)	Participation in the Carbon Disclosure Project (CDP) for increasing the transparency of our carbon emissions	Participation of RBI AG in the CDP and derivation of suitable measures.	Implementation in 1st half of 2015	
Fair partner (Inhouse ecology)	Reduction in scope 3 emissions related to mobility by 10 per cent by 2030	The mobility survey conducted in the RBI Group and at RZB AG at the end of 2014 will be analyzed in detail. Appropriate measures for the reduction of scope 3 emissions will be defined.	Ongoing	
Fair partner (Inhouse ecology)	Specification and cooperation of the environmental strategy and its implementation in the form of environmental guiding principles	Creation of environmental guiding principles for the RZB Group and corresponding publication.	Implementation in 1st half of 2015	
Fair partner (Suppliers)	Survey of the status of the Top 30 suppliers of the RZB Group regarding environmental and social aspects in their business management	Conducting of a supplier survey, in which the suppliers of the RZB Group will receive a questionnaire on environmental and social aspects annually from 2015.	Ongoing	
Fair partner (Inhouse ecology)	Determination of the environmental footprint for the Raiffeisen Banking Group in Austria (incl. the RZB Group in Austria)	Creation of an environmental balance sheet by an external partner for the Raiffeisen Banking Group in Austria (incl. the RZB Group in Austria).	Ongoing	
Fair partner (Inhouse ecology)	Implementation of the comprehensive environmental program, such as: CO <sub>2</sub> reduction in scope 1 and 2 emissions of 15 per cent by 2030; reduction in electricity consumption of 10 per cent by 2020; reduction in heat consumption of 10 per cent by 2020	Derivation of measures in order to implement the defined objectives of the environmental program (for details see: <a href="http://www.rzb.at/under:About-us/Sustainability-management/Mission-statement/Environmental-measures-and-objectives">http://www.rzb.at/under: About us/ Sustainability management/ Mission statement/ Environmental measures and objectives</a> ).	Ongoing	
From the Sustainability Program 2014	Fair partner (Inhouse ecology)	Depicts our environmental footprint	Evaluation of the environmental footprint on a scientific basis by SERI (for RZB AG and RBI AG).	Implemented in 2nd half of 2014
	Fair partner (Stakeholder inclusion)	Strengthened stakeholder inclusion	Holding of a focus group in October 2014 on the topic "RZB Group 2025: Sustainable future scenarios and strategies" and a further impact focus group in January 2015.	Implemented in 2nd half of 2014 and in 1st half of 2015

New in the Sustainability Program 2015

From the Sustainability Program 2014

Fair partner			
General objectives: Comprehensive stakeholder involvement; high employer attractiveness; reduction of our environmental impacts			
Strategy area	Objectives	Measures	Status
<b>Fair partner</b> (Stakeholder inclusion)	<b>Holding of a Sustainability Challenge to obtain new ideas in the context of sustainability</b>	Implementation of the Employee Ideas Competition and awarding of the winning projects of RZB AG/RBI AG. Implementation of the winning projects in the first half of 2015.	Implemented in 2nd half of 2014 and in 1st half of 2015
<b>Total</b> (Responsible banker, Fair partner, Engaged citizen)	<b>Implementation of the group-wide monitoring tool "mona" and development of a controlling process</b>	Conducting of performance comparisons and initiation of the controlling process; Further development of the functionalities of the tool and adjustment to GRI G4.	Ongoing
<b>Total</b> (Responsible banker, Fair partner, Engaged citizen)	<b>Further development of the internal Raiffeisen blog on sustainability and corporate responsibility</b>	Further development of the features, Activation of additional bloggers, Acquisition of new readers.	Ongoing
<b>Fair partner</b> (Employees)	<b>Increasing employees' awareness and know-how on topics of sustainability through an e-learning course</b>	Development of a comprehensive eLearning course together with HR, which will be mandatory for new employees and voluntary for all other employees.	Implementation in 1st half of 2015
<b>Fair partner</b> (Inhouse ecology)	<b>Participation in the Carbon Disclosure Project (CDP)</b>	Participation of RBI AG in the CDP and derivation of corresponding objectives	Implementation in 1st half of 2014
<b>Fair partner</b> (Suppliers)	<b>Addition of appropriate content regarding suppliers to the Code of Conduct</b>	Content regarding suppliers has been added to the Code of Conduct of the RZB Group.	Implementation in 1st half of 2015
<b>Fair partner</b> (Suppliers)	<b>Supplier assessment of RZB AG and RBI AG</b>	The suppliers will be evaluated and selected for the first time in accordance with corresponding social and environmental guidelines.	Ongoing
<b>Fair partner</b> (Inhouse ecology)	<b>Anchoring of sustainability criteria in the travel policy</b>	Revision of the travel policy in terms of environmental aspects.	Implemented
<b>Fair partner</b> (Stakeholder inclusion)	<b>Stakeholder Management: Online survey (materiality and performance)</b>	Materiality matrix was clustered into topics and recreated for the 2014 Sustainability Report in the form of a materiality analysis.	Implemented
<b>Total</b> (Responsible banker, Fair partner and Engaged citizen)	<b>Development and implementation of a group-wide, web-based monitoring tool ("mona") for sustainability</b>	The tool has been in use group-wide since the 2013 Sustainability Report.	Implemented
<b>Total</b> (Responsible banker, Fair partner and Engaged citizen)	<b>Development and implementation of an internal Raiffeisen blog for sustainability and entrepreneurial responsibility</b>	Blog implemented in September 2013 (English version in planning for release in the medium term).	Implemented
<b>Fair partner</b> (Employees: Qualification and development)	<b>Establishment of the Raiffeisen seminars for sustainability management</b>	Basic seminar and advanced seminar will be offered.	Implemented
<b>Fair partner</b> (Inhouse ecology)	<b>Introduction of green power at the RZB Group sites in Vienna</b>	Conversion in 2013	Implemented

# Reports from the Austrian participations

## Valida Holding AG

Internal and external education and further training programs offer Valida employees the opportunity to keep developing. Annual discussions with staff form the basis for these programs. Flexible working hours and "flexitime" models give employees the chance to maximize their potential. We also offer part-time positions to parents, part-time jobs to accompany studies, as well as internships and work experience placements. Regular visits from a company physician give employees access to medical examinations, vaccinations and reduced-cost orders for medication. Employees who have been with the company for 1.5 years or longer are enrolled in a company pension scheme.

In 2012, the legal department of Valida put all employees through the compliance trainings. Compliance trainings have been held regularly for new employees since then. "Valida Vorsorge Management" was certified as an ÖKOPROFIT company in 2014. In particular, the criteria for this distinction included the implementation of voluntary measures that help the environment. The Valida office building has been certified by the Austrian Society for Sustainable Real Estate (ÖGNI), as part of the Raiffeisen evolution building project. Valida staff members take place in the "Radelt zur Arbeit" (cycle to work) campaign each year.

## Raiffeisen Informatik GmbH

Certification as an "Investor in People" was renewed in the area of employees. Due to the international nature of Raiffeisen Informatik's customers, the funding of English language skills has been systematically rolled out across the entire company, enabling employees to make use of a comprehensive range of language courses. The newly built Raiffeisen Informatik Data Center, which was put into operation in 2014, has enabled the objective of a particularly secure, ultra-modern and at the same time environmentally friendly data center to be achieved. In terms of Green IT, an ecological and economic climate control system was implemented, in which the hot air and cold air sections are strictly separated from one another.

## Raiffeisen evolution project development GmbH

In 2014, a total of 112 employees (61 women and 51 men) worked at eleven locations. Raiffeisen evolution supports employees in the area of further training and offers a range of courses on an annual basis. 2,489 hours of further training were completed in 2013. Raiffeisen evolution also voluntarily offers additional health system services in many markets. In terms of pay, there are no differences between men and women (equal pay).

The well-being of the employees is a priority at Raiffeisen evolution. At the Vienna sites, a fruit basket is put out on Monday every week for everyone to help themselves to and increase their intake of vitamins. The employees are also sent regular tips by email on movements/exercises that can be easily performed in the workplace for an extra shot of energy. In the area of sustainability, employees are given suggestions on how to save energy. Within the scope of the RE\_Academy, they get valuable inputs for dealing with natural resources.

Raiffeisen evolution has been sourcing electricity from hydropower for many years. 17.66 tonnes of CO<sub>2</sub> (Vienna site) were saved in 2014. Raiffeisen evolution ensures that printed forms and advertising articles are produced in a sustainable manner (e.g. certified paper, produced in Europe, etc.).

The first sustainability report for 2013 was produced in 2014, and informs the various stakeholders about the activities of Raiffeisen evolution in this area. The inaugural CSR report was implemented as required by the G4 guidelines of the Global Reporting Initiative (GRI) and released to the public at the customer/partner event "Let's Talk About the Future" held in Vienna in mid-September 2014.



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



# Engaged citizen

We consider ourselves to be an engaged corporate citizen who actively champions sustainable development in our society. Our commitment as corporate citizen goes beyond the core business and aims to counteract social problems, promote cultural life and protect the environment. Variety, tolerance and humanism are fundamental constants in our understanding as designers of sustainable development in society.

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

As a company in the financial sector, we think it is important to play a part in future issues being openly discussed in conjunction with a sustainable financial economy and these issues being deliberated with our stakeholders and the wider public. A focus group on the topic of "RZB Group 2025: Sustainable future scenarios and strategies" was established for the first time in the run-up to the Stakeholder Council 2014.

On the whole, cooperation with the relevant socio-political representatives and stakeholders is very important, as new systems can only be created through cooperation. These systems also signify a new quality in the economy. Our declared goal is to establish responsible corporate management and promote sustainable innovations – this aim also intends to enhance the business locations in which we operate. By doing this, we are creating and securing jobs in these regions.

RZB Group champions an active civil society and social well-being. In this regard, we support an open society and consider ourselves to be promoters of integration, awareness and openness. Social awareness is a driving force for sustainability. This means that we need to demonstrate the consequences of social action and make the discussion of approaches for sustainable solutions public.

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

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

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

At Raiffeisen, protecting the environment and the climate has been incorporated into the Raiffeisen Klimaschutz-Initiative (Raiffeisen Climate Protection Initiative, RKI) for just under eight years and implemented through a multitude of projects and measures. Environmental sustainability includes topics such as reducing greenhouse gas emissions, increasing resource efficiency, isolating growth and the consumption of resources, and of course, protecting nature and our living environment.

As a result, in our RKI workgroups we perform activities in the areas of sustainable corporate management including inhouse ecology, sustainable mobility and sustainable financial products. One single group focuses on communication issues because raising awareness of environmental and climate protection is the basis for necessary changes.

# Supported projects and initiatives

As part of our social responsibility, we decided years ago not to restrict ourselves to a few major aid projects, but instead to place factors such as personal dedication and regional societal challenges at the forefront. RZB Group and its employees are involved in a wide range of projects and initiatives - whether it be by providing financial support or by fostering contacts. We support international humanitarian aid projects along with partner organizations.

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

Overview of engaged citizen measures																			
	Location Vienna				CE					SEE					CEE Other		RU		
Measure	RBIAG/ RZBAG	RBSK	RKAG	RL	RBPL	TBSK	RBSI	RBCZ	RBHU	RBAL	RBBH	RBBG	RBKO	RBHR	RBRO	RBRS	RBKY	AVAL	RBRU
Financial education / financial literacy	✓		✓					✓		✓	✓		✓	✓	✓		✓	✓	✓
Other educational initiatives	✓				✓	✓		✓		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Cultural initiatives	✓				✓	✓		✓	✓		✓	✓	✓		✓	✓	✓	✓	✓
Corporate volunteering	✓			✓		✓		✓	✓	✓	✓		✓		✓	✓		✓	✓
Social initiatives	✓	✓	✓	✓	✓	✓		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Sports initiatives	✓			✓			✓		✓			✓	✓		✓	✓	✓		
Environmental initiatives	✓									✓		✓	✓		✓				

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

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

## Financial education/financial literacy and other educational initiatives

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



Aside from the important fundamental research, projects such as the initiatives of Raiffeisen Club Austria with online stock exchange games "Raiffeisen School Investor" and "Raiffeisen Uni Investor" stand out in particular. The projects are constantly being adapted to the target group and a mobile solution is now therefore being offered for smartphones. Both Raiffeisen network banks the Bank S.A. in Romania and Raiffeisenbank a.s. in the Czech Republic have established their projects in the field of financial literacy in the form of a corporate volunteering program. These network banks are therefore following the trend of pro-bono consulting<sup>1</sup>. This involves employees passing on their expert knowledge to non-profit organizations, scientific institutions, foundations and the like.

<sup>1</sup> Free application of knowledge in accordance with the core expertise in the public welfare sector.

# Financial literacy

## Scientific basis

A lack of skills in handling personal finances has an impact on the company, the welfare state and the national economy. The need for financial education in Austria is acute: According to a calculation conducted by the company Three Coins, an unusually high number of people are going into bankruptcy in Austria compared to other European countries. The 2013 debt report from the umbrella organization of state-approved debt consulting in Austria, ASB, talks about an alarming increase in the group of young borrowers.

Studies show a positive correlation between financial competence and (net) household assets, and that different levels of financial competence can contribute to the explanation of social inequalities. The start-up company Three Coins, which was launched in 2012 and which is supported by the RZB AG in the field of fundamental work, occupies itself with financial education. The aim of Three Coins is to develop and implement innovative projects with a great deal of potential for financial education and to accelerate research in this field. The focus of its work is on behavioral learning, as abstract knowledge alone is not sufficient for achieving change in the field of financial education. Young people, for example, should be addressed with the smartphone game "CURE Runners" produced by Three Coins using a contemporary learning medium and thus find a new approach to dealing with the issue of personal finances. As a result, this issue is revived in a completely new way at a workshop. The project is based on fundamental research, but is also up-to-date knowledge in the fields of behavioral economics and psychology. An effective measurement method (a random monitoring procedure) was developed in conjunction with the Vienna University of Economics and Business (Institute for Social Policy) to find out how money management can be trained. These empirical studies assessing the effect of behavioral-based financial education measures were subsidized by RZB AG.

### The pilot experiment

The results of the pilot experiment for money management were made available in 2014. The impact of three selected "financial education programs" on certain dimensions (knowledge, skills, behavior, attitudes, "alarm bells or do I really need it" impulse) on the financial expertise of young people was tested. The age restriction for the experiment was established for participants between the age of 14 and 20 in accordance with the questions being posed. 155 test subjects took part in the pre-test and 142 completed the post-test.

