

***“SUSTAINABLE DESIGN: OUR ESG POSITIONING FOR LONG-TERM SUCCESS”***

***ESG-STRATEGY 2024***



**Raiffeisenlandesbank  
Niederösterreich-Wien**



# Content

This report provides an overview of the current progress and measures regarding sustainability at Raiffeisenlandesbank NÖ-Wien (RLB NÖ-Wien).

In the past year, the bank achieved several significant highlights, including the successful development of a comprehensive ESG-Strategy as well as the strengthened integration of ESG-Criteria into the business model. The bank's strategy aims to further expand sustainable investments, reduce CO<sub>2</sub> emissions, and strengthen its contribution to society.

## ESG Commitment

**Keynote from the Executive Board  
Our Commitment to ESG  
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## Environment

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- Sustainable positioning
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- Sustainable Bond Framework

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01

# Our Commitment to ESG

# Keynote

## Roland Mechtler

### (ETT)

As a member of the Executive Board of RLB NÖ-Wien, it is particularly important to me to clearly and transparently articulate the responsibility that we, as an Austrian regional bank, have towards our society and the environment. At a time when ecological, social, and economic challenges are becoming increasingly important, we as a financial institution take our role in promoting sustainable development very seriously. Sustainability is not just a trend, but an attitude. For us, this means balancing economic success with environmental and social responsibility. As a bank, we take a holistic approach that is anchored not only in our financial services, but also in our internal processes and our cooperation with our partners and customers.

*Roland Mechtler*



#### **Responsibility within our own company**

Sustainability also begins with us. That is why we have taken numerous measures in recent years to minimize the environmental impact of our own operations. These include the increased use of renewable energies, the reduction of paper consumption, and the promotion of environmentally friendly commuting. In our corporate culture, we also value diversity, inclusion, and the promotion of social responsibility, both internally and in our cooperation with our partners.

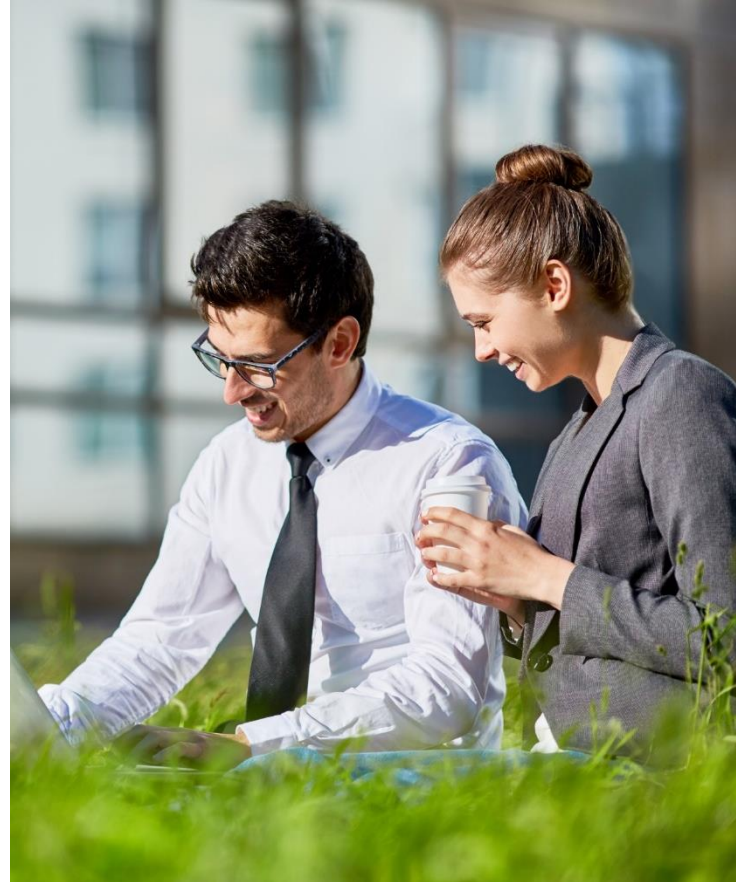
#### **Our Responsibility as a regional financial partner**

We see ourselves as a partner to the regional economy and are actively committed to promoting projects that are in line with the principles of sustainable development. This includes supporting companies that pursue innovative and sustainable business ideas, as well as advising our customers on sustainable financial decisions. As a regional bank, promoting a strong and sustainable economy in our home region is particularly important to us.

# Our Commitment to ESG

Sustainability is a central part of our corporate responsibility – especially as a financial institution that contributes significantly to economic development and stability. With increasing environmental, social, and regulatory challenges, we recognize our role and influence on the environment and society. That is why we are committed to consistently aligning our business activities with sustainable standards and making sound, future-oriented decisions.

Our ESG-Strategy provides a clear framework defining how we understand, manage, and permanently embed sustainability in our organization. It enables us to systematically integrate environmental, social, and governance aspects into our processes, products, and business decisions – with the aim of actively contributing to the transition to a climate-friendly, resilient, and fair economy.



Our ESG-Strategy focuses on three dimensions:

- Environment (E)
- Social (S) and
- responsible corporate governance. (G)

The core element is climate protection—in particular, the consistent reduction of our CO<sub>2</sub> emissions along a decarbonization path. Our goal is to bring our business activities into line with the Paris climate targets. In addition, we are providing targeted impulses for the protection of biodiversity and for the respect and observance of human rights – both within our organization and along our supply and value chain. Through this ESG-Strategy, we are laying the foundation for a holistic understanding of sustainability that strengthens social justice, fulfills environmental responsibility, and ensures the highest standards of corporate governance.

# Our commitment to ESG

Our goal is to integrate ESG factors comprehensively into all areas of the company. This results in clear priorities in the areas of environment, social affairs, and corporate governance. We implement these priorities at RLB NÖ-Wien through agile collaboration between all employees – with the aim of actively supporting our customers on their path to sustainable transformation.



## Environment

We are driving the ecological transformation of RLB NÖ-Wien and our customers through sustainable portfolio management, targeted ESG criteria, and the financing of climate-friendly business models. This allows us to provide a measurable contribution to climate protection and the promotion of biodiversity.



## Social

Social commitment is an integral part of our corporate culture. We are committed to respectful cooperation, equal opportunities, and inclusion. To this end, we support social projects, enable corporate volunteering, and specifically strengthen diversity and social participation.



## Governance

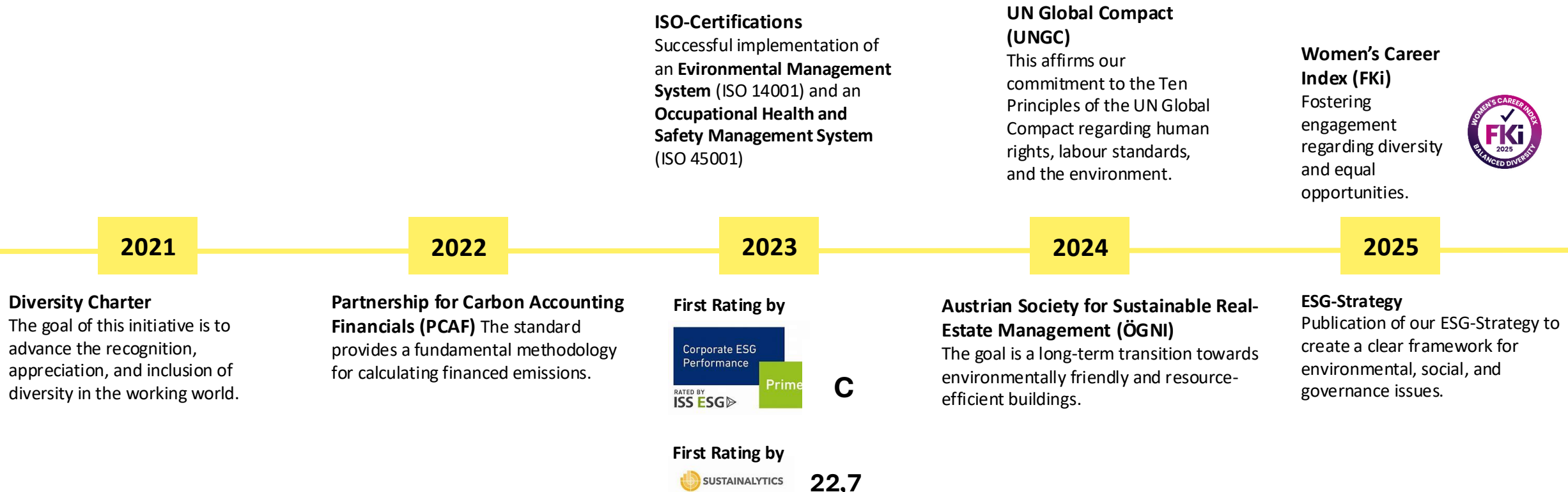
For us, good corporate governance means clearly anchoring responsibility and strategically steering sustainable action. We systematically integrate ESG aspects into our decision-making processes, relying on transparency, clear responsibilities, and effective oversight by our committees – ensuring long-term stability and trust among our stakeholders.

