

BCR prints its Inaugural Green RON bond issuance with a total value of 500 million lei

Banca Comerciala Româna (BCR) has successfully printed its inaugural green bond issuance of 500 million lei, continuing its strategy towards expanding its financing sources and contributing to the development of the capital market in Romania. This first green bond issuance is part of the company's journey in the direction of the ESG (Environmental, Social Governance) criteria, with the aim to build a sustainable economic development, encourage environmentally responsible behaviour and reduce social inequities.

The bank has printed in the two past years an amount of 2.1 billion lei in bond issuance, being one the most active issuers on the Bucharest Stock Exchange.

The issuance represents senior preferred notes, with a 7-year maturity and brings BCR's first green bond transaction, while plans are for it to be listed on the Bucharest Stock Exchange. The notes have been assigned an expected long-term rating of BBB+ by Fitch.

The book building process attracted a strong interest from investors, hence the deal was successfully priced at a coupon of 5.00%, also reflecting the solid performance of the bank. The distribution was balanced between pension funds, asset managers, insurance companies, credit institutions – and benefitted from the notable participation of European Bank for Reconstruction and Development (EBRD) and International Finance Corporation (IFC).

"We are pleased to announce today our Inaugural Green RON bond issuance, which reflects only part of the work we do every day to innovate financial processes. We are committed to an integrated responsible business approach in all solutions we propose to our clients, but also through a constant dialogue with Romania SA and Romania SRL. We believe that this is where the sustainable transformation of the economy starts and we are here to support the business environment with all the necessary information for sustainable development, offering them the most suitable structures and fit financing sources. We have a clear vision of sustainable business processes, which includes reinventing the way we develop products and services. In addition, we believe that implementing ESG criteria, both in our core business and in the investment policy and investment solutions proposed to clients, is a way to meet the needs of the present without compromising resources. And this is the duty we all have to protect future generations", stated **Sergiu Manea**, *CEO of Banca Comerciala Româna*.

The bond issuance has shown its early success when, at the end of the first subscription day, the order book was covered well above the maximum 500 million lei amount targeted, leading to the decision to close the book early.

With this issuance, BCR took another step forward towards the compliance with the EU regulations on the minimum capacity that banks must have in order to absorb the losses, the Minimum Requirements of own funds and Eligible Liabilities (MREL) and MREL guidelines in line with targeted resolution strategy.

Banca Comerciala Romana (BCR), a member of Erste Group, is the most important financial group in Romania, including operations of universal bank (retail, corporate & investment banking, treasury and capital markets), as well as specialized companies on the leasing market, private pensions, housing banks and banking services. BCR provides a full range of financial products and services, through a network of 18 business centres and 16 mobile offices dedicated to companies and 370 retail units located in most cities across the country with over 10,000 inhabitants. BCR is the No. 1 bank in Romania in the market of bank transactions, BCR customers having available the largest national network of ATM and multifunctional machines- almost 1,800, 11,300 POS and

complete services of Internet banking, Mobile banking, Phone-banking and E-commerce.