Online questionnaires were used as the survey instrument. The questionnaire for the pre-measurement included a total of 75 questions, while the post-measurement contained 59 questions. They were divided into the fields of financial inclusion, budget management, time and risk preference, demonstrative consumption, communications about money, financial literacy, attitudes to debt, self-regulation and social demographics.

The test subjects were assigned to investigation groups and a control group. Each of the investigation groups took part in a financial education measure (= treatment), while the control group received a placebo. This ensured that the observed changes can actually be traced to the treatment and not to other uncontrollable, external variables. The three treatments were 1. a film presentation on the topic of debts ("Schulden GmbH" by Eva Eckert), 2. the use of a budget app ([www.toshl.com](http://www.toshl.com)) and 3. the use of different financial literacy websites.

After the conclusion of data collection in September 2014, the answers of the test subjects to the pre- and posttests were compiled and statistically evaluated. There was a relatively equal distribution by age and education in the spot test. As far as the gender of the test subjects was concerned, there was an above-average number of women taking part at 75 per cent.

### The results:

- The financial inclusion (access to financial services) of the young people surveyed is generally very good. Only three per cent of those surveyed do not have a bank account, a debit card, a savings book or a credit card. The females among the test subjects recorded a lower figure when it comes to financial inclusion and already have in adolescence less money than boys.
- The results of the data analysis indicate that taking part in the experiment resulted in a change in the attitude of the young people surveyed towards money. In response to the question "Since you last took part in the experiment: Do you save more or less money than before?", 21 per cent answered with "more than before".

- In response to the question “Do you have enough money to get by?”, those surveyed considered themselves to be in a slightly worse position in the post-test than in the pre-test. While 37 per cent of the young people surveyed still indicated that they “always” have enough money to get by in the pre-test, this figure only amounted to 31 per cent in the post-test. The percentage of those surveyed who declared that they “never” have enough money to get by almost doubled.
- In relation to the question “What applies to you – I have good knowledge of money and financial issues”, the experiment also had an impact: While 60 per cent of those surveyed answered the question with “this is correct” in the pre-text, this share increased by five percentage points to 65 per cent in the post-test.

Impact of the individual treatments (financial education measures): The analysis of the impact of treatments on the financial expertise of those surveyed (in the dimensions of budgeting, time preference, demonstrative consumption, communications about money, attitudes towards debt and financial literacy) revealed that the most successful treatment was the film. It is therefore likely that a future financial education program which uses the medium of film will have the best chance of success when it comes to enhancing the financial expertise of participants. Compared to other treatments, the film is able to transport both information and emotions more efficiently. Emotions play a major role when it comes to learning.

The next step is currently for Three Coins to develop an innovative training method for financial education which is based on the cell phone game “CURE Runners”. A selection of workshops and training sessions is currently being developed with the support of RZB AG with the aim of employing “CURE Runners” in school and youth centers.

## Offers for students and young people

Thanks to support for Gertrude Brinek’s book “Young PEOPLE and their RIGHTS”, young people can learn about their rights from a compact compendium without being talked down to. Important topics are addressed with stories and questions taken from real life. In 2014, Raiffeisen supported a special edition of 5,000 copies that focuses on information about financial rights and obligations.

For many years, Raiffeisen Club in Austria has offered a fun way to learn how to handle money and investment products responsibly with the online stock exchange game “Raiffeisen School Investor”. Knowledge of the options on the capital market and familiarity with instruments such as shares, funds and certificates is the goal. Teams of at least five students of grade level eight or higher can play School Investor. Teachers can also compete against each other in a separate ranking. In addition to monetary prizes, the best class in Austria wins a visit to RBI AG in Vienna and a meet and greet with its Chief Executive Officer Karl Sevelda. Numerous trips to other publicly traded Austrian companies can also be won. With a mobile solution for smartphones, the participants can link up with each other and exchange tips on dealing with shares and funds.



© Three Coins, Matthias Brandstetter

Katharina Norden, Founder and Managing Director of Three Coins

*“Three Coins is currently piloting CURE Runners workshops for 3 different age groups together with teachers from Austria and Switzerland while also taking into account international best practices. The cell phone game “CURE Runners” is an interactive medium that opens up an authentic learning atmosphere from the world of recreation for young people. Playing the game enables young people to create a gaming environment which is then assessed at the workshop. The workshops each last two hours with the focus in the first hour on the game and the group discussion on elements from the game story. The second hour involves delving deeper into specific topics – with a focus on the fields of interest of students – and this is accompanied by exercises. The most important didactic content relates to the core issues of personal financial management including in particular: Creating a budget, adhering to savings targets, saving for unexpected events, thinking about expenditure, avoiding debt, developing business expertise, keeping to the budget, setting the right priorities, recognizing consumer pressure and learning how to resist this pressure. The young people will initially receive a series of specific instructions in the form of rules of thumb for everyday life which they should use for support in their daily financial life.”*

QUOTE



With Uni Investor, university students can trade with virtual capital at real-time prices on the Vienna Stock Exchange. The winner of the monthly ranking receives an opportunity to meet the CEO of an Austrian publicly listed company that has joined the Raiffeisen Club as a partner for the game. The overall winner of Uni Investor in 2014 received € 2,000 plus the chance to meet Karl Sevelda, Chief Executive Officer at RBI AG during a working day. The winner also received the opportunity to complete a one-month paid internship at RBI AG.

Every year since 2006, Raiffeisen Kapitalanlage-Gesellschaft m.b.H. (RKAG) has invited schools to attend lectures and workshops about general financial market knowledge on ten to fifteen dates. The objective is to promote the responsible handling of money and capital market instruments as well as financial services. In addition, RKAG supports the Raiffeisen Climate Protection Initiative in the area of sustainable financial products as part of its cooperation with the university student organization "oikos Vienna" at Vienna University of Economics and Business Administration.

The corporate volunteering program "RBCZ Ambassadors" has been offered since 2010. The employees of Raiffeisenbank a.s. in the Czech Republic (RBCZ) regularly visit local primary schools and high schools to work with them in the area of financial knowledge. The volunteers give presentations and hold discussions with pupils and teachers about bank products or the principles of responsible giving.

The subject "Junior Achievement Student Company" is offered in the upper grades of schools in the Czech Republic. Students can establish practice companies with the support of a teacher as well as external advisors. At the end of the school year, the individual schools compete against each other. 78 practice companies took part in the competition during the 2014/15 school year. Through a partnership between schools with a vocational focus and Raiffeisenbank a.s. that has been in place since 2005, the students have additional opportunities to engage with bank employees. Raiffeisenbank introduced the new category to this competition, the "Raiffeisenbank Student Leadership Award 2015".

Since 2012, the Tatra banka Foundation in Slovakia has shown upper level school students and university students the right way to use the offered products and services. The goal of these events is not only to provide young people with an overview of the various financial services but also to teach them how to handle money responsibly.

"Global Money Week" is an initiative of Child & Youth Finance International and is held in partnership with the OECD. The goal is to convey important topics to children and adolescents - such as how to handle money, the right way to save or how to create a solid financial foundation. The associated global events are organized every year in the second week of March. The Albanian Raiffeisen Bank Sh.a. supports "Global Money Week" with a contest for children in order to convey awareness on the issue of saving money. Many primary school children participated in the competition, which was called "My Money". The paintings produced showed the ideas children had as to why a person should save money. A total of ten winners were chosen.

In addition, Raiffeisen BANK d.d. Bosna i Hercegovina promotes financial knowledge by holding presentations at universities and informing students about banking transactions, stock exchange topics and financial products.



© Junior Achievement Romania

Since 2010, Raiffeisen Bank S.A. in Romania has carried out various age-appropriate financial knowledge programs within the framework of corporate volunteering and in cooperation with Junior Achievement Romania: "Noi Insi" ("We Ourselves") for ages 6-7, "Familia Mea" ("My Family") for ages 7-8, "Comunitatea Mea" ("My Community") for ages 8-9 and "ABC-dar Bancar" ("The ABCs of Banking") for ages 15-18.

All of these programs aim to convey basic financial concepts and develop financial budgets and saving plans that are required for a financially independent and responsible life. So far, over 13,000 young people have participated in these programs. An individual set of materials has been assembled for every program. This includes a guide for teachers, workbooks for the students and other teaching materials. For the primary school programs, Raiffeisen Bank supplemented the standard literature with some helpful self-learning activities. The good results have motivated Raiffeisen Bank to roll out the program in other cities in Romania.

Since 2012, business courses for school students have been held by AO Raiffeisenbank in Russia in cooperation with the Russian Economic Institute. Additionally, a prize for university students has been awarded since 2013 within the framework of an "Olympics for the Russian Financial Market and Consumer Knowledge".

## Offers for adults

Priorbank JSC in Belarus organized two press conferences in 2014 on the topic of cash-free payment, leading to roughly 30 media reports covering the information. In a trial project, 50 students also took part in a knowledge game. This was extremely successful and has now resulted in the project being implemented nationwide. In cooperation with VISA, students and retirees were told about products and services as well as how to use them.

Since 2007, Raiffeisen BANK d.d. Bosna i Hercegovina has shared information on financial topics every evening at prime time. The aim of the program is not only to inform the public about the various banking activities but also to explain common financial terms. In addition to the topics presented, each broadcast also contains segments on stock exchange data and the ABC of business. The episodes are also available on YouTube and linked to Facebook.

In mid-2014, Raiffeisen Bank Kosovo J.S.C. began a financial education initiative for its customers in cooperation with the International Monetary Fund. The plan is to hold workshops with around 200 customers until 2016. In addition, consulting should be offered to roughly 2,000 customers within two years. Various preparations, such as development of the materials, have already been completed.

In 2005, Raiffeisenbank Austria d.d. in Croatia established the web portal "www.limun.hr". With useful information about the economy and a focus on financial services, the portal contributes to advancing the topic of financial education. In 2014, roughly one million visitors were recorded, of which about 300,000 were new visitors.



© AVAL, Olena Ivanchenko

The employees of Raiffeisen Bank Aval JSC in Ukraine began offering free workshops on the topic of financial knowledge to micro and small enterprises in 2014 within the framework of the "Business Academy" and with support from the International Finance Corporation (IFC). 26 workshops have been offered in various regions of Ukraine on "Optimizing Current Assets" and "Optimizing Internal Operations". Further expansion of the program is planned. 500 customers received training at the "Business Academy".



© Poradna při finanční tísni, o.p.s.

### Debt advisory center "Poradna"

"Poradna" is a non-governmental, non-profit organization that provides advice to consumers suffering from or at risk of overindebtedness. It has branches in several cities within the Czech Republic. Raiffeisenbank a.s. has for years (since 2009) been a partner of the debt advisory center, which was founded at the initiative of the largest private customer banks in the Czech Republic. All parties involved are convinced that it is in the interest of consumers, the financial service sector and society in general to be

prepared in advance for possible problems in connection with overindebtedness. "Poradna" supports consumers with approaching financial burdens (credit, loans, etc.) in creating an account of their income and expenditure.

## Further educational programs

Vienna University of Economics and Business Administration (WU) in Austria is the largest economics university in Europe and has a broad range of specializations and fields of research. RZB AG supports the WU and its institutions in a number of ways. This resulted in a modern language learning facility in the Raiffeisen language resource center which offers learning materials and electronic resources for independent language learning. WU students and employees can use a self-learning area, two multimedia language labs and a seminar room free of charge.

The Science Center Network in Austria is aiming to turn science into a subject that people can experience and understand in an easily accessible manner. More than 150 organizations from the fields of education, science and research, exhibition design, art, media and economics have joined forces to achieve this aim. The project initiated by the network going by the name of "Area of knowledge" involved making science a tangible experience in the neighborhood.

RZB AG supported this major project as an important education initiative. Vacant business premises in Vienna were transformed into locations for development and experiments for some time and were opened for people of all ages. This provided the opportunity to look into scientific and technical issues – for instance themes such as the environment, health, quality of life, mobility in the city or even everyday issues relating to the physical and chemical domains.

167,361 paintings, drawings and quizzes were submitted to RZB AG by children and young people throughout Austria between the age of six and 18/19 as part of the 44th International Raiffeisen Youth Competition "Dream images. Take us with you in your fantasy." in 2014. Austria was once again extremely successful compared to other countries (Germany, Switzerland, Luxembourg, Italy, Finland and France). An online photo competition also took place.

RZB AG supports the "Verein zur Förderung der Österreichischen Universitätenkonferenz (uniko)" (Association for the promotion of Universities Austria) which itself aims to support Austrian universities in fulfilling tasks and thus promoting science and research (see page 166). It also handles the internal coordination of 21 Austrian state universities, represents these universities in national and international committees and is the public voice of the universities. Universities Austria also provides the administrative basis for the national university federation.

## Cultural initiatives

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

### Cultural initiatives at the Vienna sites



© Vienna State Opera

#### Wiener Staatsoper (Vienna State Opera)

RZB AG is one of the donors and friends of the Vienna State Opera, the "Erstes Haus am Ring". This is one of the most famous opera houses worldwide. As part of the continued cooperation with the State Opera, RZB AG and RBI AG offered financial support for the opera production "Don Pasquale" by Gaetano Donizetti during the 2014/2015 performance season. This made it possible for this popular classic to celebrate its return to the program of Vienna State Opera after three decades.



© Rolf Bock

#### Theater an der Wien Kammeroper (Chamber Opera)

Since fall 2012, the Chamber Opera on Fleischmarkt has been a new performance venue at the Theater an der Wien. The Young Ensemble of Theater an der Wien (JET) – comprising three female and four male singers – performs at the Chamber Opera and collaborates with international stars of the opera world at Theater an der Wien. Since the 2012/2013 performance season, Theater an der Wien in the Chamber Opera and RZB AG have been joined in a partnership. RZB AG sponsored a new production in fall 2014 for

the third time: Georg Friedrich Händel's "Rinaldo" from the composer of the first opera which premiered at Haymarket Theatre in London and was a huge success.