# Memberships and Initiatives

To effectively incorporate the needs and interests of our stakeholders regarding sustainable development into our strategy and business models, the RLB NÖ-Wien Group relies on active partnerships with renowned national and international organizations and initiatives.

By participating in selected sustainability initiatives, we commit to responsible business practices and actively contribute to the transformation towards a sustainable financial sector.

## Our Sustainable Commitments since 2021



# ESG Milestones

## 2024

Own Operations	Portfolio	Risk
<p><b>100%</b> of electricity consumption covered by UZ-46-certified electricity</p> <p><b>31,7 %</b> female representation in management</p> <p><b>Barriere-free</b> access to all branches</p> <p><b>333</b> employees complete DisAbility training courses</p> <p><b>160</b> Zertifizierungen erhalten Mitarbeiter:innen beim 8. Sustainable Finance Lehrgang</p> <p><b>Automated</b> retrieval of energy data at our locations</p> <p><b>Concept</b> heating oil and gas-free new locations</p>	<p><b>3,8 Mrd. EUR</b> in ESG-compliant financing in the portfolio</p> <p><b>1,26 Mrd. EUR</b> in new ESG-compliant financing</p> <p><b>Decarbonization Path</b> for the largest sector in the portfolio</p> <p><b>21 %</b> of the emissions we finance are covered by our decarbonization targets</p> <p><b>UZ-49</b> Certification of the Going Green Loan and the Going Green Loan Real Estate</p>	<p><b>Significant consideration of ESG-Risks in the risk management process</b></p> <p><b>Assessment of ESG-Risks</b> using a qualitative ESG-Questionnaire in the risk inventory</p> <p><b>Integration of ESG-Risks</b> into all existing ICAAP risk types</p> <p>Assessment of <b>physical and transitory risks</b> in the short, medium, and long term</p> <p><b>Financial Materiality Analysis</b> as part of risk inventory</p>



# Double Materiality Analysis

The ESG-Strategy of RLB NÖ-Wien is based on the results of a comprehensive Double Materiality Analysis in accordance with the European Sustainability Reporting Standards (ESRS). It takes into account both the impact of its own business activities on the environment and society (Impact materiality) and the financial risks and opportunities arising from external sustainability factors (Financial materiality)

## Results of the Double Materiality Analysis

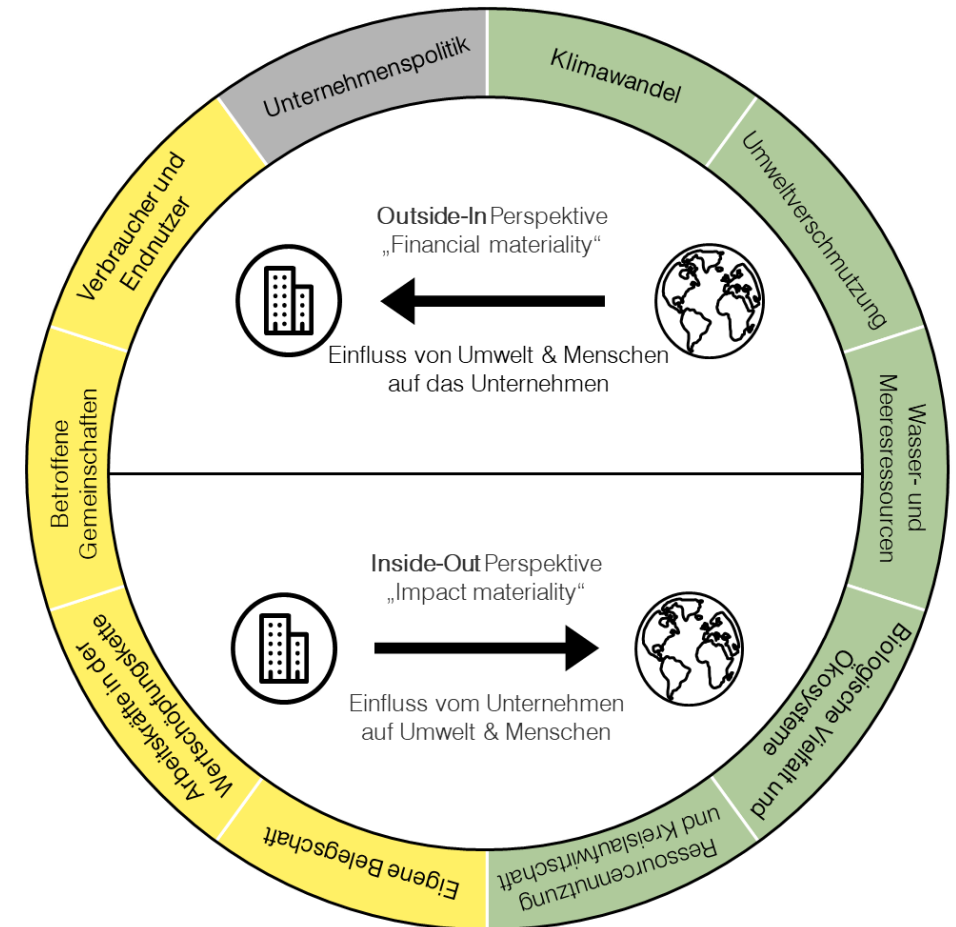
Based on a comprehensive materiality analysis, those topics were identified:

- Where RLB NÖ-Wien has the greatest influence on the social and ecological environment (impacts) and/or
- Where the social and ecological environment has the greatest influence on the company (risks and opportunities)

The analysis showed that the following fields of action are of particular strategic relevance:

- Climate Change
- Biodiversity and Ecosystems
- Human Rights in all affected stakeholder groups
- Business Conduct

These topics form the foundation of our ESG-Strategy, which not only enables us to meet regulatory requirements, but also to create sustainable added value for society and the environment through targeted measures.





02

# Environment

# Overview of objectives

Responsible ecological contribution in the portfolio and within our own operations

## E1 – Climate Protection

### Portfolio

#### Decarbonization targets according to SBTi for Scope 3.15

**By 2030** Reduction in financed CO<sub>2</sub>e emissions

**54 %** in private customer segment

**52 %** in SME segment

**52 %** in commercial customer segment

**By 2050** Reduction in financed CO<sub>2</sub>e Emissionen

**90 %** in private customer, SME and commercial customer segment



**By 2027**

Increase in ESG-compliant financing across the entire portfolio

### Own Operations

#### Decarbonization targets according to SBTi for Scope 1 & 2



#### SCOPE 1 – Emissions

**By 2030**

a reduction of **42 %**

**By 2050**

a reduction of **90 %**

#### SCOPE 2 - Emissions

**By 2030**

**100 %** electricity sourcing from renewable sources  
(*target already achieved*)



**By 2030**

**100 %** electric vehicles in the employee company car fleet

**By 2025**

- Fully automated collection of operational environmental data from all locations
- Expansion of in-house electricity generation based on the PV feasibility analysis

# Overview of objectives

Responsible ecological contribution in the portfolio and within our own operations

## E4 – Biodiversity

### Portfolio



**Commitment to Renovation Financing** within the real estate portfolio



Inclusion of **biodiversity in the evaluation criteria**: Expansion of industry policies to include a biodiversity chapter for real estate



**By 2027**  
Development of **industry-specific KPIs**



**Improvement of data quality**: Monitoring of new business on greenfield and brownfield sites in real estate project financing

### Own Operations



**By 2025**  
**100%** of employees will have completed **biodiversity training** by the end of 2025



**By 2030**  
Promotion of species diversity through the purchase of **three hectares of biodiversity areas**



**Creation of a concept** for site greening and increasing biodiversity at the locations

# Sustainability Bond Framework

The Sustainability Bond Framework of RLB NÖ-Wien serves as the central foundation for the issuance of Green, Social, and Sustainability Bonds. Its objective is to provide capital specifically for projects with positive environmental and social impacts – whether for the refinancing of existing projects or the financing of new initiatives. The framework is based on the internationally recognized principles of the International Capital Market Association (ICMA), specifically the Green Bond Principles, Social Bond Principles, and the Sustainability Bond Guidelines.

This ensures that funds are directed exclusively to projects that meet strict ESG-Criteria and contribute to the achievement of global sustainability goals – such as climate protection, social inclusion, or the promotion of sustainable infrastructure. The framework thus underscores RLB NÖ-Wien's commitment to actively utilizing its financing instruments for the sustainable transformation of the economy and society.