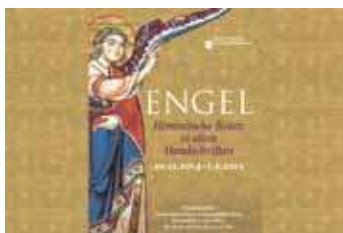


© Albertina

### Albertina

Albertina is one of the most important art collections in the world. It enjoys an excellent reputation in Austria and beyond its borders. In addition to the Albertina graphic art collection, the museum has numerous different collections and fascinates all kinds of art lovers with its exhibitions. RZB AG supports this major art house in diverse cooperations with individual exhibitions and in raising donations. RZB AG and RBI AG sponsored an exhibition of the famous Catalan artist Joan Miró on display from September

2014 to January 2015. This large retrospective exhibition was entitled "Von der Erde zum Himmel" and represented a continuation of the Albertina exhibition series which is dedicated to Surrealism.



© Austrian National Library

### Österreichische Nationalbibliothek (Austrian National Library)

RZB AG sponsored the "Engel. Himmelsche Boten in alten Handschriften." exhibition held at the Austrian National Library at the end of 2014.



© Erhard Hois

### Literatur im Nebel

This literature festival was held for the first time in 2006 and has since taken place every year in the northwestern Waldviertel district (in the north of Lower Austria) in the second half of October. RBI AG sponsors these two days where the focus is completely on literature. The 2014 festival, which featured famous authors such as Salman Rushdie, Margaret Atwood, Nuruddin Farah and Ian McEwan, was sold out.

## Cultural initiatives at the network banks



© Paulina &amp; Thomas Photography

### Let's CEE film festival

This annual film festival held in Vienna was sponsored since 2013 by RBI AG. It presents the best productions from Central and Eastern Europe (CEE), including the Caucasus region and Turkey. A selection of the best and most recent films and documentaries as well as promising short films presented in competitions were shown. Various film series were also held, ranging from legendary cinema classics to relevant retrospectives and homages as well as excellent children's films. Almost all productions were shown in the original version with English or German subtitles – and many of the films had their Austrian premiers.

The festival pursues the following central goals:

- Promotion of international acceptance as well as popularizing Central and Eastern European film.
- Initiating and supporting cross-border cooperation projects in the area of film.
- Promoting promising talents from Central and Eastern Europe as well as from Austria.
- Making a positive and unique contribution to an intercultural dialog at the intra- and inter-state level through the festival.





© Filharmonia Narodowa

### The Warsaw National Philharmonic Orchestra

Raiffeisen Bank Polska S.A. sponsored various concerts by the National Philharmonic Orchestra in Poland. For the second time in a row, the bank received from the orchestra the title "Patron of the Year" for its support and promotion of the cultural activities of the National Philharmonic.



© TBSK, Eduard Bogdanich, General Secretary Nobel

### The Tatra banka Foundation and its art awards

In order to contribute towards improving the educational situation in Slovakia, Tatra banka, a.s. in Bratislava created a foundation in 2004. Alongside the focus on education, projects in the area of art and design are also carried out. The goal of the art awards is to honor artists for their contributions to Slovakian culture and to support them in the creation of additional artworks. For 19 years (formerly as the "Tatra banka Art Award" prior to creation of the foundation), the Tatra banka Foundation has recognized established and

upcoming artists who have contributed to promoting Slovakian art through their work in the categories of literature, music, theater, fine arts, audio-visual works, film and television. Since the inception of the foundation, 79 art awards have been given to established artists and 35 to young artists. In addition, five fashion designers have received the opportunity to demonstrate their skills by designing an item of clothing for the presenter at the award ceremony. As part of the program "Personalities in person", six Nobel Prize winners and four Pulitzer Prize winners, dozens of renowned professors from foreign universities and over 80 Slovakian and Czech economists have so far given talks hosted at Slovakian universities. In 2014, the Tatra banka Foundation honored the Pulitzer Prize winner Walt Bogdanich as well as professor of economics and political science Michael C. Munger.



© Vienna Club

### Austrian Music Weeks in Bulgaria

Raiffeisenbank (Bulgaria) EAD has been supporting these performances in Bulgaria for six years as a way of presenting Austrian music culture. The events are organized by the Wiener Club in Sofia, together with the Austrian embassy in Bulgaria. The classical music concerts are offered in various cities.



© RBKO

### International and national festivals in Kosovo

Raiffeisen Bank Kosovo J.S.C. has supported the Pristina International Film Festival for the sixth time in a row. The bank cooperated with the Chopin Association in Kosovo, a platform for exchanges between national and international musicians that organized the 2014 Chopin Piano Festival Pristina. The bank also sponsored KameFest, a festival for classical music, as well as Komedia Fest, which offered a week of theater performances for adults and children, among other events.



© RBRS

### Contemporary Serbian culture

With the goal of promoting the cultural economic potential of Serbia, Raiffeisen banka a.d. has worked for eight years with the leading Belgrade gallery for contemporary art, "Ozone". Ozone represents a unique communication platform that serves to bring artistic content to the largest possible audience. Over the years, this cooperation has resulted in the release of several art calendars as well as competitions and exhibits by known and unknown artists with various cultural and artistic backgrounds.



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### Viennese Classical Concert in Moscow

The P.I. Tchaikovsky Moscow State Conservatory, with the support of AO Raiffeisenbank, organized a concert by the chamber orchestra of the Vienna Concert Association. Under the direction of the Austrian conductor, Thomas Rösner, the concert included a cello solo by the Russian cellist Anastasia Kobekina. The Viennese Concert Association was founded by musicians from the famous Viennese symphony orchestra in 1987. The ensemble combines various musical traditions into a broad cultural representation of musical history.

## Corporate volunteering in the RZB Group

The various corporate volunteering initiatives help to make the group feel part of a bigger picture, to support the Friedrich Wilhelm Raiffeisen concept "helping people to help themselves" and to proactively accept social responsibility together and within the company.



One focal point in the field of corporate volunteering is on the activities of the H. Stepic CEE Charity. The volunteer work of this charity's employees was recognized by the personal sponsorships of individual Managing Board members in 2014. The charity which focuses on education initiatives in 15 Central and Eastern European countries has been able to report impressive results for the previous year: 14 projects in eight countries which were implemented with a total volume of € 460,000.

A clear indication that Raiffeisen employees provide those affected across several countries with prompt unbureaucratic assistance is the employee donation campaign relating to flood disasters in Southeastern Europe.

Each individual project of network bank employees deserves a special mention due to its investment in the community, as the lives of those people who receive support are most definitely being enriched. In order to prove the success of the individual initiatives in figures, two network banks have already taken corporate volunteering measures in accordance with the London Benchmarking Group Standard: Raiffeisen Bank S.A. in Romania and Raiffeisenbank a.s. in the Czech Republic.

### Corporate volunteering at the Vienna sites



© RZB AG

The Christmas initiative of RZB AG and RBI AG "Surprise in a Box" took place for the seventh time. Employees at the Am Stadtpark and in Muthgasse sites donated numerous new and used toys, books and cinema vouchers for older refugee children. The opportunity was also taken to collect used children's clothing. The Sustainability Management team divided the donations of goods into shoe boxes and packaged these up for Christmas together with colleagues at the Am Stadtpark site on two afternoons.

Around 300 Christmas packages and 150 cinema voucher present packages were delivered to the Caritas asylum center in Vienna for the fourth time in a row at the start of December. Children who are part of the Hungarian project "Sure Beginning" of the H. Stepic CEE Charity benefited from this corporate volunteering campaign for the first time.



As a charitable association with a head office at the RBI AG headquarters in Vienna, the charity encourages and supports people in need with social, financial and health issues in the CEE region. As a result of Raiffeisen bank’s deep roots in Central and Eastern Europe, the charity can cause socio-political changes and in doing so improve the livelihood of those concerned in the long term. The charity helps the weakest members of society: Children, young people and women in need. The beneficiaries will ideally be offered support to lead an independent life – in line with Raiffeisen’s key principle “Helping people to help themselves”.

The charity thrives on its helpful supporters, donors and sponsors and on the professional commitment of RBI AG employees at the head office and at its network banks. All projects of the charity are handled by RBI AG employees on a voluntary basis as part of corporate volunteering. Charity projects with a focus on education initiatives are carried out in a total of 15 Central European and Eastern European countries in cooperation with local NGOs and with renowned organizations such as Caritas, Hilfswerk, Red Cross and Diakonie. 14 projects were implemented in eight countries in 2014 with a total volume of € 460,000.

RBI AG reaffirmed its commitment to the charity in 2014. At the same time, the RBI Managing Board members Johann Strobl, Martin Grüll and Aris Bogdaneris also personally took over as sponsors for the charity’s projects. This means an ongoing personal and financial involvement in the implementation of these initiatives.



© H. Stepic CEE Charity

The reason for the benefit concert with Martin Haselböck in Stephansdom in October 2014 was the school package campaign for children in need in the return areas of Bosnia and Herzegovina organized by the charity. The donations were used to give over 800 children the opportunity to go on an organized school trip.



© H. Stepic CEE Charity

The charity was supported by an internal event where numerous employees of RZB AG and RBI AG donated their children’s used school bags for another school project in Romania.



© Christian Mari & Edgar Pollehn

The charity relies on the help of each individual, but especially important is the commitment of colleagues, for example, in the form of a charity concert of the Raiffeisen bands “Brass it!” and “Haupt’soch G’sund” which took place in May. The proceeds from the concert were used directly to benefit one of the long-standing charity projects “Street children in Novi Sad”.



© M. Kammeter

Martin Grüll,  
Member of the Managing Board (Chief Financial Officer),  
RBI AG

*“I am absolutely convinced that teamwork and a single good deed can result in a positive chain reaction. Aside from the fact that a health initiative offers undisputed benefits for the beneficiaries, the extensive positive effects resulting from the training of health assistants throughout the community were what mainly drew my attention to the “Health Communities” project (More details can be found on page 156). By training local people from Roma settlements to become health care consultants, we believe we can create a long-lasting impact. I consider it my responsibility to support this project in the long term.”*

QUOTE



You can find the latest information on the charity, how to become a member or to make a donation by visiting:  
[www.stepicceecharity.org](http://www.stepicceecharity.org)

## Projects 2014



© H. Stepic CEE Charity

### School education and vocational training for street children in Tirana, Albania

H. Stepic CEE Charity aimed to provide street children with an education in conjunction with the Don Bosco institution in Albania. 123 children and young people were supported in 2014 as part of the comprehensive education program. This included 49 teenagers who completed a vocational training course (computer technology, tailoring, plumbing, etc.).

### Personal assistance for disabled people in Bosnia and Herzegovina



© H. Stepic CEE Charity

H. Stepic CEE Charity took over the sponsorship of six young people for Doctors for Disabled, a non-profit organization centered around a group of experienced Austrian practitioners. It helps people with disabilities who live in poor conditions and who do not have access to medical supplies.

### School materials for students in the return areas of Bosnia



© H. Stepic CEE Charity

During the war between 1992 and 1995, nine communities in the northeast of Bosnia and Herzegovina experienced particularly tragic devastation and losses. H. Stepic CEE

Charity along with the Austrian-Bosnian cultural association MEDO is committed to offering a better education to students who mainly live in the return areas for Bosnian refugees and go to school there.



© M. Kammeter

Johann Strobl,  
 Member of the Managing Board (Deputy Chairman of the Managing Board, Chief Risk Officer), RBI AG

*"I chose the 'Sure Beginning' project in Hungary out of all other projects because I believe that the most disadvantaged people of the next generation need help the most. Not only teenage mothers will be offered an extensive education by "Sure Beginning Children's House" so that they are able to successfully take control of their daily lives. Their children will also be given the chance to experience a better future with supervised care and support. The priority right from the outset is regular school attendance in order to convey to the children the importance of an education early on, which I consider to be one of the strongest pillars when it comes to avoiding poverty."*

QUOTE





© H. Stepic CEE Charity

### Books for school libraries in the return areas for Bosnian refugees

H. Stepic CEE Charity provided school materials and school books for the school library in the return areas for Bosnian refugees. A total of 2,250 books have been acquired up to now which are on the school reading lists and are vital for the education of students.



© H. Stepic CEE Charity

### Supporting students at the Safet Krupic vocational secondary school, Bosnia and Herzegovina

Many of the students at the Safet Krupic vocational secondary school come from disadvantaged families and are not able to afford the necessary school materials. Families often don't have basic foodstuffs at their disposal either which makes it difficult for many children to follow lessons. H. Stepic CEE Charity provides school materials and ensures that these children receive at least one warm meal a day.



© H. Stepic CEE Charity

### "Friendship castle" in Dobrich, Bulgaria

H. Stepic CEE Charity is financing the construction of a daycare center in Bulgaria for children in need together with the Austrian Youth Red Cross. Around 30 children can be accepted into the center, prepared for attending school and integrated into a social system. The educational goal is to reintegrate them into society and not to tie them down to one "home". However, in exceptional circumstances, children can also spend the night at the daycare center.



© H. Stepic CEE Charity

### Center for victims of domestic violence in Zagreb, Croatia

H. Stepic CEE Charity has initiated its first project in Croatia in conjunction with Raiffeisenbank in Croatia - "Access to the labor market for former victims of domestic violence". The project partner is Duga Zagreb - a place of refuge for victims of domestic violence. The project includes offering organized support to homeless children so that their mothers may dedicate their time to career planning, looking for a job or taking up a new position of employment.



© H. Stepic CEE Charity

### Ways out of the ghetto, Satu and Baia Mare, Romania

Together with its cooperation partner Caritas, the H. Stepic CEE Charity supports socially disadvantaged children in the region of Satu Mare and Baie Mare in Romania. Four after-school centers for pupils provide schooling and support for Roma children aged from seven to 14 years. The after-school centers not only provide assistance with learning or homework. They are also heavily involved in the children's play time and leisure program.



© H. Stepic CEE Charity

### Recreational center for people with disabilities, Valea Crislui, Romania

There has not been a single recreational facility for the around 3,900 disabled people living in Sfantu Gheorghe up until now. H. Stepic CEE Charity and its project partners took care of the construction of a leisure and recreation center. A maximum of 24 disabled people can be looked after by qualified employees at the center for a period of 14 days. This is time which their caregivers can use to recover from the stress of their everyday life.



© H. Stepic CEE Charity

### **Sponsorships for talented orphan children, Russia**

The educational support from the H. Stepic CEE Charity in the form of scholarships currently provides eight young people with an education which they could otherwise not afford. The scholarships extend across the entire duration of study of four to five years. The financial support has been used to cover the cost of rental payments, food, study documents and the like.



© H. Stepic CEE Charity

### **Donations in kind for the baby orphan house in Idritsa, Russia**

50 babies and small children including those that are mentally and physically handicapped have found their home in the orphan home in Idritsa.

H. Stepic CEE Charity continued its support of the last few years and secured diaper supplies for the entire year through in-kind donations from BILLA Russia in 2014. The Austrian company MAM International donated numerous pacifiers, bottles and other baby products to the facility in Idritsa.



© H. Stepic CEE Charity

### **Center for Youth Integration: Daycare center for street children in Belgrade, Serbia**

H. Stepic CEE Charity has established in cooperation with Petrus Advisers and the Center for Youth Integration (CYI) a non-profit organization, a daycare center for street children, in Belgrade. This project and various other initiatives of the CYI offer children and young people living on the street (and sometimes their families) psychological, social-work, medical and hygiene advice and care with the aim of integrating them into society in the long term.



© H. Stepic CEE Charity

### **"Healthy Communities": Training to become health assistants, Slovakia**

H. Stepic CEE Charity financed and implemented its first project in Slovakia along with the Association for Culture, Education and Communications ACEC - "Healthy Communities". As a result of training 80 health assistants for 80 Roma settlements, predominantly in the east and south of Slovakia, around 60,000 settlement inhabitants benefit from improved health literacy.



© H. Stepic CEE Charity

### **"Children's Town" - Family houses for orphan children in Pnikut, Ukraine**

H. Stepic CEE Charity built a family house in Pnikut, a small town in the Ukraine, in cooperation with the "kleine herzen" (little hearts) association and Caritas Spes and thanks to the generous support of Stephen Davis (S&R Charitable Foundation) as part of the "Children's Town" project. Socially disadvantaged orphan children with particular emotional and physical needs are supported at this house until they become adults.



© H. Stepic CEE Charity

### **Preservation of the "Quo Vadis" childcare center in Berdyansk, Ukraine**

The charity supports the "Quo Vadis" childcare center along with Caritas Spes in Berdyansk by assuming some of the running costs. This facility is often the only place of refuge for the local children. More than 50 of these children took advantage of the help offered by the childcare center in 2014. They come from socially deprived or violent families and would have no future other than a life on the streets if it weren't for the support of the center.



© Fotolia

### Employee donation campaigns for catastrophic flooding

In 2014, sustained heavy rainfall in Southeastern Europe led to severe flooding in Bosnia and Herzegovina and Serbia. Thousands of people were forced to evacuate their homes. Some cities were completely flooded and could only be reached by boat. In total, over one million people were affected by the natural disaster. Aid such as drinking water, food and blankets was urgently needed.

In the interests of immediate, unbureaucratic financial aid, RZB AG and RBI AG established a donation account in cooperation with the Austrian Red Cross. This was followed by a call to all employees to assist the affected regions of Bosnia and Herzegovina, Croatia and Serbia as much as possible. The donations made by the employees in this campaign were doubled by RZB AG and RBI AG. A total of over € 511,000 was collected in this way.

This aroused so much sympathy among the employees and resulted in two staff members at the head office being proactive and collecting hand towels, hygiene articles, brooms and shovels at the establishment for the Red Cross.



© ONEOFT1

The commitment of Raiffeisen BANK d.d. Bosna i Hercegovina in relation to the flood catastrophe came about as a result of two measures. The first step involved Raiffeisen Bank helping 13 associations, schools and kindergartens in the areas most affected by the floods with its donation. On-site assistance was provided by Hilfswerk Austria International. The Board of Directors also decided to allow bank employees to make donations as part of an employee fund going by the name of "Vaš glas" ("Your Voice"). This fund is managed by the employees and is aimed at helping people in need. Support is provided in the form of cash, shoes, clothing, toys and other convenience goods.

On the occasion of the natural disaster, 1,093 employees made a donation and that amount was doubled by Raiffeisen BANK d.d. Bosna i Hercegovina. The resources of the employee fund "Vaš glas" were provided to those colleagues whose homes were destroyed during the floods.

Raiffeisenbank Austria d.d. not only donated to the Croatian Red Cross in order to assist flood victims but also suspended all processing fees in connection with donations for flood victims.

Serbia was one of the countries most heavily affected by the catastrophic flooding. Eleven per cent of all companies registered in Serbia are located in the regions stricken by the flooding. According to the Serbian Chamber of Commerce, agriculture as well as the area of infrastructure (including transport and energy) were most heavily affected. Many people had to be evacuated and lost their homes, including 13 employees of Raiffeisen banka a.d. The bank responded immediately and provided € 100,000 to the donation account specially established by the government.

It not only supported the 13 employees whose homes were destroyed by the floods. It also helped institutions such as the mountain rescue service, which was actively involved in the struggle against the high water. The natural disaster was extremely severe and Raiffeisen banka a.d. therefore decided that every employee who wanted to help with the evacuation measures or cleanup work could do so even during working hours. The employees additionally collected money, food, hygiene articles and clothing. All told, the donations totaled roughly € 140,000.

The typhoon "Haiyan" unleashed massive destruction on the Philippines in 2014. This new natural disaster hit the local people very hard. They were in acute need of survival assistance such as food, water, blankets, cooking utensils and medical aid. Heavy rainfall also put the cities in the regions impacted by the catastrophe under water. To help in this terrible emergency, RZB AG and RBI AG established a donation account for this catastrophe in cooperation with the Austrian Red Cross as well.

## Corporate volunteering at the network banks



© TBSK, Eduard Genserek

The employee program “Dobré srdce TB” (The Good Heart) of the Tatra banka foundation attempts through diverse measures to improve the quality of life in society as well as the environment. The employees not only decide which organization is to be supported, they also choose the project in which they would like to personally make a difference or lend personal financial support to. 138 projects were realized this way in 2014.



© RBCZ

Raiffeisenbank a.s. in the Czech Republic is a partner to the organization “Dobry Andel” (Good Angels), which assists families with a member suffering from cancer. Not only does the diagnosis force these families to learn how to handle the corresponding treatments, it also frequently results in financial difficulties. The “Good Angels” help affected families by transparently and verifiably increasing their monthly income during this period. The support comes from the employees of all branches of Raiffeisenbank a.s. With the campaign “We will turn you at Raiffeisenbank into good angels”, the employees get actively involved in encouraging customers to also take up the charitable cause. The bank also suspended the fees for the electronic payments. By the end of 2014, 143 employees, 301 customers and 13 companies became “Good Angels” with the support of Raiffeisenbank a.s. by contributing to a total of roughly € 29,000.

The corporate volunteering program “RBCZ Ambassadors” has been offered in the Czech Republic since 2010. The employees of Raiffeisenbank a.s. regularly visit local primary schools and high schools to work with them in the area of financial knowledge. The volunteers regularly give presentations and hold discussions with pupils and teachers about bank products or the principles of responsible giving. 13 employees participated in the project in 2014.



© RBHU

Raiffeisen Bank Zrt. in Hungary has promoted corporate volunteering since 2008. In cooperation with various non-profit organizations (primarily institutions active in the area of protecting children), various departments were also offered a chance to participate in projects in the area of renovation, painting and cleanup work also as part of the 2014 Corporate Volunteering Week. Employees can volunteer for one day per year. The focus of the CSR strategy is on supporting disadvantaged children. For this reason, the measures primarily involve kindergartens and orphanages. The employees can also nominate charitable organizations during the decision-making

phase, ensuring that everyone is able to help out where they want to the most. In 2014, a total of 13 projects were organized with participation by 252 employees, who volunteered for 2,016 hours.



© RBAL

Raiffeisen Bank Sh.a offered support to an environmental cleanup in the southern part of Albania in the region of Lalzi bay and Zvernec beach for the sixth time which a total of 150 people attended in 2014. Around 20 employees of Raiffeisen Bank Sh.a. were active on a voluntary basis and provided timely assistance to clean up the coast at the start of the season.



© RBKO

For the first time, Raiffeisen Bank Kosovo J.S.C. organized the project “Surprise in a box”, in which the employees collected clothing, toys and school bags full of supplies. A total of 145 gifts for socially disadvantaged children in Kosovo were given out in cooperation with the charitable organization “Nena Tereze”.





© RBRO

In its diverse corporate volunteering campaigns, Raiffeisen Bank S.A. in Romania worked together with six different charitable organizations. For internal coordination, the bank uses the micro-site "Voluntarii Raiffeisen. Impreuna pentru mai bine!" (Raiffeisen Volunteers. Together for a Better Society!) to record the 2,150 hours that the 300 employees spent in 2014 working on projects in the categories of social welfare, (financial) education and the environment. In principle, every employee of Raiffeisen Bank S.A. has the opportunity to volunteer in one of the categories during work time for one day per year. Via the "Raiffeisen Comunitati" grant program, the volunteers are included in evaluation of the projects submitted by the organizations.

The Romanian employees can choose among the following six projects to lend their assistance:

- Social projects of United Way Romania



© RBRO

Since 2004, United Way Romania has been an important business partner of the bank, collecting and distributing money for over 40 social projects every year. The projects of the submitting charitable organizations from the cities of Bucharest, Timisoara and Cluj-Napoca are subject to a strict selection process. The evaluation is primarily undertaken by the voluntary supporters of United Way. In this cooperation Raiffeisen Bank acts as a donor and supports the involvement of employees who also donate money or their personal time.

Every year, the employees organize a one-month employee donation campaign and share information about the United Way mission of the foundation, the beneficiaries and the achieved results. In this context, various charity events and activities are held in the most important regions, in part with the support of the beneficiaries. Online contests and benefit auctions also serve to motivate employees to donate or to share their time in the area of corporate volunteering. At the end of this internal campaign, the bank doubles the donations made by the employees. In 2014, over 150 employees were active in projects of United Way Romania.

- Financial literacy programs of Junior Achievement Young Enterprise Romania



© Junior Achievement Romania

Since 2010, Raiffeisen Bank S.A. has carried out various age-appropriate financial knowledge programs in cooperation with Junior Achievement Romania: "Noi Insine" for ages 6-7, "Familia Mea" for ages 7-8, "Comunitatea Mea" for ages 8-9, "ABCdar Bancar" for ages 15-18 and the "Creativity and Innovation Challenge" for ages 16-18.

All of these programs aim to convey basic financial concepts and develop financial budgets and saving plans that are required for a financially independent and responsible life. So far, over 12,000 young people have participated in these programs. Over the years, more than 500 employees of Raiffeisen Bank S.A. have shared their knowledge in

classrooms and provided consulting assistance. The program will in future be rolled out to even more cities in the country.

- Principesa Margareta a Romaniei Foundation

Support of the foundation in programs for socially disadvantaged children and the elderly, such as with work shops and excursions.

- Habitat for Humanity Organization

This organization offers a social program for the construction and rebuilding of homes for disadvantaged families.

- OvidiuRo Association

This educational program called "Fiecre copil in gradinita" (Every Child in Kindergarten) assists poor rural families. The volunteers helped to provide funds and choose the children who could continue attending kindergarten.

- Tasuleasa Social Association

In cooperation with this association, the historic mountain roadway “Via Maria Theresia” was cleaned up prior to the mountain marathon.



© RBRS

For the sixth time in a row, employees in Novi Beograd collected New Year’s gifts for children – bags filled with educational toys, clothing and sweets. The children in institutions and disabled children come from precarious social situations, and some of them have developmental difficulties.



© cep-za-hendikep

The campaign “Cap for Handicap” began three years ago in Serbia with the goal of showing that humanitarian assistance can be achieved without a single dinar. The initiative has enjoyed increasing success, with over 280 schools and kindergartens as well as 20 companies, including Raiffeisen banka a.d. in Serbia, taking part. For this campaign, employees collect all manner of hard plastic caps, which are later recycled. For every kilogram, between 450 and 500 caps must be collected. At a price per kilogram of between 27 and 30 dinars, it is necessary to collect between five and six tons in order to buy just a single wheelchair.



© RBRU

The corporate volunteering program of AO Raiffeisenbank in Russia bears the name “Helping together!”. The projects in which the employees can volunteer are selected jointly with the charity organization “Old age is a joy”. Three times per year in 2014, employees spent two weeks collecting donations for projects to benefit elderly people.

With the money collected for a retirement home, it was possible to purchase items such as functional hospital beds, night tables, wheelchairs, walking sticks and hygiene articles. In the event that the donations of the employees do not meet the required project amount, AO Raiffeisenbank steps in. The

bank also supports numerous charity projects every year for the education of elderly persons. In spring and fall, outings to the retirement home are organized, in which over 50 employees help to clean up the property, paint the fence or spend time with the elderly residents.



© RBRU

The employees took up a special idea for October 1, the day of the elder generation: Raiffeisen employees wrote 300 postcards to elderly people in retirement homes without family attachments.



© AVAL

Against the backdrop of the Ukraine conflict, the employees of Raiffeisen Bank Aval JSC focused their attention on making their environments more livable with a project called “We believe in us! We believe in Ukraine!”. While the bank provided financial support, the employees used their free days (called “toloka”) to help out at orphanages, kindergartens, primary schools, hospitals or city parks: they cleaned, carried out repair work, painted and planted trees and flowers. Among other activities, a visit was made to the Kyiv House for stage veterans, where people had interesting discussions with former actors, singers, dancers and poets alongside their volunteer work.

## Social initiatives

The largest number of projects that received supported were conducted in the social sector during the reporting period. In conjunction with various national and international cooperation partners (such as Caritas and Red Cross), socially disadvantaged children and young people along with women without family attachments were primarily offered aid.

### Social initiatives at the Vienna sites

#### Caritas

The Caritas of the Archdiocese of Vienna has been in existence since 1921 and stands for charity. RZB AG supports Caritas so that it is able to fulfill its original mandate and help people in the most varied lifestyles. We focused on the areas of hospice and mobile hospice in 2014. The mobile hospice makes it possible to support seriously and terminally ill people and their relatives in their familiar surroundings and it also guarantees the people concerned an appropriate quality of life in the last phase of their lives.

#### Red Cross

“Improving the life of people in need and the socially deprived through the power of humanity” – this is the motto of the International Federation of the Red Cross. This attitude roughly corresponds to the Raiffeisen philosophy which stems from the 19th century. With this in mind, RZB AG supported the Austrian Red Cross in a number of ways in 2014 and in doing so made a contribution to providing aid in Austria and in disaster situations abroad.