## Environmental Criteria

Under the Sustainability Bond Framework of RLB NÖ-Wien, the proceeds from the issuance of Green Bonds are specifically allocated to projects with clear environmental benefits – in alignment with the ICMA Green Bond Principles. The focus is on seven central environmental categories that define the strategic framework for sustainable financing:

- Green Buildings
- Renewable Energy
- Energy Efficiency
- Clean Transportation
- Pollution Prevention and Control
- Eco-efficient and Circular Economy Solutions
- Water and Waste Management

These environmental criteria are closely linked to the EU Taxonomy and global sustainability goals, ensuring that the financed projects make a measurable contribution to the ecological transformation.

## Social Criteria

Under the RLB NÖ-Wien Sustainability Bond Framework, proceeds from the issuance of Social Bonds are allocated exclusively to financing or refinancing projects with clear social benefits – in accordance with the ICMA Social Bond Principles. The objective is to improve access to essential services, promote social inclusion, and provide targeted support to disadvantaged population groups. The social criteria focus on three key areas of action: Education, Access to Essential Services specifically Healthcare and Affordable Housing. These projects address central societal challenges and contribute to improving the quality of life in the region.

# Financed Emissions

RLB NÖ-Wien is actively committed to the sustainable transformation of the economy and takes responsibility for the financed emissions within its portfolio. These emissions reflect the progress of our ESG strategy and serve as a key lever to drive decarbonization within our financing activities.

## Calculation based on PCAF Standard

To ensure transparency and comparability, we measure our financed emissions according to the internationally recognized Partnership for Carbon Accounting Financials (PCAF) Standard. Since joining in 2022, we have been working to continuously further develop our data basis to enable a more precise assessment of our climate impact. For the calculation of financed emissions, CO<sub>2</sub> data is regularly collected from clients and, where necessary, actively requested to ensure comprehensive measurement.



## Results – Financed Emissions 2024

**5,2 Mio. t CO<sub>2</sub>e**  
Total  
Financed  
Emissions

**1,7 Mio. t CO<sub>2</sub>e**  
Financial and  
Insurance  
Services

**1,3 Mio. t CO<sub>2</sub>e**  
Public  
Administration

**0,7 Mio. t CO<sub>2</sub>e**  
Manufacturing  
Of Goods

# Decarbonization targets for the Real Estate Portfolio

## E1 – Decarbonization of the Portfolio

As part of our commitment to limiting global warming to 1.5°C in accordance with the Paris Agreement, we have set ourselves the goal of developing a clear and science-based decarbonization pathway for our portfolio. In 2024, we defined specific reduction targets for the real estate portfolio for the first time, as this constitutes a significant share of the total portfolio at RLB NÖ-Wien. We will expand these targets to further sectors within RLB NÖ-Wien in the coming years. Reduction targets were set for the real estate portfolio up to 2030; these are interim targets designed to achieve the Net Zero goal by 2050, while taking the 1.5°C target into account.

To set the decarbonization targets, the Science Based Targets initiative (SBTi) Real Estate Tool was utilized, which uses the Sectoral Decarbonization Approach (SDA) – a method that establishes physical intensity targets. In this process, the emission intensity converges towards a sector-specific target value. For each sector, the physical CO<sub>2</sub> intensity of the portfolio is measured at a baseline (starting point), from which a target pathway up to 2050 can be derived.

To ensure efficient portfolio management at RLB NÖ-Wien, the real estate portfolio was divided into the following client groups for the purpose of setting decarbonization targets:

- Private Clients and Private Banking (PC)
- Commercial Clients (COM)
- Small and Medium-sized Enterprises (SME)



Client Group	Emissions Scope	Target Setting	Base Year	Base Year YE 2023 (kg CO <sub>2</sub> e/m <sup>2</sup> )	Value YE 2024 (kg CO <sub>2</sub> e/m <sup>2</sup> )	Target Value 2030 (kg CO <sub>2</sub> e/m <sup>2</sup> )	Reduction in % by 2030 (vs. Base Year)
PK und PB	Scope 1+2	1,5°C	2023	31,2	32,46	14,5	53,5 %
KMU	Scope 1+2	1,5°C	2023	31,0	31,40	14,7	52,6 %
KOM	Scope 1+2	1,5°C	2023	36,5	36,85	17,0	53,4 %

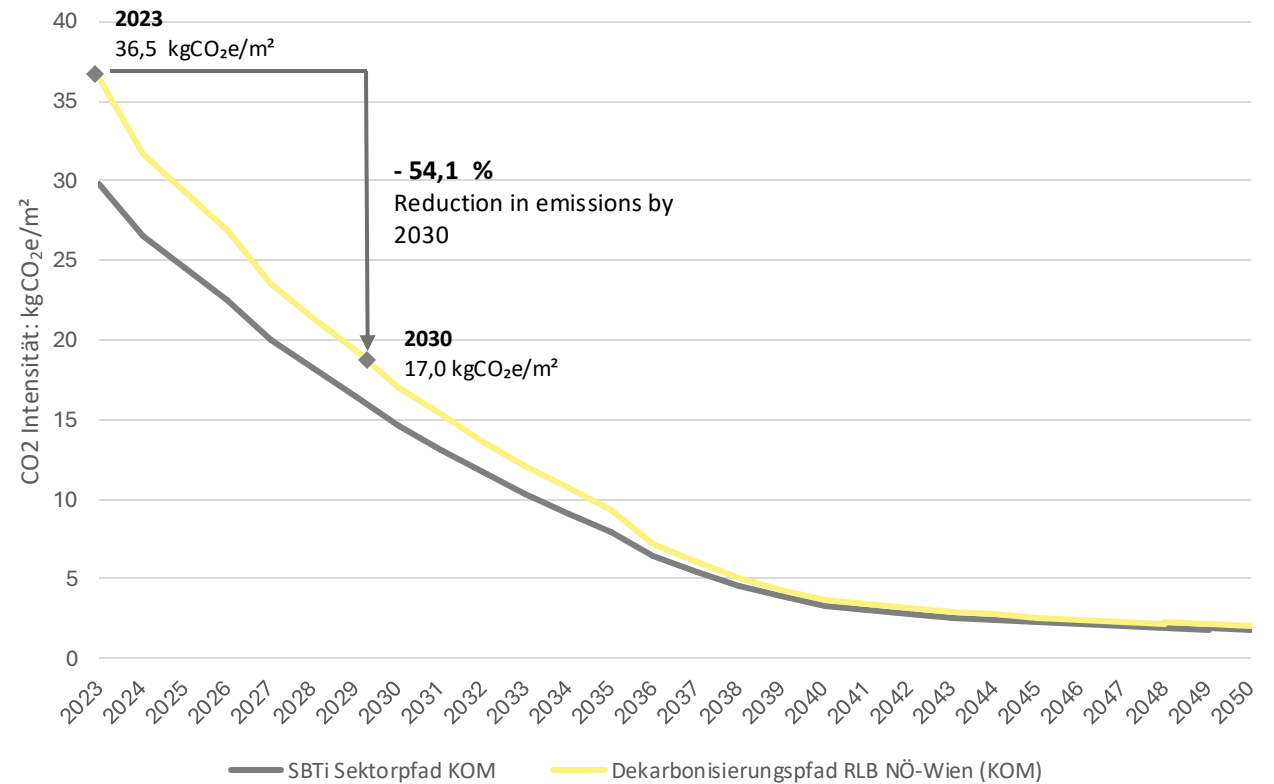
# Decarbonization of the Real Estate Portfolio Commercial Customers

The financing recorded in this area is directed toward commercial customers and accounts for 55 % of the portfolio considered within the scope of the SBTi target. The commercial customers' real estate portfolio consists mainly of a few key building categories. The largest share is accounted for by residential buildings in the residential multi-family segment, which includes apartment buildings, rental properties, and terraced houses. This is followed by commercial and office space, and accommodation such as vacation homes, hotels, and guesthouses.

The chart displays the decarbonization pathway of RLB NÖ-Wien for the commercial client portfolio in comparison to the 1.5°C target pathway, in accordance with the requirements of SBTi. The sector pathway, which serves as a reference, was weighted based on the portfolio composition of RLB NÖ-Wien's commercial clients and refers exclusively to the pathways specified by SBTi (CRREM pathways) in Austria.

By 2030, RLB NÖ-Wien aims to reduce emissions by 54.1 %, decreasing from 36.5 kg CO<sub>2</sub>e/m<sup>2</sup> in 2023 to 17.0 kg CO<sub>2</sub>e/m<sup>2</sup> in 2030. Although RLB NÖ-Wien's decarbonization pathway currently runs above the sectoral pathway, it converges with it in the long term, demonstrating a clear objective to reduce emissions in alignment with the Paris Climate Goals.