© Verein.Respekt.net/APA-Fotoservice/Preiss

#### “Verein Respekt.net” (Respect.net association)

A functional democracy requires a great deal of political commitment. Verein Respekt.net is a non-partisan merger of citizens who are interested in politics. The aim of this merger is to simplify the socio-political commitment. It develops innovative concepts to promote participation in political processes. RZB AG and RBI AG supported the “Places of respect” campaign in 2014. Locations in Austria, at which people do something special for our coexistence, were presented in a special way and their projects were recognized.

It was evident from the applications that mainly small projects achieve great things. All these initiatives, which fight against the marginalization of refugees, people with special needs, old and sick people, promote educational needs and strengthen the civil society or advocate more respect and diversity in society, are worthy of recognition.

The jury selected the most impressive project from almost 600 entries from which 107 projects were shortlisted. The national winner of the Austrian competition was announced on the day of respect on September 19, 2014. The winning project is called “We need these children” and was created by a married couple from Schruns in 2004. In order to prevent the impending deportation of several families, they formed a citizen initiative in their home town. Asylum seekers have been supported over many years mainly by helping them to help themselves. The result of this commitment was that 13 refugee families won the right to stay. They now all have an apartment, a job and hope for the future.

#### “Wirtschaft für Integration” (Business for Integration) association

The “Viennese courage: City of diversity!” campaign recognizes the contribution of Viennese people towards achieving a culturally and linguistically diverse Vienna through their professional, voluntary and personal commitment and in doing so making it clear that diversity is an asset to the city. The “Viennese courage: City of diversity!” prize is initiated and awarded by the Wirtschaft für Integration (Business for Integration) association and the ORF regional studio Vienna. RZB AG was one of the sponsors of this prize in 2014.

### “VinziRast mittendrin”

As part of the Christmas fundraising campaign of Raiffeisen Bausparkasse Gesellschaft m.b.H, the “VinziRast” association, which was created by Cecily Corti, was supported again in 2014. The donation was used for the social project “VinziRast mittendrin”, a social residential project that is one of its kind in the world where students and the homeless live, work and learn together under one roof.

Raiffeisen Kapitalanlage-Gesellschaft m.b.H. sponsored domestic and foreign projects with ethnic and sustainable criteria. The selection was made by their ethics committee. The company also supported the Austrian Children’s Cancer Charity again.

### Social Initiatives at the network banks



© Towarzystwo Nasz Dom

#### Support for the Polish scholarship program “Moja przyszłość” (“My Future”)

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



© RBHU

#### Lunch for Everyone

As part of the “Raiffeisen Közösen Program” (Raiffeisen Together), Raiffeisen Bank Zrt. in Hungary decided to once again support the project Lunch for Everyone. The goal of the “Child Feeding Foundation – GYEA” is to provide healthy meals to children in need. Twice per year, GYEA chooses from among the community submissions which ones will be placed on the Facebook page of Raiffeisen Bank Zrt. for voting. The vote finally decides which Hungarian communities/cities will be supported this time. In spring

and fall, three cents were donated to the campaign for every purchase made with a debit card. In total, an amount of roughly € 138,500 was donated in 2014, which made a regular meal for 434 children in spring and 480 children in fall at 32 different locations possible.



© RBAL

#### Institute for people with Down Syndrome

The foundation “Down Syndrome Albania” is the only point of assistance for people with Down Syndrome in Albania. With the support of Raiffeisen Bank Sh.a., the offices of the foundation were renovated, including the attached service center. The 10-person team of psychologists and therapists offers support and therapy for people with Down Syndrome. In a first stage in 2014, roughly 30 children profited from their services.



© RBAL

#### New clothing for the university clinic “Mother Theresa”

Raiffeisen Bank Sh.a. continued its support for the Albanian university clinic, and after previously providing the reagent instruments for the cancer station, new standard hospital uniforms for the nuns and the care personnel were donated this time around.



© RBBH

**“SUMERO”**

Providing support for the handicapped and their integration into society is one of the goals of Raiffeisen BANK d.d. Bosna i Hercegovina. In cooperation with SUMERO, an organization for assisting disabled persons in Bosnia and Herzegovina, the construction of a center for the development and rehabilitation of handicapped persons was continued. This center strives to provide individual support for its charges and their families. Another focus of the work lies on more efficient integration of handicapped persons in order to improve their quality of life.



© RBBG

**The “Choose to Help” initiative**

For six years, this initiative in Bulgaria has collected funds for the support of sustainable social projects in the areas of health and environmental protection as well as culture and education. This year-round initiative involves the employees of Raiffeisenbank (Bulgaria) EAD in the donation process and has already been recognized with twelve corporate social responsibility awards. Customers are also offered the opportunity to provide their financial support. Corresponding donation websites are provided for this ([www.izberi.rbb.bg](http://www.izberi.rbb.bg) and [www.pay.dir.bg](http://www.pay.dir.bg)) as is the option of donating via SMS.



© RBRU

**“Silver Cinema Amateur Film Festival”**

Within the framework of an educational offering that strives to draw elderly people out of their isolation by helping them develop new skills and creative abilities and giving them a chance to share their experiences, AO Raiffeisenbank in Russia organized a film festival. The goal of the Silver Cinema Amateur Film Festival was to transfer the active engagement of seniors 65 and older into social life by highlighting the issues and problems of the elderly.



© RBBY

**“Children in Need”**

Support for the charitable initiative of Priorbank J.S.C. “Children in need” was continued in 2014. The goal of building 20 homes with the name “Pension Borovliany” in order to offer accommodations to families from all over Belarus who bring their children to the connected oncology center has now been nearly achieved. 14 houses are already finished, three of them thanks to the support of Priorbank. In many cases, the children are able to join their families in the rented rooms after their daily treatment at the cancer center.

**Sports initiatives**

We don’t just consider sports to be part of the brand self image. It is also about taking on social responsibility. We have therefore been promoting sport for many decades – from young talents to the stars.

**Sports initiatives at the Vienna sites**

**Over 40 years of sports sponsoring**

In over 40 years of sports sponsorship, Raiffeisen has built up its position as the bank with the highest sports advertising recall. The partnership with top Austrian athletes attracts a great deal of attention and a high level of emotional identification. The Gable Cross therefore decorates the helmets of Austrian skiing stars (Overall World

Cup winner Marcel Hirscher and Anna Fenninger, Kathrin Zettel and Max Franz) as well as the strips of the Austrian national soccer team.

### **Association for upholding integrity in sport (VWIS)**

RZB AG supported the leading representatives in Austrian sport in the fight against the global development of risks to integrity in sport. This step involved the company being committed to ensuring that sport has a positive impact on society. A platform for maintaining the system of values in sports in Austria was created by the VWIS association. The aim of the VWIS is mainly prevention by generating understanding, providing information, raising awareness, offering advice and conducting analyses.

### **Sports initiatives at the network banks**



© RBSI

#### **Basketball Association of Slovenia**

Raiffeisen Banka d.d. is a business partner and from 2011-2015 official sponsor of the Basketball Association of Slovenia (BAS). The bank also supports the men's national team.



© IIHF

#### **Ice Hockey World Championship 2014 in Minsk**

The world championship of the 16 best national teams was held from May 9th to 25th, 2014, for the first time in the Belarusian capital of Minsk. The games were held at the Minsk arena with 15,000 seats as well as the Tschyschouka arena with 9,614 seats. As in previous years, RBI AG sponsored this world championship, at which Russia triumphed over Sweden and Finland to become world champions.

Ice Hockey is of central importance in Belarus which is underpinned by the record number of visitors at the Ice Hockey World Championship. That's why Priorbank, a banking subsidiary of RBI AG in Belarus, has been supporting the national ice hockey team since 2010. The large amount of positive responses in the course of the tournament confirms not only the correctness but also the importance of this commitment.

# Sustainable entrepreneurship

## Commitment to sustainable framework conditions by cooperating and lobbying

We maintain a culture of open dialog and focus on the future issues of a sustainable financial sector. In so doing, we are taking a stance against corruption and economic crime. RZB Group would like to contribute towards stabilizing the banking sector using its cooperative approach, its knowledge and its experience throughout Europe. It is also seeking active dialog with political and administrative representatives. (see page 166).

For example: Vienna University of Economics and Business has built its own research institute for cooperations and cooperative societies (RiCC). The institute is a research and university teaching institute in the field of Austrian cooperative societies. It is also involved in national and international scientific debate relating to cooperative societies. As part of the RiCC, management staff and employees of RZB Group actively support a teaching event which gives students an insight into the cooperative society sectors which has specific characteristics and is significant for social science.

Our public image stands for the promotion of sustainable thinking and action. We are strengthening the active drive for sustainable development in our own sphere of influence by consciously lobbying and exercising influencing where topics such as sustainability and safeguarding the future are concerned. RZB Group gets involved through selected memberships and activities in organizations that promote sustainable business and the relevant framework conditions for this.

In addition, beyond our Group, we also specifically seek to exchange knowledge and experiences in order to implement innovative ideas in the field of sustainable design for the financial sector and sustainable development of our companies. A further component of our commitment is the cooperation with governmental and non-governmental organizations, for example in the form of public-private partnership models, in order to promote sustainable framework conditions and sustainable business.

## Sustainable entrepreneurship and sustainable innovations

To us, sustainable entrepreneurship means being aware of responsibilities. We support sustainable entrepreneurship and sustainable innovations among our customers and in society:

- We promote awareness of sustainable business and entrepreneurship in the RZB Group and among our customers. We provide information and give advice on which opportunities companies can embrace in order to become economically successful and to make their contribution to protecting the environment and taking social responsibility.
- We promote companies and organizations which act in a sustainable manner. This comes in the form of cooperations and events, amongst other things.
- We are constantly developing financing options for sustainable companies and innovations.
- We encourage long-term success, competitiveness and innovativeness in companies, which in turn boosts the regional economy.

## Excerpt of international memberships

<b>National</b>	
Agenda Austria	<a href="http://www.agenda-austria.at">www.agenda-austria.at</a>
Akademikerhilfe	<a href="http://www.akademikerhilfe.at">www.akademikerhilfe.at</a>
BWG Österreichische Bankwissenschaftliche Gesellschaft	<a href="http://www.bwg.at">www.bwg.at</a>
FOG Forschungsverein für Genossenschaftswesen	<a href="http://genos.univie.ac.at">genos.univie.ac.at</a>
Gesellschaft der Freunde der Österreichischen Nationalbibliothek	<a href="http://www.onb.ac.at">www.onb.ac.at</a>
Kuratorium Sicheres Österreich	<a href="https://kuratorium-sicheres-oesterreich.at">https://kuratorium-sicheres-oesterreich.at</a>
Kuratorium zur Förderung der Wirtschaftsuniversität Wien	<a href="http://www.wu.ac.at/research/support/sponsors/board">www.wu.ac.at/research/support/sponsors/board</a>
Ökosoziales Forum Österreich	<a href="http://www.oekosozial.at">www.oekosozial.at</a>
Österreichische Gesellschaft der Denkmalfreunde	<a href="http://denkmalfreunde.com">denkmalfreunde.com</a>
Österreichische Liga für Menschenrechte	<a href="http://www.liga.or.at">www.liga.or.at</a>
Pro Scientia	<a href="http://www.proscientia.at">www.proscientia.at</a>
RespACT	<a href="http://www.respact.at">www.respact.at</a>
RiCC Forschungsinstitut für Kooperationen und Genossenschaften	<a href="http://www.wu.ac.at/ricc">www.wu.ac.at/ricc</a>
Raiffeisen Klimaschutz-Initiative RKI	<a href="http://www.raiffeisen-klimaschutz.at">www.raiffeisen-klimaschutz.at</a>
Verein zur Förderung der Österreichischen Universitätenkonferenz (uniko)	<a href="http://www.uniko.ac.at">www.uniko.ac.at</a>
<b>International</b>	
ACFE Association of Certified Fraud Examiners	<a href="http://www.acfe-austria.at">www.acfe-austria.at</a>
CDP Carbon Disclosure Project	<a href="http://www.cdp.net">www.cdp.net</a>
CIRA Circle Investor Relations Austria	<a href="http://www.cira.at">www.cira.at</a>
ECLF Executive Corporate Learning Forum	<a href="http://www.eclf.org">www.eclf.org</a>
EBA European Banking Association	<a href="http://www.abe-eba.eu">www.abe-eba.eu</a>
EACB European Association of Co-operative Banks	<a href="http://www.eacb.coop">www.eacb.coop</a>
IPFA International Payments Framework Association	<a href="http://www.ipf-a.org">www.ipf-a.org</a>
IRU Internationale Raiffeisen-Union	<a href="http://www.iru.de">www.iru.de</a>
Transparency International	<a href="http://www.ti-austria.at">www.ti-austria.at</a>
UNEP FI United Nations Environment Programme Finance Initiative	<a href="http://www.unepfi.org">www.unepfi.org</a>
UNGC United Nations Global Compact	<a href="http://www.unglobalcompact.at">www.unglobalcompact.at</a>
Unico Banking Group	<a href="http://www.unicobankinggroup.eu">www.unicobankinggroup.eu</a>
VfU Verein für Umweltmanagement und Nachhaltigkeit in Finanzinstituten e.V.	<a href="http://www.vfu.de">www.vfu.de</a>
<b>Network banks</b>	
Bulgarian Business Leaders Forum (Bulgaria)	<a href="http://www.bbfbg">www.bbfbg</a>
Bulgarian Donors Forum (Bulgaria)	<a href="http://www.dfbulgaria.org">www.dfbulgaria.org</a>
Business Leaders Forum (Slovakia)	<a href="http://www.blfsk">www.blfsk</a>
Coalition for Transparent Business (Czech Republic)	<a href="http://www.transparentnipodnikani.cz">www.transparentnipodnikani.cz</a>
Foreign Investors Council (Romania)	<a href="http://www.fic.ro">www.fic.ro</a>
Hungarian Donors Forum (Hungary)	<a href="http://www.donorsforum.hu">www.donorsforum.hu</a>
Kosovo CSR Network (Kosovo)	<a href="http://www.csrkosovo.org/sq/ballina">www.csrkosovo.org/sq/ballina</a>
Renewable Energy Association (Belarus)	<a href="http://www.energy-aven.org">www.energy-aven.org</a>
Romanian Business Leaders (Romania)	<a href="http://www.rbls.ro">www.rbls.ro</a>

You can find the overview of other memberships on our website: [www.rzb.at](http://www.rzb.at) or [www.rbinternational.com](http://www.rbinternational.com)



# The Raiffeisen Climate Protection Initiative

The former Raiffeisen Chairman Christian Konrad initiated the Raiffeisen Climate Protection Initiative (RKI) back in 2007. The RKI advises and supports its 23 member organizations (including RZB AG and RBI AG) when it comes to developing, implementing and communicating climate-related measures. It is dedicated specifically to the fields of action of “sustainable financial products”, “sustainable management” and “communications”. Selected projects are also being promoted that combine knowledge and experience and focus on raising greater awareness. The RKI supports responsible economic activity and a sustainable economic and social model.

The aim is ultimately to significantly enhance public awareness about sustainability, climate protection, energy efficiency, renewable resources and corporate responsibility. It is only possible to successfully combat climate change if everybody helps out. However, the RKI did not just pursue external measures and enter into cooperations. Its members have also set ambitious goals for the coming years. Examples for measures and projects implemented in 2014 are as follows:

## “Raiffeisen Sustainability Award”



© aws, Voglhuber (VOGUS)

Since the RKI was founded, the Austrian “Jugend Innovativ” (Innovative Youth) competition has been actively supported. Apprentices and students between the age of 15 and 20 can submit their ideas each year. The special category “Raiffeisen Sustainability Award” is sponsored by the RKI. The RKI aims to strengthen young people’s awareness of sustainability as early as possible. Young people should be encouraged not only to talk about sustainability, but also to do something about it. The prize is awarded by representatives of the Federal Ministry for Science, Research and Industry and the Federal Ministry for Education and Women’s Affairs at the end of the school year. The Raiffeisen Sustainability Award will be presented by the RKI.

## RKI Networking Event



© RKI, denkstudio

The annual RKI Networking Event has been held since 2012 and has made an important contribution towards raising awareness about climate protection. This event gives RKI members the chance to exchange ideas, create stronger links, enhance the cooperation and to gain new impetus from external speakers – e.g. on issues such as resource efficiency, social justice, sustainability reporting and climate change. The event was held in 2014 under the motto “Is sustainability a future model for Europe?”. Peter Koren (Federation of Austrian Industry), Helga Kromp-Kolb (University of Natural Resources and Applied Life Sciences of Vienna), Marie Ringler (Ashoka), Franz Schellhorn (Agenda Austria) and Franz Fischler (Chairman of the RKI) were on the podium and took part in the discussion.

## Cooperation with “Daphne Umwelttechnologiepreis 2014” (Daphne Environment Technology Award)

The RKI presented a special prize of the renowned Austrian “Daphne Umwelttechnologiepreis” (Daphne environment technology award) for the first time in 2014. This prize has been supported by the service magazine “Umweltschutz” since 1985 and was presented by the cooperation partner WKO as well as RKI for the first time

in 2014. Daphne distinguishes itself each year with outstanding environmentally friendly projects. A total of 27 environmental technology projects have been submitted. The "Wasserverband Millstättersee" (Water Association) that deals with sewage sludge drying won in the RKI special category.

## Sustainable Entrepreneurship Award

RKI supported the international Sustainable Entrepreneurship Award (sea) again in 2014 in the category of "Climate, Environment & Energy". This award recognizes companies which make sustainable entrepreneurship the core of its corporate strategy by taking an innovative approach. Over 320 projects were submitted in 2014. The "Ecovative Design" project for which materials are produced out of agricultural by-products and mushrooms won in the RKI category.



© RKI, A. Reisenberger

## Raiffeisen Sustainability Challenge 2014

Four years after the first employee idea competition ("climate protection challenge") was held in 2010, the RKI started the "sustainability challenge" in the summer of 2014 – with a significantly broader range of topics this time: Employees from 14 RKI employee organizations submitted 174 innovative and practical project proposals and ideas in the categories of "sustainable financial products and services", "sustainable construction, renovation and mobility" as well as "internal company measures" by mid-October.

In addition to the internal company award ceremonies, the ten best projects were selected by an external jury from among all top 3 entries out of the companies and presented on the sustainability blog. The blog readers then decided on the three national prize winners with a vote. Almost 1,000 votes were cast in two weeks. Leopold Figl from Agrana won with his project "Catch crop mixture" and was way out in front of the competition. Silvio Dorrighi from Uniqa came in second place and third place went to the team of Adelheid Rester from Raiffeisen Bausparkasse.

RKI also supported the nature conservation initiative "European Green Belt" as part of the idea competition by purchasing a 4,125 m<sup>2</sup> valley meadow in Bonisdorf at Raab nature park. The Nature Conservation Union is responsible for continuously tending to the meadow.

## "Go EcoSocial"

The cooperation with the "Go EcoSocial" student platform has existed since the RKI was established. This cooperation involves the RKI member organizations allocating thesis topics which are both interesting and rewarding for students and useful for RKI members. Some regional Raiffeisen banks have already successfully taken advantage of this opportunity for cooperation.

## Cooperation with "Green Building Solutions"

The Master level short study program "Green Building Solutions" has been offered to approx. 30-40 international students and graduates in architecture and civil building since 2010. The aim is to establish sustainable construction and the passive house building methods more firmly. RKI therefore took on a scholarship in 2014.

## Cooperation with the student platform "oikos Vienna"

The cooperation with the student organization "oikos Vienna" was established for the second time during the summer semester of 2014. A joint event with the focus on "Sustainable Investment Day" was held on May 19 at the Vienna University of Economics and Business Administration. The speakers were Monika Auer (ÖGUT), Wolfgang Pinner (RKAG) and Andrea Weber (RZB AG).

# Sponsoring of "Klimasparbuch 2014/2015" (Climate savings book)

The "Klimasparbuch 2014/2015" (Climate savings book) appeared for the first time in 2014. It is a guidebook with vouchers that are valid in Austria. This book was mainly sold around the city of Vienna and by the climate and energy fund. The RKI supported the climate savings book and was also represented therein.

## Sustainability Weeks

Sustainability Weeks were held in the Raiffeisen employee restaurants in Vienna for the sixth time from June 16-29, 2014. A competition on the topic of vegan food was organized for employees. Three vouchers were raffled off at the event for a vegetarian restaurant in Vienna. The campaign will also be implemented in 2015 due to the outstanding feedback and the high level of involvement of the guests.

## Vehicle fleet assessment

RKI members have assessed their own vehicle fleet every year in cooperation with Raiffeisen-Leasing GmbH. This gives the participating organizations an overview of its vehicle fleet's average CO<sub>2</sub> emissions as well as an appropriate benchmark. CO<sub>2</sub> emissions have continuously dropped over the last few years and amount to 149 g CO<sub>2</sub>/km.

## Facebook competition

As was the case in previous years, a competition was held on the RKI Facebook page in 2014. The around 2,200 Facebook fans had the following question to answer "Which sustainability commitment of the RKI member organizations do you like best?". There were five Raiffeisen Preload BioCards™ worth € 50 each to be won. In conjunction with the RKI, RBI AG introduced the new Raiffeisen Preload BioCard™ in Austria in fall 2012. The card is made from compostable organic polymer based on corn starch.

# Future outlook and Sustainability Program

## Corporate citizenship initiatives

RZB Group will also continue to make a contribution that means improving the living conditions of as many people as possible by supporting projects and initiatives. Our commitment is made in accordance with the Group values in the fields of (financial) education, culture and sport and social affairs. We are seeing an increase in the number of employees who are personally involved in company projects.

## The Raiffeisen Climate Protection Initiative

Cooperations in the form of long-standing partnerships, such as "Jugend Innovativ" (Innovative Youth), will be established. It is also planned to continue our initiative in the area of financial education with oikos Vienna.

Examples of key projects for 2015 are listed below:

The so-called "Sustainability Weeks" will be organized in the SV staff restaurants at the Raiffeisen institutions together with SV Group. However, the RKI Networking Event with the title "Thinking about the future - Will our children have it better?" which is held once a year is also being organized. The cooperation with the "Go Eco-Social" student platform and with the "Daphne Umwelttechnologiepreis" (Daphne environment technology award) will also be continued. A vehicle fleet assessment will be conducted as in previous years and the personalized results will be sent to the members of the Raiffeisen Climate Protection Initiative.

## Excerpt from the Sustainability Program

Engaged citizen			
General objectives: Creating awareness for sustainability with a focus on climate protection; improving the financial expertise of the population with a focus on young people			
Strategy area	Objectives	Measures	Status
Engaged citizen (Active civil society and welfare)	Enhancing the financial expertise of young people through measures in the field of "financial literacy"	Supporting the development of a training method for improving financial expertise (Cooperation with "Three Coins").	Currently being processed
Engaged citizen (Active civil society and welfare)	H. Stepic CEE Charity: Ensuring emergency aid for the Ukraine	Establishing a portfolio for emergency aid projects due to the ongoing political conflict.	Currently being processed
Engaged citizen	Generating awareness for sustainable nutrition for employees through Sustainability Weeks in the staff restaurants	The focus of Sustainability Weeks is on regional, organic and vegan products and this project will be implemented as part of the membership of the Raiffeisen Climate Protection Initiative.	Implementation in 1st half of 2015
Engaged citizen	Developing the collaboration with NGOs and scientific organizations	Hosting an ICEP event in the third quarter.	Currently being processed
Engaged citizen	Promoting creative and innovative ideas from young people for sustainability through the support of the student competition "Innovative Youth"	Sponsoring your own category ("Sustainability") as part of the Austrian student idea competition "Innovative Youth" as well as being part of the jury (as part of the membership in the Raiffeisen Climate Protection Initiative).	Implementation in 1st half of 2015

Engaged citizen				
General objectives: Creating awareness for sustainability with a focus on climate protection; improving the financial expertise of the population with a focus on young people				
	Strategy area	Objectives	Measures	Status
From the Sustainability Program 2014	Engaged citizen (Active civil society and welfare)	Establishing the H. Stepic CEE Charity as a group-wide corporate volunteering project	Enhanced integration of the charity in the entire group by taking over personal patronages of RBI AG Managing Board members.	Implementation in 2014 and currently being processed
	Engaged citizen	Developing the collaboration with NGOs and scientific organizations	Hosting an ICEP event.	Implementation in 1st half of 2014
	Engaged citizen	Generating awareness for sustainable nutrition for employees through Sustainability Weeks in the staff restaurants	The focus of Sustainability Weeks is on regional, organic and vegan products and this project will be implemented as part of the membership of the Raiffeisen Climate Protection Initiative.	Implementation in 1st half of 2014
From the Sustainability Program 2013	Engaged citizen (Active civil society and welfare)	Implementation of a Corporate Volunteering mission statement	Concept development, implementation planned in the second half of 2015.	Currently being processed
	Engaged citizen (Active civil society and welfare)	Measures in the field of "Financial Literacy"	Supporting an experiment at the Vienna University of Economics and Business Administration (joint venture with "Three Coins"). Investigation was extended, end report published by end of 2014, project has been completed.	Implemented in 2nd half of 2014

# Reports from the Austrian participations

## Valida Holding AG

The charity events regularly organized by the Works Council of Valida Holding AG generated a considerable amount of money in the previous year. This money was donated to Wiener Lerntafel, Mission Hoffnung and the street children in Congo. Valida refrained from buying Christmas presents during the reporting period and instead donated € 3,000 to Haus der Barmherzigkeit.

## Raiffeisen evolution project development GmbH

Raiffeisen evolution supports many initiatives of the Austrian economy in relation to the enforcing and implementing sustainability. The company is involved in the Austrian Society for Sustainable Real Estate (Österreichische Gesellschaft für Nachhaltige Immobilienwirtschaft - ÖGNII), among other things, as part of its Managing Board membership. Raiffeisen evolution plays its part in developing standards and guidelines – and the company not only does this on the domestic market of Austria. The real estate developer is also the pioneer when it comes to sustainability in the Eastern and Southern European markets.

Raiffeisen evolution takes social responsibility by supporting organizations that are dependent on donations. Raiffeisen evolution is primarily dedicated to offering humanitarian aid.

SUSTAINABILITY -  
TRANSPARENT  
AND COMPACT



# G4-Content-Index

I. General Standard specifications			
GRI-Code	Description	Reference	Explanation
<b>Strategy and Analysis</b>			
G4-1	Statement from the most senior decision-maker of the organization		
G4-2	Description of key impacts, risks, and opportunities	4, 5, 19 - 25, 30, 31, 49, 71 - 75, 84 AR (G) RZB Group: 4, 7, 8 AR (E) RZB Group: 25 - 26, 87 - 114 AR RBI Group: 6 - 8, 34 - 38, 153 - 183	
<b>Organizational Profile</b>			
G4-3	Name of the organization	Imprint	
G4-4	Primary brands, products, and/or services	10 - 12, 49, 50 AR (G) RZB Group: 11 - 21 AR RBI Group: 12 - 15, 99, 100	
G4-5	Location of organization's headquarters	Imprint AR (E) RZB Group: 181 AR RBI Group: 242	
G4-6	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report	12 AR (G) RZB Group: 18 - 22 AR (E) RZB Group: 5, 116, 132 - 157 AR RBI Group: 12, 240	
G4-7	Nature of ownership and legal form	10, 11 AR (G) RZB Group: 9, 10, 13 AR (E) RZB Group: 128 - 130 AR RBI Group: 16 - 19, 52 - 54	
G4-8	Markets served (including geographic breakdown)	12 AR (G) RZB Group: 18 - 22 AR (E) RZB Group: 4 - 18, 99, 102, 103, 116, 144 - 157 AR RBI Group: 12 - 15, 62 - 88	
G4-9	Scale of the reporting organization	11, 53 - 55, 86 AR (G) RZB Group: 11, 12 AR (E) RZB Group: 2, 23, 125 AR RBI Group: 3, 12 - 15, 38 - 49, 92 - 114	
G4-10	Number of employees by gender, employment type and contract	54, 104, 106, 108	
G4-11	Percentage of employees covered by collective bargaining agreements	92	
G4-12	Organization's supply chain	114, 115	
G4-13	Significant changes during the reporting period regarding size, structure, or ownership	AR (G) RZB Group: 7 AR (E) RZB Group: 17, 18, 31, 70, 71 AR RBI Group: 6 - 10, 16, 17, 47, 96	RBI AG made a capital increase amounting to € 2.8 billion during the 2014 financial year. RZB AG participated in the capital increase and remained the majority shareholder of RBI AG with 60.7 percent. RBI AG paid participation capital of € 2.5 billion back to private investors and the Austrian State.
G4-14	Explanation of whether and how the precautionary approach or principle is addressed	4, 5, 49, 56 - 58, 65, 66, 71, 72, 110 - 115, 143 CoC	
G4-15	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses	4, 5, 8, 15, 22, 23, 37, 58, 65, 68, 75, 110, 115, 123, 166	
G4-16	Memberships in associations and/or national/international advocacy organizations in which the organization has positions in governance bodies, participates in projects or committees, provides substantive funding beyond routine membership dues or views membership as strategic	22, 166	Only relates to organizations relevant for sustainability.
<b>Identified Material Aspects and Boundaries</b>			
G4-17	All entities included in the organization's consolidated financial statements or equivalent documents	8 AR (G) RZB Group: 49 - 56 AR (E) RZB Group: 34 - 36, 132 - 157 AR RBI Group: 199 - 212	
G4-18	Process for defining the report content	7, 8, 23 - 34	
G4-19	Material aspects identified in the process for defining report content	26, 27	
G4-20	Aspect Boundary within the organization	27	
G4-21	Aspect Boundary outside the organization	27	
G4-22	Explanation of the effect of any restatements of information provided in earlier reports, and reasons for such restatements	7 - 9	
G4-23	Significant changes from previous reporting periods in the Scope and Aspect Boundaries	8, 9	
<b>Stakeholder Engagement</b>			
G4-24	List of stakeholder groups engaged by the organization	28	
G4-25	Basis for identification and selection of stakeholders with whom to engage	28	
G4-26	Organization's approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group, and an indication of whether any of the engagement was undertaken specifically as part of the report preparation process	28 - 34	
G4-27	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting	24 - 34, 73, 74, 76, 139, 170, 171	