## Decarbonization Path Commercial Customers





# Decarbonization of the Real Estate Portfolio

## Small and medium-sized Enterprises

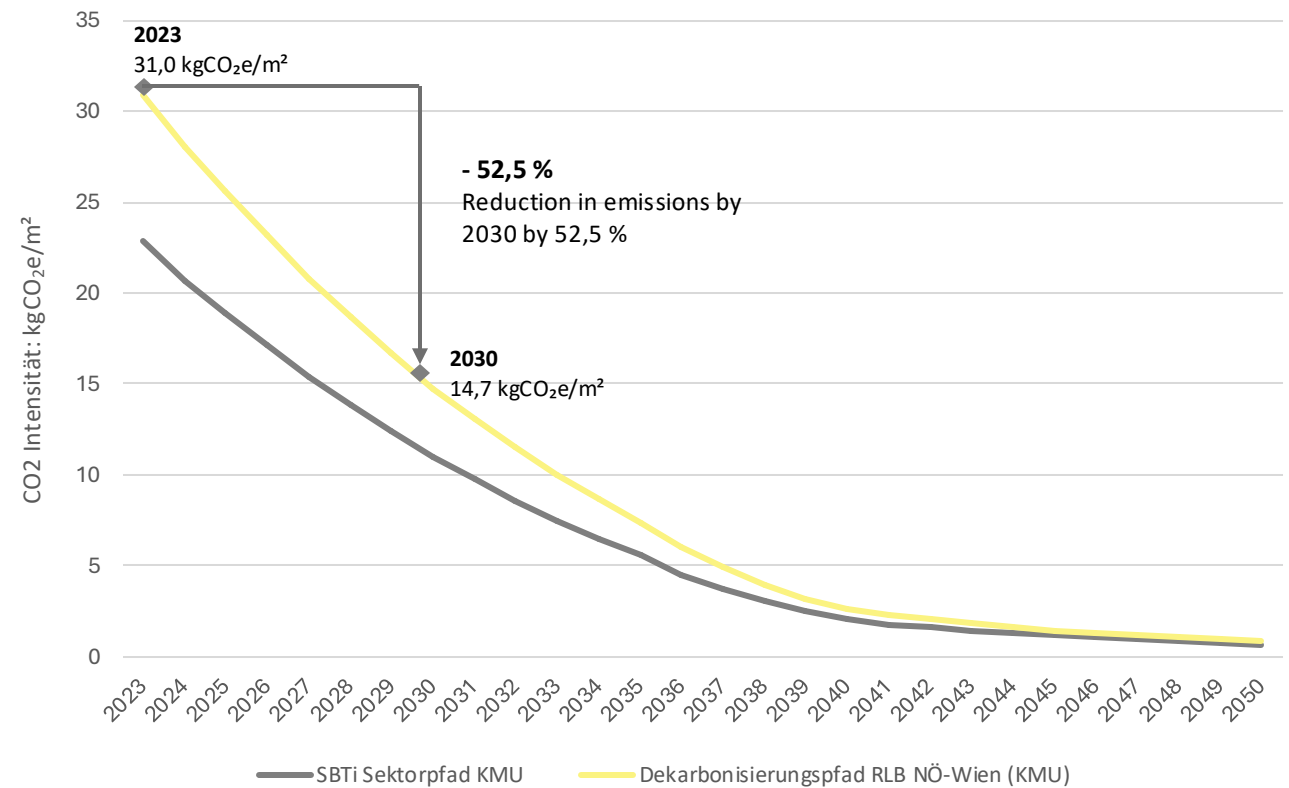
The financing recorded in this area is specifically directed at small and medium-sized enterprises (SMEs) and accounts for 17 % of the portfolio included in the SBTi target. The SME portfolio focuses on a few key building categories. The largest share is accounted for by residential and office buildings. In addition, hotels and certain commercial properties such as retail warehouses play an important role. These building types form the core components of the SME portfolio and represent the majority of the financed properties.

The chart displays the decarbonization pathway of RLB NÖ-Wien for the SME portfolio in comparison to the 1.5°C target pathway, in accordance with the requirements of the SBTi. The sector pathway, which serves as a reference, was weighted based on the portfolio composition and refers exclusively to the pathways specified by the SBTi (CRREM pathways) in Austria.

By 2030, RLB NÖ-Wien aims for an emission reduction of 52.5 %, decreasing from 31,0 kg CO<sub>2</sub>e/m<sup>2</sup> in 2023 to 14,7 kg CO<sub>2</sub>e/m<sup>2</sup> in 2030. Although RLB NÖ-Wien's decarbonization pathway currently runs above the sectoral pathway, it converges with it in the long term, demonstrating a clear objective to reduce emissions in alignment with the Paris Climate Goals.

## Decarbonization Path

### Small and medium-sized Enterprises



# Decarbonization of the Real Estate Portfolio

## Private Customers

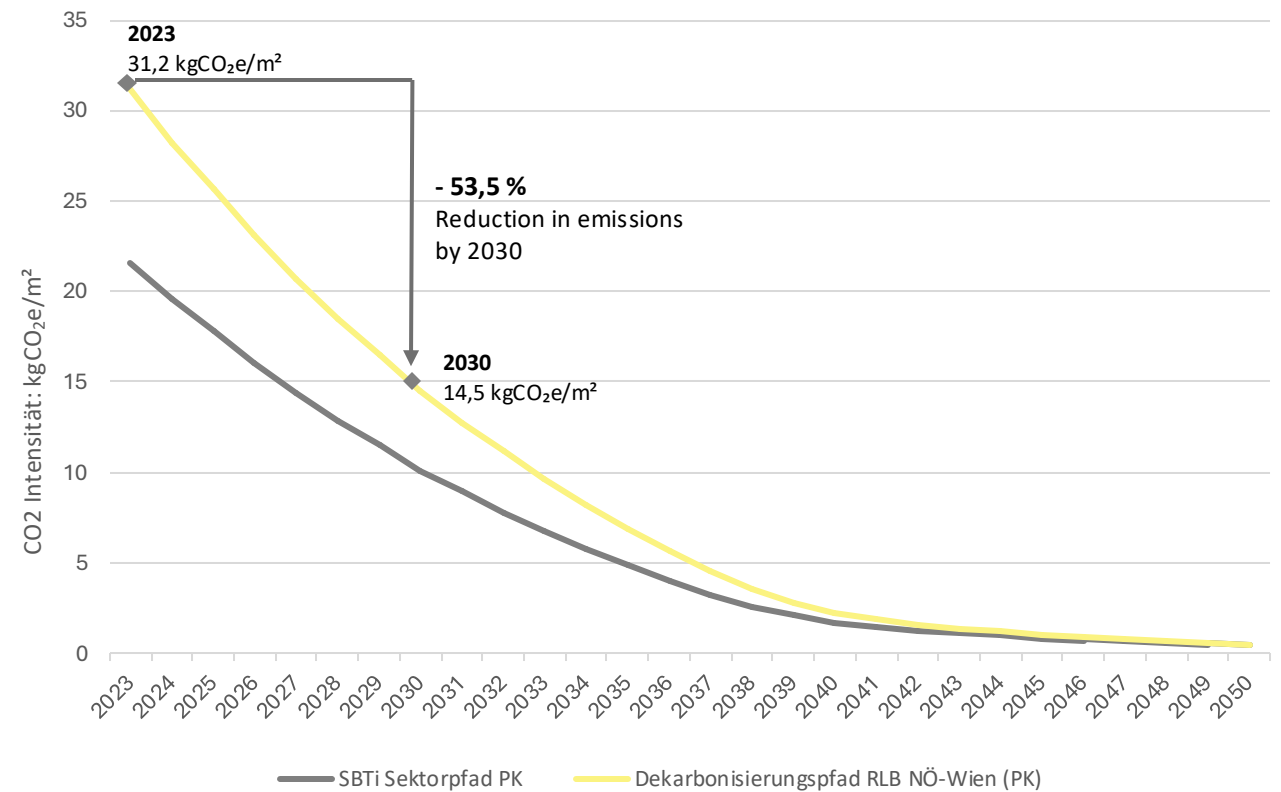
The financing recorded in this area is directed at private customers and accounts for 28 % of the portfolio considered within the scope of the SBTi target. The focus here is almost exclusively on private residential construction financing, which is primarily used for the construction and purchase of single-family homes and apartments. This segment also includes financing for multi-family homes, which make up a relatively small portion of the private customer portfolio. Overall, this area primarily reflects the individual living arrangements of private households and forms a significant part of the overall portfolio that has been integrated into the SBTi target.

The chart shows the decarbonization pathway of RLB NÖ-Wien (PC) compared to the 1.5-degree target pathway in accordance with the SBTi initiative guidelines. The sector path, which serves as a reference, was weighted based on the portfolio composition of RLB NÖ-Wien's private customer group and refers exclusively to the paths specified by SBTi (CRREM paths = Carbon Risk Real Estate Monitor) in Austria.

By 2030, RLB NÖ-Wien aims to reduce emissions by 53.5 %, from 31.2 kg CO<sub>2</sub>e/m<sup>2</sup> in 2023 to 14.5 kg CO<sub>2</sub>e/m<sup>2</sup> in 2030. RLB NÖ-Wien's decarbonization path currently exceeds the sectoral path but is converging with it in the long term and shows a clear commitment to reducing emissions in line with the Paris climate targets.

### Decarbonization Path

#### Private Customers





# Measures for decarbonization in the Real Estate Portfolio

## Commitment to Refurbishment and Renovation

In order to promote the quality and sustainability of our real estate portfolio, we are committed to refurbishment and renovation in our financing business.

## Collection of Energy Performance Certificates

For every real estate loan or mortgage collateral in new business, the collection of an Energy Performance Certificate is mandatory, and the data is systematically recorded. In addition, missing EPCs for existing properties are requested and, where possible, obtained retroactively.

## Development of a Real Estate Policy

We are developing a policy for real estate financing that includes positive and negative criteria for the future assessment of new business. Positive criteria refer to desirable activities, while negative criteria define activities that we refrain from financing.

## Intensive Client Dialogue

We promote dialogue with our clients to better understand their needs in the context of the energy transition and to identify common starting points for sustainable measures.

## Monitoring of Decarbonization Progress

The integration of Energy Performance Certificate data, building certifications, and greenhouse gas intensities into the existing ESG Dashboard enables structured monitoring of decarbonization progress. This allows changes to be tracked more effectively while ensuring transparent reporting.

## Internal Training and Education

We strengthen the professional know-how of our sales staff through targeted training and education. We impart in-depth knowledge, particularly regarding sustainability topics with a focus on the real estate sector and promote continuous competence development.

# Decarbonization Path Own Operations

## Scope 1

### E1 – Decarbonization Own Operations

The Group has committed itself to achieving the global climate target of a maximum of 1.5 degrees of warming and is pursuing a clear net-zero strategy. This commitment is part of our long-term sustainability goals to make a decisive contribution to reducing greenhouse gas emissions and actively combating climate change. We are committed to reducing our emissions to net zero by 2050 at the latest, thereby supporting global efforts to achieve the Paris Climate Agreement.

RLB NÖ-Wien actively recognizes its responsibility for climate protection and is implementing extensive measures to transition to climate-friendly operations. We have set ambitious decarbonization targets for Scope 1 & 2, which are in line with the Paris Climate Agreement. Our focus for Scope 1 decarbonization is on converting our vehicle fleet to electric cars and developing concepts based on ESG criteria for our own locations.

### Decarbonization Targets according to SBTi

2030

- **Scope 1 Emissions: - 42 %**
- **Scope 2 Emissions: 100 % Renewable Energy Sources**

2050

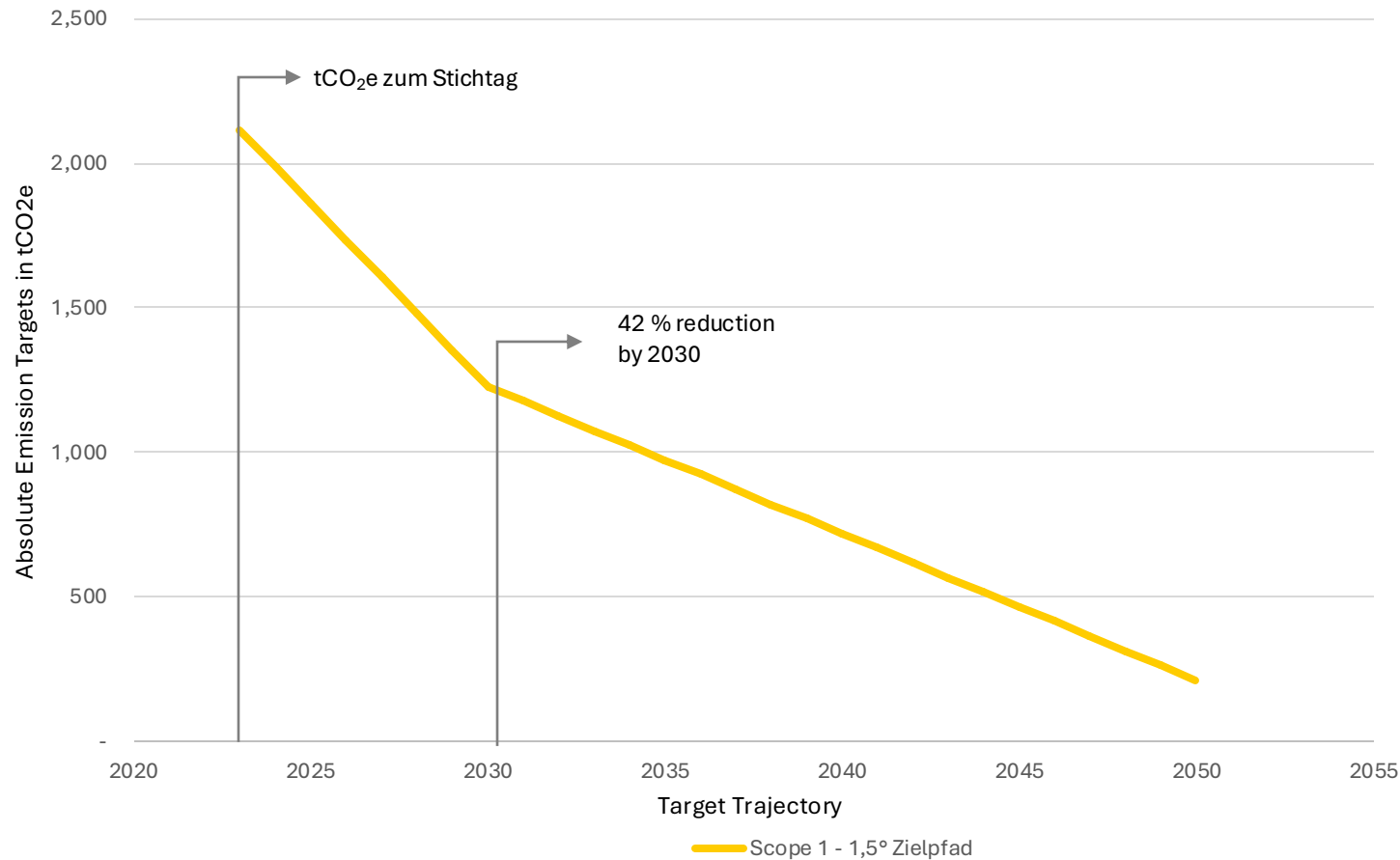
- **Scope 1 Emissions: - 90 %**

### Our Targets

- 1 Expansion of in-house electricity production based on the PV feasibility analysis by 2025
- 2 100 % electric vehicles in the employee company car fleet by 2030
- 3 Fully automated collection of operational environmental data from all locations by 2025
- 4 Target already achieved in 2024 – 100% electricity sourcing from renewable sources

# Decarbonization Path Own Operations

## Scope 1



### Decarbonization Targets according to SBTi for Scope 1 & 2

#### Scope 1

A 42 % reduction by 2030

A 90 % reduction by 2050

#### Scope 2

100 % of electricity from renewable sources by 2030

### Measures

- Conversion of employee company car fleet to an electric fleet
- 100% electricity from renewable sources