GRI-Code	Description	Reference	Explanation
<b>Report Profile</b>			
G4-28	Reporting period for information provided	7	
G4-29	Date of most recent previous report (if any)	7	
G4-30	Reporting cycle	7	
G4-31	Contact point for questions regarding the report or its contents	7	
G4-32	GRI Content Index	173 - 178	
G4-33	Policy and current practice with regard to seeking external assurance for the report	7	
<b>Governance</b>			
G4-34	Governance structure of the organization, including committees of the highest governance body	22, 50, 51 AR (E) RZB Group: 127 - 129 AR RBI Group: 9, 20 - 29, 193 - 196	
G4-35	Process for delegating authority from the highest governance body to senior executives and other employees	22	
G4-36	Executive-level position or positions with responsibility for economic, environmental and social topics	22	
G4-37	Consultation between stakeholders and the highest governance body	22, 28, 29	
G4-38	Composition of the highest governance body and its committee	AR (E) RZB Group: 130 AR RBI Group: 195	
G4-39	Independence of highest governance body	AR (E) RZB Group: 128, 129 AR RBI Group: 22	
G4-40	Selection processes for the highest governance body and its committees, and the criteria used for nominating and selecting highest governance body members	AR (E) RZB Group: 128, 129 AR RBI Group: 24, 25, 28, 29	
G4-41	Processes for the highest governance body to ensure conflicts of interest are avoided and managed	AR (E) RZB Group: 128, 129 AR RBI Group: 20, 29	
G4-42	Highest governance body's and senior executives' roles	22, 23 AR (E) RZB Group: 128, 129 AR RBI Group: 23 - 25	
G4-43	Measures taken to develop and enhance the highest governance body's collective knowledge	22, 23	
G4-44	Processes for evaluation of the highest governance body's performance with respect to governance of economics, environmental and social topics		The assessment of the highest governance body's performance is not the responsibility of the reporting organization according to the Austrian Stock Corporation Act.
G4-45	Highest governance body's role in the identification and management of economic, environmental and social impacts, risks and opportunities	22, 23, 29 AR (E) RZB Group: 87 - 114, 128, 129 AR RBI Group: 24, 25	
G4-46	Highest governance body's role in the reviewing the effectiveness of the organization's risk management processes for economic, environmental and social topics	AR (E) RZB Group: 87 - 114, 128, 129 AR RBI Group: 24, 25	
G4-47	Frequency of the highest governance bodies review of economic, environmental and social impacts, risks and opportunities	AR (E) RZB Group: 87 - 114, 128, 129 AR RBI Group: 24, 25	
G4-48	Highest committee or position that formally reviews and approves the organization's sustainability report and ensures that all material aspects are covered		The sustainability report are approved by the Managing Board members of RZB AG and the Managing Board members of RBI AG. Fundamental points will be discussed by the Sustainability Council.
G4-49	Process for communicating critical concerns to the highest governance body	91, 92 AR (E) RZB Group: 128, 129 AR RBI Group: 24, 25	
G4-50	The nature and total number of critical concerns that were communicated to the highest governance body and the mechanism(s) used to address and resolve them		Are treated in a confidential manner.
G4-51	Performance criteria in the remuneration policy related to the highest governance body's and senior executives' economic, environmental and social objectives	AR (E) RZB Group: 127, 128 AR RBI Group: 25 - 27, 193, 194	
G4-52	Processes for determining remuneration	AR (E) RZB Group: 127, 128 AR RBI Group: 26, 27, 193, 194	
G4-53	Considerations of stakeholders' views regarding remuneration, including the results of votes on remuneration policies and proposals	AR RBI Group: 26	
G4-54	Ratio of the annual total compensation for the organization's highest-paid individual in each country of significant operations to the median annual total compensation for all employees in the same country		Are treated in a confidential manner.
G4-55	Ratio of percentage increase in annual total compensation for the organization's highest-paid individual in each country of significant operations to the median percentage increase in annual total compensation for all employees in the same country		Are treated in a confidential manner.
<b>Ethics and Integrity</b>			
G4-56	Description the organization's values, principles, standards and norms of behavior	4, 5, 12 - 15, 23, 50, 51, 57, 83, 84, 92, 113	
G4-57	Internal and external mechanisms for seeking advice on ethical and lawful behavior, and matters related to organizational integrity, such as helplines or advice lines	84	
G4-58	Internal and external mechanisms for reporting concerns about unethical or unlawful behavior, and matters related to organizational integrity, such as escalation through line management, whistleblowing mechanisms or hotlines	84	



II. Specific Standard Disclosures							
GRI-Code	Description	RZB AG	RBI AG	NWB*	AC**	Reference	Explanation
<b>Economic Performance</b>							
DMA						4, 5, 10, 11, 13, 14, 19, 20, 41 - 46, 49, 53 - 55, 110	
EC1	Direct economic value generated and distributed	■	■	■	■	41 - 46, 53 - 55	There are currently no extended disclosures on the FSSS, work will be carried out on the collection of data.
EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change	■	■	■	■	4, 5, 20, 57, 58, 63, 64, 68, 69, 110	
EC3	Coverage of the organization's defined benefit plan obligations	■	■	■	■	97 - 101	There are no group-wide regulations for the benefit pension plan obligations. Only individual regulations apply (depending on social circumstances and legal framework conditions in the host countries).
<b>Indirect Economic Impacts</b>							
DMA						4, 5, 21, 41 - 46, 49, 59, 75	
EC7	Development and impact of infrastructure investments and services provided primarily for public benefit	■	■	■	■	59, 144 - 164	
EC8	Significant indirect economic impacts, including the extent of impacts	■	■	■	■	4, 5, 21, 41 - 46, 49, 53 - 55, 59, 75	
<b>Materials</b>							
DMA						4, 15, 19 - 22, 83, 110 - 115, 119 - 121	
EN1	Materials used by weight or volume	■	■	■	■	120, 135 - 137	
EN2	Percentage of materials used that are recycled input materials	■	■	■	■	120, 135 - 137	
<b>Energy</b>							
DMA						4, 15, 19 - 22, 83, 110 - 115, 121 - 125	
EN3	Direct energy consumption by primary energy source	■	■	■	■	122, 135 - 137	
EN5	Energy intensity	■	■	■	■	135 - 137	
<b>Water</b>							
DMA						4, 15, 19 - 22, 83, 110 - 115, 125 - 126	
EN8	Total water withdrawal by source	■	■	■	■	135 - 137	
<b>Emissions</b>							
DMA						4, 15, 19 - 22, 83, 110 - 115, 132, 133	
EN15	Direct greenhouse gas emissions (scope 1)	■	■	■	■	133, 135 - 137	
EN16	Energy indirect greenhouse gas emissions (scope 2)	■	■	■	■	133, 135 - 137	
EN17	Other indirect greenhouse gas emissions (scope 3)	■	■	■	■	133, 135 - 137	
EN18	Greenhouse gas emissions intensity	■	■	■	■	135 - 137	
EN19	Reduction of greenhouse gas emissions	■	■	■	■	110 - 115, 135 - 137	
<b>Effluents and Waste</b>							
DMA						4, 15, 19 - 22, 83, 110 - 115, 127, 128	
EN23	Total weight of waste by type and disposal method	■	■	■	■	135 - 137	
<b>Products and Services</b>							
DMA						4, 15, 19 - 22	
EN27	Extent of impact mitigation of environmental impacts of products and services	■	■	■	■	51, 56 - 58, 65, 68 - 70, 76	
<b>Transport</b>							
DMA						4, 15, 19 - 22, 83, 110 - 115, 129 - 131	
EN30	Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce	■	■	■	■	135 - 137	

\* Network banks: includes the 15 subsidiaries of RBI AG in CEE.

\*\* Affiliated companies: includes the figures for Raiffeisen Bausparkasse Gesellschaft m.b.H., Raiffeisen Kapitalanlage-Gesellschaft m.b.H. and Raiffeisen-Leasing GmbH.

GRI-Code	Description	RZB AG	RBI AG	NWB*	AC**	Reference	Explanation
<b>Labor Practices and Decent Work</b>							
<b>Employment</b>							
DMA						19 - 21, 83, 85, 86, 101 - 103	
LA1	Employee turnover by age group, gender and region	■	■	■	■	86, 104, 106, 108	
<b>Occupational Health and Safety</b>							
DMA						19 - 21, 83, 87, 91, 92, 97 - 101	
LA6	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	■	■	■	■	97	
<b>Training and Education</b>							
DMA						14, 19 - 21, 83, 87 - 91	
LA9	Average hours of training per year per employee by employee category	■	■	■	■	104, 106, 108	
LA11	Percentage of employees receiving regular performance and career development reviews	■	■	■	■	104, 106, 108	
<b>Diversity and Equal Opportunity</b>							
DMA						14, 15, 19 - 21, 87, 92 - 96	
LA12	Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity	■	■	■	■	104 - 109	
<b>Equal Remuneration for Women and Men</b>							
DMA						15, 19 - 21, 93	
LA13	Ratio of basic salary of men to women by employee category	■	■	■	■	93	The Group does not have any data which can be used as a basis for a convincing salary assessment by comparing men and women. The reason for this is that although the data on salary can be assessed based on management level and gender, it cannot be assessed based on individual positions in accordance with our job structure. It is not possible to publish the ratios without presenting an image of the salary that may be misunderstood from outside of the company.
<b>Human Rights</b>							
<b>Investment</b>							
DMA						4, 15, 19 - 21, 51, 56 - 58, 65, 66, 71, 73, 76	
HR1	Investments that include human rights clauses or that underwent human rights screening	■	■	■	■	4, 15, 51, 56 - 58, 65, 66, 71, 73, 76	Human rights concerns are governed in our Code of Conduct; we are also a signatory of the UN Global Compact.
<b>Non-Discrimination</b>							
DMA						14, 15, 19 - 21, 87, 88, 92 - 96	
HR3	Total number of incidents of discrimination and corrective actions taken	■	■	■	■		We have numerous instruments for avoiding discrimination and supporting the employees affected. We do not report any details in order to protect the private lives of our employees.
<b>Freedom of Association and Collective Bargaining</b>							
DMA						15, 20, 21, 92	
HR4	Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights	■	■	■	■		In Austria and countries where this is prescribed by law, the Staff Councils represent employees in all issues relating to employment and service law. All legal framework conditions are strictly observed in all countries.

Social

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GRI-Code	Description	RZB AG	RBI AG	NWB*	AC**	Reference	Explanation
<b>Society</b>							
<b>Local Communities</b>							
DMA						19 - 21, 49, 70, 71, 73	
FS14	Initiatives to improve access to financial services for disadvantaged people	■	■	■	□	70, 71	The FS14 is for the most part not relevant for the affiliated companies.
<b>Anti-corruption</b>							
DMA						15, 19 - 21, 51, 84, 89, 90	
SO3	Percentage and total number of business units analyzed for risks related to corruption	■	■	■	■	84	Group Compliance analyzed the entire RBI Group and RZB AG.
SO4	Percentage of employees trained in organization's anti-corruption policies and procedures	■	■	■	■	84	
SO5	Actions taken in response to incidents of corruption	■	■	■	■		As part of the annual compliance testing in the period under review, there were no significant cases of non-compliance with global instructions on combating corruption.
<b>Public Policy</b>							
DMA						15, 19 - 21, 51 - 53, 85	
SO6	Total value of political contributions by country and recipient/beneficiary	■	■	■	■	53, 85	
<b>Anti-competitive Behavior</b>							
DMA						19 - 21, 74, 75, 83	
SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes	■	■	■	■	75	
<b>Compliance</b>							
DMA						50, 51, 52	
SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	■	■	■	■		There were no significant legally binding fines in 2014.
<b>Product Responsibility</b>							
<b>Product and Service Labeling</b>							
DMA						14, 15, 21, 71 - 75, 143, 144	
DMA/FS15	Policies for fair design and sale of financial products and services					71 - 75	Conflicts of interest are governed in our Code of Conduct.
DMA/FS16	Initiatives to enhance financial literacy by type of beneficiary					144 - 148	
PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information	■	■	■	■	74	
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction	□	■	■	□	73, 74	Of limited relevance for RZB AG (central institute function).
<b>Marketing Communications</b>							
DMA						14, 19 - 21, 51, 71 - 75	
PR6	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship	■	■	■	■		No products of this kind were offered during the period under review.
PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes	■	■	■	■	75	
<b>Customer Privacy</b>							
DMA						14, 19 - 21, 51, 72	
PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	■	■	■	■	72	
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	■	■	■	■	72	

Social

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GRI-Code	Description	RZB AG	RBI AG	NWB*	AC**	Reference	Explanation
<b>Product Portfolio</b>							
DMA						4, 5, 15, 19 - 21, 49, 59, 71, 72	
DMA/FS1	Policies with specific environmental and social components applied to business lines					4, 5, 15, 51, 56 - 59, 65, 68	
DMA/FS2	Procedures for assessing and screening environmental and social risks in business lines					51, 56 - 59, 65, 66, 68	
DMA/FS3	Processes for monitoring clients' implementation of and compliance with environmental and social requirements included in agreements or transactions						The agreed credit terms are also assessed as standard as part of the annual analyses of all risk-related transactions.
DMA/FS4	Process(es) for improving staff competency to implement the environmental and social policies and procedures as applied to business lines					58, 84	
DMA/FS5	Interactions with clients, investees and business partners regarding environmental and social risks and opportunities					28 - 34, 37, 39, 56 - 58, 65, 66, 73, 74, 114, 115	
FS6	Percentage of the portfolio for business lines by specific region, size and by sector	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	54 AR (E) RZB Group: 59 - 63 AR RBI Group: 62 - 89	It is not possible to make a GRI-compliant presentation at present for the entire RZB Group. The evaluations are being compiled.
FS7	Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	59 - 70	It is not possible to make a GRI-compliant presentation at present for the entire RZB Group. The evaluations are being compiled.
FS8	Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	59 - 70	It is not possible to make a GRI-compliant presentation at present for the entire RZB Group. The evaluations are being compiled.
<b>Audit</b>							
DMA/FS9	Coverage and frequency of audits to assess implementation of environmental and social policies and risk assessment procedures					51, 52	
<b>Active Ownership</b>							
DMA/FS12	Voting policies applied to environmental or social issues for shares over which the reporting organization holds the right to vote shares or advises on voting					65	
FS11	Percentage of assets subject to positive and negative environmental or social screening	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	66	It is not possible to make a GRI-compliant presentation at present for the entire RZB Group. The evaluations are being compiled.