# Contribution to preserving Biodiversity in the Portfolio

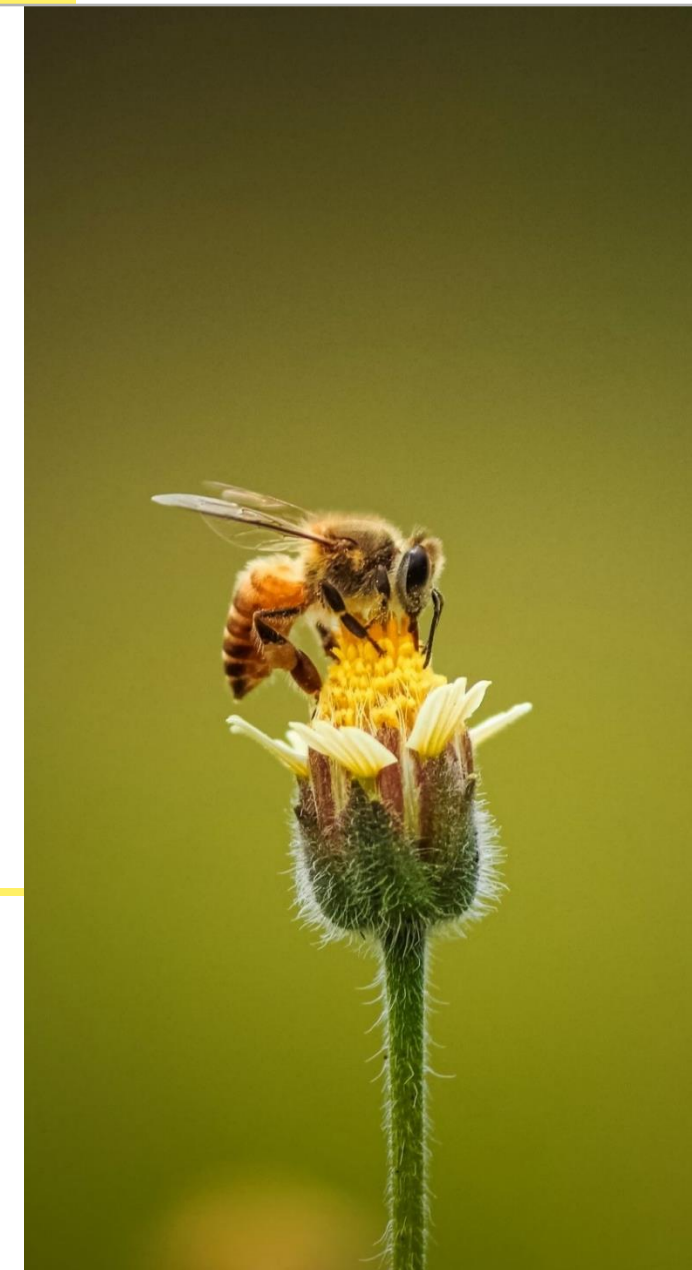
## E4 – Biodiversity in Portfolio

The protection and promotion of biodiversity are essential for sustainable development and are among the central pillars of RLB NÖ-Wien's ESG strategy. The measures have been developed in line with Austria's Biodiversity Strategy 2030+. The issue of biodiversity protection is also important in RLB NÖ-Wien's portfolio. As RLB NÖ-Wien's portfolio includes many real estate financing projects, the focus has been placed on this sector. Initial goals and measures have already been developed and will be further refined over the next few years to help better understand and manage the impact of the business model on biodiversity.

NACE Code	NACE Abschnitt	prozentueller Anteil am Gesamt-Kreditportfolio	Encore v2 Auswirkungskategorien												
			Störungen (z. B. Lärm, Licht)	Süßwassernutzung	Treibhausgasemissionen	Meeresbodennutzung	Emissionen von Nicht-THG-Luftschadstoffen	Gewinnung botanischer Ressourcen (z. B. Fisch, Holz)	Gewinnung abiotischer Ressourcen	Emissionen von giftigen Boden- und Wasserschadstoffen	Emissionen von nährstoffhaltigen Boden- und Wasserschadstoffen	Erzeugung und Freisetzung von festen Abfällen	Fläche der Landnutzung	Volumen des Wasserverbrauchs	Einführung von invasiven Arten
L	Immobilien (Gewerbe + Privat)	55%	2	0	1	0	1	0	0	2	0	1	5	2	0
C	Herstellung von Waren	10%	5	0	4	0	4	0	0	5	0	3	2	3	0
G	Handel	5%	2	0	3	0	2	0	0	2	0	1	2	3	5
F	Bau	5%	5	5	3	3	2	0	0	4	0	3	5	2	2
O	Öffentliche Verwaltung	5%	2	0	2	0	2	0	0	2	0	3	3	3	0

0 Keine Auswirkung    1 Sehr geringe Auswirkung    2 Geringe Auswirkung    3 Mittlere Auswirkung    4 Große Auswirkung    5 Sehr große Auswirkung

- 1 Based on these results, industry-specific KPIs will be derived and developed by 2027
- 2 These aim to make the loan portfolio controllable in terms of biodiversity and ecosystems and to develop targets and measures
- 3 Promoting Refurbishment Financing in the Real Estate Portfolio
- 4 Including biodiversity in the assessment criteria: Expanding industry policies to include a biodiversity chapter for real estate
- 5 Improving data quality: Monitoring new business on greenfield and brownfield sites for real estate project financing



# Promoting Biodiversity in Own Operations

## E4 – Biodiversity Own Operations

### 01 From Gray to Green

Analysis of operational sites regarding proximity to biodiversity-sensitive areas, as well as ecosystem dependencies and impacts.

The goal is to develop a concept for site greening and increasing biodiversity at the sites by 2027.

### 02 Employee Awareness

Employee training aims to promote environmental awareness and knowledge of biodiversity. This will minimize the company's potential negative impact on the environment.

By the end of 2025, 100% of all employees will have completed biodiversity training.



### 03 Promoting biological Diversity

Certain negative impacts on biodiversity, such as soil sealing at the sites, cannot be avoided.

To compensate for this, three hectares of biodiversity areas are to be financed by 2026.





**03**

**Social**



# Overview of Objectives

## Responsible Social Contribution

### S1 – Own Workforce



**By 2024**

**30 %** more women in leadership positions



**By 2027**

**33 %** more women in leadership positions



**By 2025**

Installation of a “Room of Silence” as an interdenominational place



**By 2025**

all employees will complete the “DisAbility – Basic Awareness” training course

### S2 – Workers in the Value Chain



**By 2026**

Review of Human Rights Due Diligence obligations throughout the supply chain

# Promoting Employee Satisfaction

## Room of Silence

### S1 – Own Workforce

#### Importance of Employee Satisfaction

Employee satisfaction and well-being are key success factors for sustainable corporate development. Committed and healthy teams contribute significantly to innovation, productivity, and long-term competitiveness. High employee satisfaction strengthens loyalty to the company, reduces staff turnover and sick leave, and positions the bank as an attractive employer in an increasingly competitive labor market.



#### Description of measures and objectives

In order to strengthen the mental and physical health of our employees and actively promote a healthy work-life balance, we have set ourselves the goal of creating a “room of silence” by the end of 2025. This specially designed retreat will be open to all employees at all times, offering them the opportunity to relax, practice mindfulness, and recharge their batteries for their daily work.

# Promoting Diversity

## Diversity-Strategy

Our Diversity-Strategy aligns our HR-Policy and Corporate Culture with the principles of diversity and inclusion in order to increase our attractiveness to skilled workers and meet the challenges of the labor market. Diversity is a strategic necessity for our long-term success. A steering committee measures the achievement of goals and evaluates the measures taken. We promote awareness at management level through special programs and have been working with myAbility, a job portal for people with disabilities, since 2019. Employees are actively involved in further development, and targeted measures are integrated into corporate communications. The strategy is based on the core dimensions of the European Diversity Charter.



### Overarching Goal: Promote AWARENESS for Diversity and Inclusion

**Raiffersity Working Group:** Around 25 colleagues are actively involved in the group and are constantly developing new ideas!

**Measurement of KPIs:** Questions in the management barometer provide conclusions about the effectiveness of the measures, and KPIs were decided upon for each dimension.

#### Target Dimension Age: Active Generation Management

##### Objectives

- Participation of all age groups in training and continuing education programs
- Ensuring age-appropriate, life-stage-oriented work
- Proactive discussion of individual working time models

#### Target Dimension Gender: Giving Women more Responsibility

##### Objectives

- Increase the proportion of women in management positions\* to 33% (RLB and RH)
- Expand part-time management positions to 10%
- Raise awareness of discrimination and sexual harassment at the workplace

#### Target Dimension Disability / physical & mental Abilities: Professional Integration

##### Objectives

- Increase the employment of employees with disabilities to 50% of the mandatory quota
- Raise awareness among all decision-makers in the applicant selection process
- Appoint a disability representative.

#### Target Dimension Origin / ethnic Diversity: Making Migration visible

##### Objectives

- Promote mutual understanding of different cultures
- Develop a range of training courses and workshops focusing on cultural characteristics and differences
- Make specific reference to applicants with individual backgrounds in job advertisements

# Promoting Diversity

## Gender

### S1 – Own Workforce

As part of our ESG-Strategy, RLB NÖ-Wien pursues the clear goal of sustainably strengthening equal opportunities and diversity in corporate management. This topic is treated as an integral part of our Diversity-Strategy and forms a key focus of our social commitment.

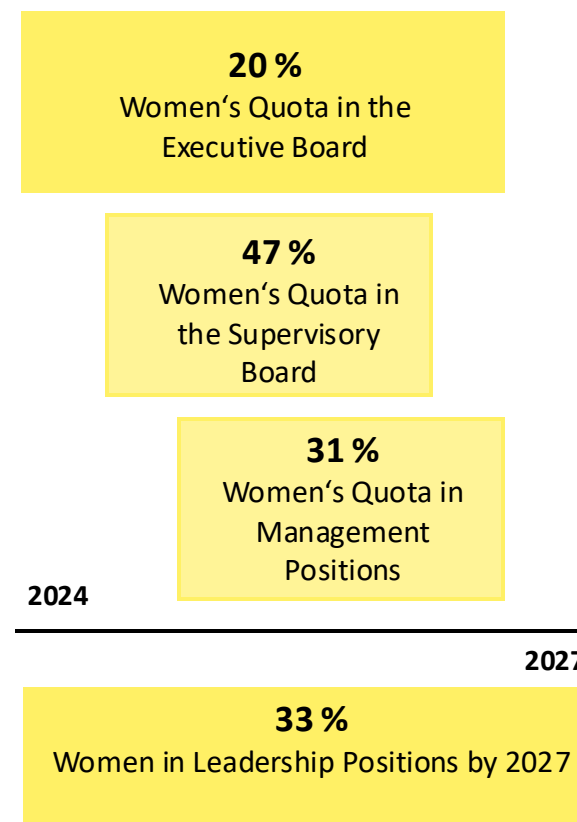
#### Objectives

- Increase the proportion of women in management positions to at least 33 % within RLB NÖ-Wien and Raiffeisen-Holding NÖ-Wien
- Expand part-time management positions to at least 10%
- Ensure gender-neutral career development and focus on closing the gender pay gap.

#### Measures to achieve these objectives

Targeted measures are being implemented to achieve these objectives: We are developing a special empowerment program for women that includes mentoring and training opportunities as well as binding quotas for participation in training and development programs. A working group on gender equality is being set up to ensure the continuous development and implementation of equality initiatives. In the future, all positions will also be advertised on a part-time basis, with a minimum of 33 % female candidates being ensured in the selection process.

From the divisional management level upwards, hearings will ensure that selection panels are gender-balanced. To further promote equal opportunities, the income report will be analyzed in detail on a regular basis to identify and address any gender-specific income differences. In addition, we conduct mandatory awareness training on discrimination and sexual harassment in the workplace, which is aimed at all genders. We are also specifically expanding our meeting culture to create an even more inclusive and respectful working environment.



# Corporate Volunteering

Through our Corporate Volunteering program, we want to support our employees in actively engaging in charitable causes (usually) during working hours. In this way, we also contribute directly to our strategic goals in ESG and diversity in practice.

Each quarter, we want to support a new initiative that contributes to one of the diversity goals we have set. In this way, we also support women, people of different generations, people with disabilities, migrants, and groups from different social backgrounds.



## Wish List campaign by women's shelter in December 2024

Material donations and gift vouchers were collected for women's shelters in Vienna, Lower Austria, and Burgenland.



## Mentoring for Migrants – 2024 Cycle

Our employees have committed themselves to supporting migrants in their career entry and personal development. The mentors have gained valuable insights into the challenges of integration while helping to strengthen the participants' career prospects.

## Excursion to Schönbrunn Zoo with the residents of the Ikarus shared apartment (Caritas) in November 2024

We had the opportunity to accompany the residents of the Ikarus shared apartment, a residential community for adults with intellectual or multiple disabilities, on an excursion to the zoo.



## Gardening at the Volkshilfe Wien children's and youth shared apartment in September 2024

We supported the Volkshilfe Wien children's and youth shared apartment with a large gardening project. Our volunteers worked together to redesign the garden of the shared apartment, create flower beds, and spruce up the outdoor area.



# Raiffersity Working Group

## Diversity

The working group, founded in 2023, consists of around 25 volunteers from various fields. Its focus is on developing measures to achieve strategic goals that address the different dimensions of diversity. The aim is to develop a broad understanding of diversity and to formulate concrete recommendations for action that promote an inclusive and diverse future.

01

Bringing more women into management and promoting part-time managers

02

Promoting the inclusion of people with disabilities, increasing the number of employees with disabilities, and utilizing their potential

03

Promoting cooperation between generations and making the most of the strengths of different age groups

04

Seeing our colleagues with a migrant background as an important factor for success and deepening our understanding of different social and cultural backgrounds



### Highlights 2024

#### Corporate Volunteering

Joint commitment to a more diverse society

#### Inclusion Day

Learn about the needs of people with disabilities and raise awareness of equal opportunities

#### Digi Café

New format for intergenerational learning



# Human Rights Due Diligence

## S2 – Workers in the Value Chain

As part of its ESG-Strategy, RLB NÖ-Wien is clearly committed to respecting and upholding human rights throughout the entire value chain. Full implementation of a structured human rights due diligence system is planned by the end of 2025. This is based on our position paper on respect for human rights, adopted in 2024, which defines binding minimum standards for employees, suppliers, and business partners.

A central component is the Code of Conduct for suppliers, which sets out binding requirements for labor and human rights. Regular risk analyses, audits, and a multi-level complaint and escalation system are used to ensure compliance with these requirements. A significant innovation is the planned use of an AI-supported due diligence tool from 2026.

This enables continuous monitoring of human rights-related risks along the supply chain through access to real-time data. The aim is to significantly increase the transparency and efficiency of sustainable purchasing processes and to ensure that compliance with the due diligence obligations defined in the Supplier Code of Conduct can be traced at all times.

With this systematic approach to human rights responsibility, RLB NÖ-Wien actively contributes to the implementation of international standards – including the UN Guiding Principles on Business and Human Rights, the ILO Core Labor Standards, and the OECD Guidelines for Multinational Enterprises and underscores its commitment to holistic and binding sustainability.





04

**Governance**



# Overview of Objectives

## Responsible Corporate Governance

Integrating sustainability into corporate management is a key objective for RLB NÖ-Wien. We embed ESG issues in our structures and processes and ensure that ethical, transparent, and forward-looking conduct becomes standard practice.

### Complying with regulatory requirements

We monitor all relevant ESG-related regulatory developments (e.g., ESRS, EU Taxonomy Regulation) and systematically integrate them into our management tools.

### Managing sustainability risks

ESG-Risks are embedded in all existing ICAAP risk types, and physical and transitory risks are assessed in the short, medium, and long term in the double materiality analysis and risk inventory.

### Involving stakeholders

Whether customers, employees, NGOs, or suppliers – we believe in active dialogue. The results of the stakeholder survey are directly incorporated into our double materiality analysis.

## Our strategic Governance Targets

### G1 - Governance



#### By 2027 – Improvement of ESG Ratings:

- Sustainalytics <20
- ISS ESG: C+



#### By 2025 – ESG-Targets in Compensation Policy

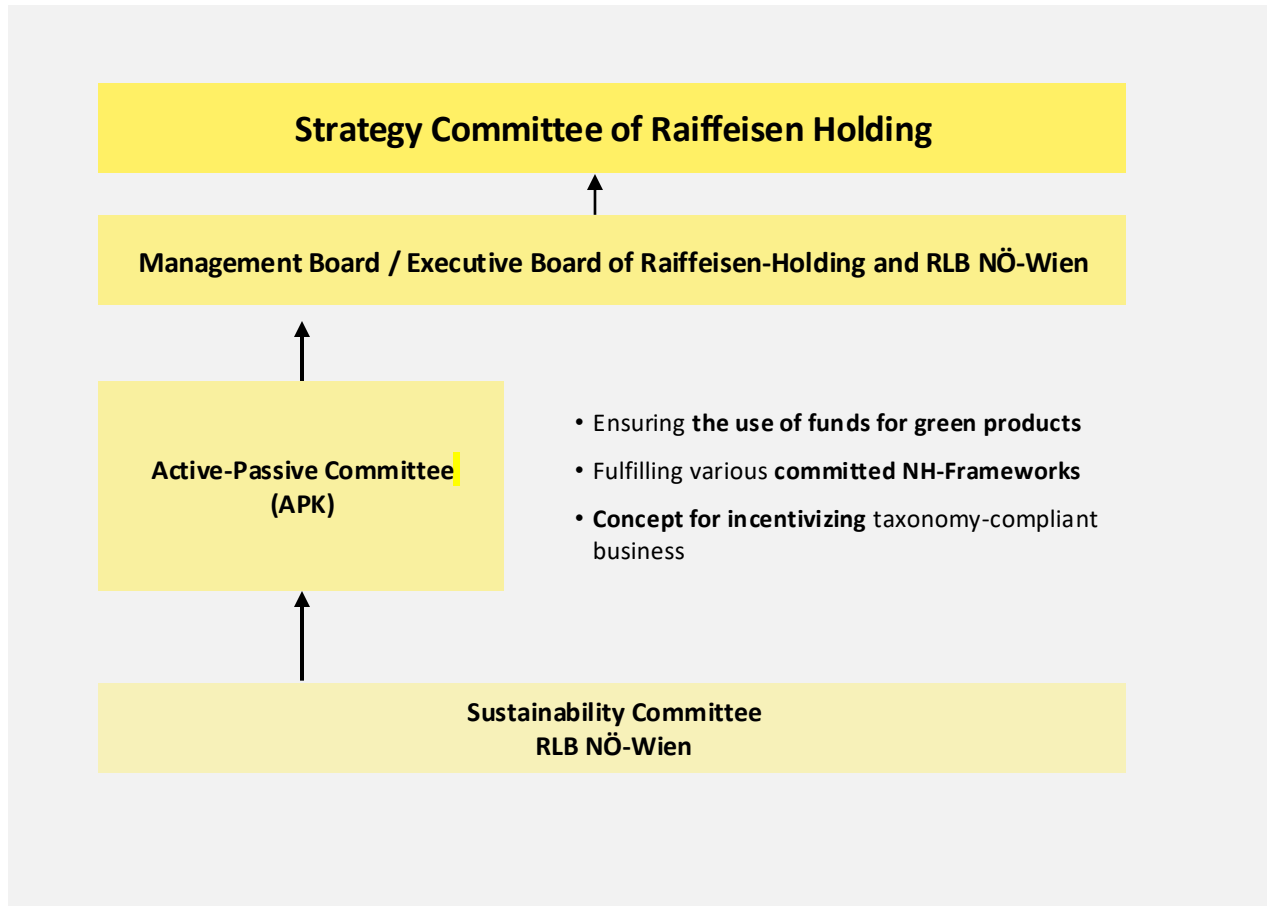
- Decarbonization Targets set in 2024 have been incorporated into the Compensation Policy for 2025.