Social

Status/Indicator: RZB AG, RBI AG, NWB, AC:

Reported in its entirety     Reported in part     Not reported

<b>Key</b>			
AC	Affiliated companies	GRI	Global Reporting Initiative
AR	Annual report	HR	Human Rights
AR (E)	Extract of the Annual Report (in English Language)	LA	Labor
AR (G)	Annual Report (in German Language)	No.	Numbe
CoC	Code of Conduct	NWB	Network banks
DMA	Disclosures on Management Approach	PR	Product Responsibility
EC	Economic	RBI AG	Raiffeisen Bank International AG
EN	Environment	RZB AG	Raiffeisen Zentralbank Österreich AG
FS	Financial Sector	SO	Society
FSSS	Financial Services Sector Supplement		

\* Network banks: includes the 15 subsidiaries of RBI AG in CEE.  
 \*\* Affiliated companies: includes the figures for Raiffeisen Bausparkasse Gesellschaft m.b.H., Raiffeisen Kapitalanlage-Gesellschaft m.b.H. and Raiffeisen-Leasing GmbH.

# Assurance Statement



## LRQA Assurance Statement Relating to Raiffeisen Zentralbank Österreich AG's 'Group Sustainability Report 2014' for the calendar year 2014

This Assurance Statement has been prepared for Raiffeisen Zentralbank Österreich AG in accordance with our contract but is intended for the readers of this Report.

### Terms of Engagement

Lloyd's Register Quality Assurance Ltd. (LRQA) was commissioned by Raiffeisen Zentralbank Österreich AG (RZB) to provide independent assurance on its 'Group Sustainability Report 2014' ("the Report") against the assurance criteria below to a limited level of assurance using LRQA's verification procedure.

Our assurance engagement covered RZB's operations and activities in:

- RZB's operations and activities in Austria,
- Raiffeisen Bank International AG (RBI)'s activities in Austria and fifteen subsidiaries across Central and Eastern Europe (CEE),
- Raiffeisen-Leasing GmbH, Raiffeisen Bausparkasse Bausparkasse Gesellschaft m.b.H. and Raiffeisen-Kapitalanlage Gesellschaft m.b.H.'s operations and activities in Austria

and specifically the following requirements:

- confirming that the report is in accordance with GRI G4's reporting guidelines and core option
- reviewing whether the report has taken account of the Financial Services sector disclosures guidelines (2013)
- evaluating the accuracy and reliability of data and information for the disclosed environmental and social indicators in the report.

Our assurance engagement excluded the data and information of RZB's suppliers, contractors and any third-parties mentioned in the Report.

LRQA's responsibility is only to RZB. LRQA disclaims any liability or responsibility to others as explained in the end footnote. RZB's responsibility is for collecting, aggregating, analysing and presenting all the data and information within the Report and for maintaining effective internal controls over the systems from which the Report is derived. Ultimately, the Report has been approved by, and remains the responsibility of RZB.

### LRQA's Opinion

Based on LRQA's approach nothing has come to our attention that would cause us to believe that RZB has not:

- Met the requirements above
- Disclosed accurate and reliable performance data and information, as no errors or omissions were detected
- Covered all the issues that are important to the stakeholders and readers of this Report.

The opinion expressed is formed on the basis of a limited level of assurance and at the materiality of the professional judgement of the verifier.

**Note:** The extent of evidence-gathering for a limited assurance engagement is less than for a reasonable assurance engagement. Limited assurance engagements focus on aggregated data rather than physically checking source data at sites.

### LRQA's Approach

LRQA's assurance engagements are carried out in accordance with our verification procedure. LRQA's verification procedure is based on current best practise and uses the principles of AA1000AS (2008) - inclusivity, materiality, responsiveness and reliability of performance data and processes defined in ISAE3000. The following tasks though were undertaken as part of the evidence gathering process for this assurance engagement:

- Assessing RZB's approach to stakeholder engagement to confirm that issues raised by stakeholders were captured correctly. We did this through reviewing documents and associated records.
- Reviewing RZB's process for identifying and determining material issues to confirm that the right issues were included in their Report. We did this by benchmarking reports written by RZB against our own



independent analysis of stakeholder issues. We also tested the filters used in determining material issues to evaluate whether RZB makes informed business decisions that may create opportunities that contribute towards sustainable development.

- Auditing RZB's data management systems to confirm that there were no significant errors, omissions or mis-statements in the Report. We did this by reviewing the effectiveness of data handling procedures, instructions and systems, including those for internal verification.
- Visiting RZB's headquarters to sample evidence for the environmental and social performance data.

**Note 1:** The verification was undertaken at RZB's headquarters, Am Stadtpark 9, 1030 Wien, Vienna in accordance with our contract and therefore did not include verifying data back to its original sources.

**Note 2:** Economic performance data was taken direct from the audited financial accounts.

- Interviewing relevant personnel responsible for the data and information disclosed in the Report.
- Checking that the GRI Index allows stakeholders to access sustainability performance indicators.

### Observations

Further observations and findings, made during the assurance engagement, are:

- Stakeholder inclusivity:
  - We are not aware of any key stakeholder groups that have been excluded from RZB's stakeholder engagement process. RZB has open dialogue with all of its stakeholders.
- Materiality:
  - We are not aware of any material issues concerning RZB's sustainability performance that have been excluded from the Report. It should be noted that RZB has established extensive criteria for determining which issue is material and that these criteria are not biased to RZB's management.
- Responsiveness:
  - We are not aware of any stakeholder issues that have not been addressed.
- Reliability:
  - RZB's software-supported data management systems are considered to be well defined.

### LRQA's Competence and Independence

LRQA ensures the selection of appropriately qualified individuals based on their qualifications, training and experience. The outcome of all verification and certification assessments is then internally reviewed by senior management to ensure that the approach applied is rigorous and transparent.

LRQA is RZB's verification body for ISO14064-1. These verification assessments are the only work undertaken by LRQA for RZB and as such does not compromise our independence or impartiality.

Signed

Dated: 21 May 2015

Harald Ketzer  
 LRQA Lead Verifier  
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# Abbreviations

<b>AA</b>	AccountAbility
<b>AC</b>	Affiliated companies
<b>ACEC</b>	Association for Culture, Education and Communications
<b>AR</b>	Annual report
<b>ASB</b>	Umbrella organization of the state approved debt counseling centers in Austria (Schuldnerberatungen GmbH)
<b>ASchG</b>	Employee Protection Act
<b>AVAL</b>	Raiffeisen Bank Aval JSC, Ukraine
<b>B-1</b>	"Board minus 1" - Direct management level (or first management level) under the Managing Board
<b>B-2</b>	"Board minus 2" - second management level under the Managing Board
<b>CAB</b>	Climate Awareness Bond
<b>CDP</b>	Carbon Disclosure Project
<b>CE</b>	Central Europe
<b>CEE</b>	Central and Eastern Europe
<b>CEO</b>	Chief Executive Officer
<b>CFO</b>	Chief Financial Officer
<b>CGT</b>	Capital gains tax
<b>CO<sub>2</sub>e</b>	CO <sub>2</sub> equivalent
<b>CoC</b>	Code of Conduct
<b>CSR</b>	Corporate Social Responsibility
<b>CYI</b>	Center for Youth Integration
<b>DMA</b>	Disclosures on Management Approach
<b>EACB</b>	European Association of Co-Operative Banks
<b>EBR</b>	European Works Council
<b>EBRD</b>	European Bank for Reconstruction and Development
<b>EC</b>	Economic
<b>ECB</b>	European Central Bank
<b>EIB</b>	European Investment Bank
<b>EN</b>	Environment
<b>ESG</b>	Environment Social Governance
<b>ESMS</b>	Environmental and Social Management System
<b>EU</b>	European Union
<b>FACTA</b>	Foreign Exchange Tax Compliance Act
<b>FFG</b>	Austrian Research Promotion Agency (Österreichische Forschungsförderungsgesellschaft mbH)
<b>FS</b>	Financial Sector
<b>FSSS</b>	Financial Services Sector Supplements
<b>FTE</b>	Full-time equivalents
<b>GAV</b>	Gross Added Value
<b>GBP</b>	Green Bond Principles
<b>GRI</b>	Global Reporting Initiative
<b>HR</b>	Human Resources
<b>HR</b>	Human Rights (in GRI Content Index)
<b>ICEP</b>	Institute of Cooperation on Development Projects
<b>ICMA</b>	International Capital Market Association
<b>IFC</b>	International Finance Corporation
<b>ILO</b>	International Labour Organization
<b>JET</b>	Young Ensemble at Theater an der Wien
<b>KfW</b>	Reconstruction Loan Institution
<b>KPI</b>	Key Performance Indicator
<b>kW</b>	kilowatt
<b>kWh</b>	kilowatt hour
<b>kV</b>	kilovolt
<b>LA</b>	Labor
<b>LEED</b>	Leadership in Energy and Environmental Design
<b>MiFID</b>	Markets in Financial Instruments Directive
<b>MIGA</b>	Multilateral Investment Guarantee Agency
<b>mona</b>	Sustainability monitoring tool

<b>NGO</b>	Non-governmental organization
<b>NPO</b>	Non-profit organization
<b>NPS</b>	Net Promoter Score
<b>NWB</b>	Network banks
<b>OECD</b>	Organization for Economic Cooperation and Development
<b>OeKB</b>	Oesterreichische Kontrollbank AG
<b>ÖGNI</b>	Austrian Society for Sustainable Real Estate (Österreichische Gesellschaft für Nachhaltige Immobilienwirtschaft)
<b>ÖGUT</b>	Austrian Society for Environment und Technology (Österreichische Gesellschaft für Umwelt und Technik)
<b>Pkm</b>	Passenger kilometers
<b>PM</b>	Performance Management
<b>PR</b>	Product Responsibility
<b>RBAL</b>	Raiffeisen Bank Sh.a., Albania
<b>RBBG</b>	Raiffeisenbank (Bulgaria) EAD
<b>RBBH</b>	Raiffeisen BANK d.d. Bosna i Hercegovina
<b>RBBY</b>	Priorbank JSC, Belarus
<b>RBCZ</b>	Raiffeisenbank a.s., Czech Republic
<b>RBG</b>	Raiffeisen Banking Group
<b>RBHR</b>	Raiffeisenbank Austria d.d., Croatia
<b>RBHU</b>	Raiffeisen Bank Zrt., Hungary
<b>RBI AG</b>	Raiffeisen Bank International AG
<b>RBKO</b>	Raiffeisen Bank Kosovo J.S.C.
<b>RBPL</b>	Raiffeisen Bank Polska S.A., Poland
<b>RBRO</b>	Raiffeisen Bank S.A., Romania
<b>RBRs</b>	Raiffeisen banka a.d., Serbia
<b>RBRU</b>	AO Raiffeisenbank, Russia
<b>RBSI</b>	Raiffeisen Banka d.d., Slovenia
<b>RBSK</b>	Raiffeisen Bausparkasse Gesellschaft m.b.H.
<b>RiCC</b>	Research institute for cooperations and cooperative societies
<b>RKAG</b>	Raiffeisen Kapitalanlage-Gesellschaft m.b.H.
<b>RKI</b>	Raiffeisen Climate Protection Initiative (Raiffeisen Klimaschutz-Initiative)
<b>RL</b>	Raiffeisen-Leasing GmbH
<b>RU</b>	Russia
<b>RWA</b>	Risk-weighted assets
<b>RZB AG</b>	Raiffeisen Zentralbank Österreich AG
<b>SASB</b>	Sustainability Accounting Board
<b>SEA</b>	Sustainable Entrepreneurship Award
<b>SEE</b>	South Eastern Europe
<b>SERI</b>	Sustainable Europe Research Institute
<b>SM</b>	Sustainability Management
<b>SME</b>	Small and Medium-Sized Enterprises
<b>SO</b>	Society
<b>SRI</b>	Socially Responsible Investment
<b>TBSK</b>	Tatra banka, a.s., Slovakia
<b>TU</b>	Technical University
<b>UN-PRI</b>	United Nations Principles for Responsible Investment
<b>UNEP FI</b>	United Nations Environment Programme Finance Initiative
<b>UNGC</b>	United Nations Global Compact
<b>UN</b>	United Nations
<b>VAT</b>	Value-added tax
<b>VWIS</b>	Association for upholding integrity in sport
<b>WKO</b>	Austrian Economic Chamber
<b>WU</b>	Vienna University of Economics and Business Administration
<b>ZBP</b>	Career Planning Center, Company for Promoting Career Planning at Vienna University of Economics and Business Administration
<b>ZHS</b>	Office- & Facilitymanagement GmbH



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