# ESG as a cross-cutting Issue at RLB NÖ-Wien

Sustainability is firmly anchored throughout the entire RLB NÖ-Wien company as a strategic cross-cutting issue. In order to systematically integrate ESG aspects into all business areas, a cross-divisional Sustainability Committee (SUCO) was established in June 2023. This committee meets quarterly and reports directly to the Active-Passive Committee.

SUCO is responsible for the cross-divisional coordination of all ESG measures and for identifying key areas of action and deriving specific objectives and implementation measures. Implementation takes place in the relevant departments. Progress and status reports are regularly submitted to the committee.

In addition, there is structured ESG reporting to management, the Executive Board, and the relevant supervisory board committees, in particular the Sustainability and Strategy Committee. This ensures that ESG issues are anchored and managed at the highest level of the company.



# ESG

## Compensation Policy

### G1 - Governance

In order to consistently anchor the climate ambitions and sustainability goals of the RLB NÖ-Wien Group at the highest management level, a remuneration target for the Management Board in connection with climate protection will be implemented from the 2025 financial year onwards. The focus here is on developing a comprehensive climate strategy along a decarbonization path, supplemented by concrete, measurable measures and operational targets for reducing greenhouse gas emissions.

A key element of Executive Board remuneration is the long-term incentive (LTI), in which 30% of the payout is linked to a common sustainability target. This ESG target includes, among other things, the development and implementation of measures to improve external ESG ratings. The associated metrics are clearly defined in advance and apply uniformly to all members of the Executive Board.

In addition, RLB NÖ-Wien's compensation policy will be comprehensively revised by the end of 2025 to systematically integrate ESG factors. This includes environmental, social, and employee issues, respect for human rights, and the fight against corruption and bribery. Sustainability risks are to be taken into account appropriately in the future and addressed effectively in decision-making processes.



## 30 %

of LTIs are linked to sustainability targets

# Sustainability Rating

## G1 - Governance

The assessment by external ESG rating agencies is a key component of our ESG strategy. It provides an objective assessment of our ESG performance compared to the industry average and helps us to work on targeted improvements. External ratings create transparency for our stakeholders—especially investors, business partners, and regulators—and serve as a control variable for our ESG management.

In October 2023, RLB NÖ-Wien was awarded a “Level C” (Prime Status) rating by the leading international agency ISS ESG. This rating is based on a comprehensive set of criteria that includes environmental management, the integration of ESG criteria into customer business, climate strategies, and governance structures. In addition, Morningstar Sustainalytics awarded an ESG risk rating of 22.3 in August 2023, corresponding to a “medium risk” rating with regard to the financial impact of ESG factors.

To further strengthen our ESG-Rating Position, we are pursuing clear target values:

Sustainalytics	< 20
ISS ESG	C+

A specific catalog of measures for ESG Ratings was created for implementation, which is being worked through continuously. Progress is reported and evaluated on a quarterly basis in the Sustainability Committee (SUCO).

# ESG

## Risk Management

### Environmental and Climate Risks

Are determined by environmental factors.

Are financial risks arising from institutions' exposures to counterparties that may contribute to both climate change and environmental degradation.

### Social Risks

Arising from the impact of the misuse of rights, welfare, and interests of people and communities.

This may relate to working conditions, health and safety, diversity, employee training, inclusion, and equality.

### Governance Risks

Relate to the practices of counterparties or own assets, including the incorporation of ESG factors into guidelines and procedures within the framework of counterparty governance.

Executive compensation, diversity and structure of the board of directors, bribery and corruption, compliance.

### Transmission channels for ESG Risks to the company

01

**The Risk Driver** triggers the ESG risk. For example, stricter climate protection regulations and growing regulation are examples of risk drivers. Governments around the world are tightening climate targets and enforcing CO<sub>2</sub> reduction targets.

02

**The ESG Risk** describes the risk to a bank, for example, of granting fewer loans to companies with high CO<sub>2</sub> emissions and the possibility that existing loans to such companies may have to be devalued.

03

**The Channel** is the transmission path through which ESG risk affects the bank. Distinction between:

- Microeconomic transmission channels
- Macroeconomic transmission channels.

04

**The Financial Risk** arises from the economic impact of ESG-Risk, which is translated into the company through various channels.

ESG-Risks are transferred to existing risk categories.

05

**The Risk Factor** is a specific characteristic of the bank that amplifies ESG risk. In this case, a risk factor can be a high concentration of business in a specific sector.

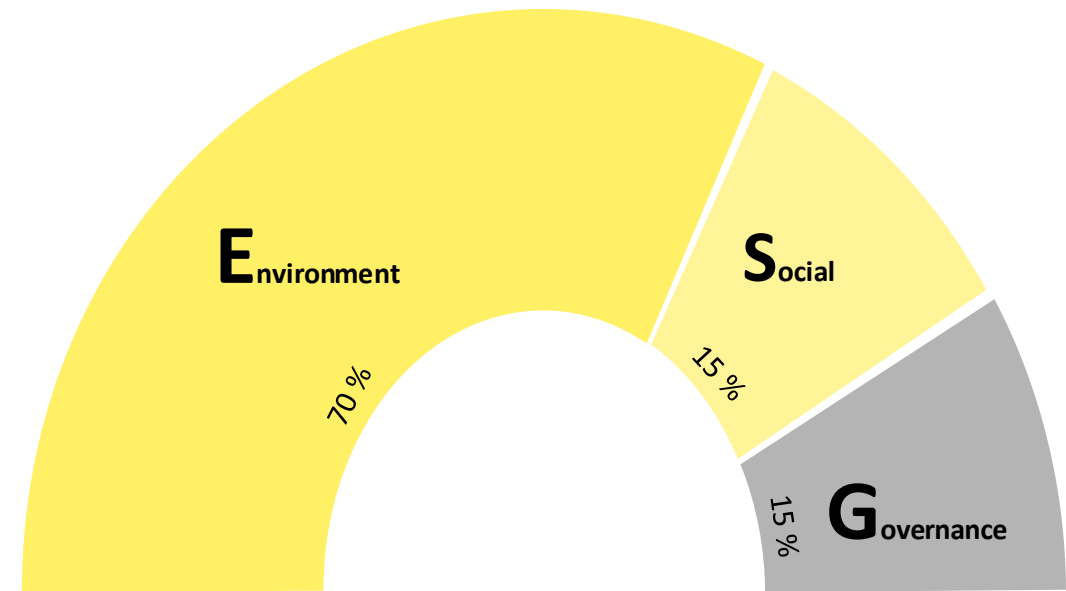
# ESG-Risks in Credit Assessment

RLB NÖ-Wien uses an external ESG Scoring Tool to assess the physical and transitional risks of its customers. The tool classifies these risks according to Environmental (E), Social (S) and Governance (G) Criteria and calculates a comprehensive ESG Score. Depending on the result, risk-mitigating measures are requested. In the case of high ESG-Risk, the credit application decision is escalated to a higher level of review.

RLB NÖ-Wien's ESG scoring supports the transformation of the portfolio towards more sustainable and socially responsible financing. At the same time, it enables the targeted identification and management of ESG-Risks in the loan portfolio.

The aim is to promote sustainable financing and thus contribute to reducing greenhouse gas emissions and negative climate impacts.

The focus is on the analysis of clients' ESG-Risks and a thorough assessment of high-risk financing exposures to specifically mitigate them.



To evaluate our financings, we use an ESG Scoring Tool that systematically integrates the three dimensions: Environment (E), Social (S), and Governance (G). With a weighting of 70%, Environmental Risks have the greatest impact on the score. This prioritization reflects the significantly higher data availability and depth in the environmental sector. Social and Governance Risks are each assigned a weighting of 15%. While the environmental analysis covers both physical and transition risks – differentiated by regional and company-specific context – the assessment of S and G risks focuses exclusively on transition-related, regional, and company-specific aspects.

**Raiffeisen  
Niederösterreich-Wien**



**WE THINK AHEAD.  
BANKING FOR A BETTER TOMORROW.**

ESG-Strategy 2024

