14 October 2021

Final Terms

PROHIBITION OF SALES TO RETAIL INVESTORS IN THE EUROPEAN ECONOMIC AREA OR IN THE UNITED KINGDOM

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**") or in the United Kingdom ("**UK**"). Consequently, no key information document required by Regulation (EU) No 1286/2014 (the "**PRIIPs Regulation**") or the PRIIPs Regulation as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "**UK PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA or in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA or in the UK may be unlawful under the PRIIPs Regulation and/or the UK PRIIPs Regulation. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of the Directive 2014/65/EU, as amended ("**MiFID II**"); or (ii) a customer within the meaning of Directive (EU) 2016/97 (IDD), as amended, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

MiFID II Product Governance / Eligible Counterparties and Professional Investors Only Target Market

Solely for the purposes of the manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, "**MiFID II**"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**Distributor**") should take into consideration the manufacturer's target market assessment; however, a Distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer's target market assessment) and determining appropriate distribution channels.

Banca Comercială Română S.A.

RON 500,000,000 Fixed Rate Preferred Senior Green Notes (the "**Notes**")

issued pursuant to the

Multi Issuer EMTN Programme

of

Banca Comercială Română S.A., Česká spořitelna, a.s., Erste Group Bank AG, Erste & Steiermärkische Bank d.d. and Slovenská sporiteľňa, a.s.

Issue Price: 100.00 per cent.

Issue Date: 14 October 2021

Series No.: 16

Tranche No.: 1

IMPORTANT NOTICE

These Final Terms have been prepared for the purpose of Article 8 of the Regulation (EU) 2017/1129, as amended and must be read in conjunction with the base prospectus consisting of separate documents (i.e. (i) the securities note dated 3 December 2020 (the "**Securities Note**") and its supplement and (ii) the registration document of Banca Comercială Română S.A. (the "**Issuer**") dated 3 December 2020, and its supplements) (the "**Prospectus**") pertaining to the Multi Issuer EMTN Programme (the "**Programme**"). The Prospectus and any supplements thereto are available for viewing in electronic form on the Issuer's website ("www.bcr.ro/en/bond-issues"). Full information on the Issuer and the Notes is only available on the basis of the combination of the Prospectus, any supplements thereto and these Final Terms.

PART A. – TERMS AND CONDITIONS OF THE NOTES

This Part A. of the Final Terms shall be read in conjunction with the set of Terms and Conditions of the Notes that applies to Notes with a fixed interest rate (the "**Terms and Conditions**") and that is set forth in the Securities Note as Option I. Capitalised terms not otherwise defined in these Final Terms shall have the meanings specified in the Terms and Conditions of the Notes when used in these Final Terms.

All references in this Part A. of the Final Terms to sections and paragraphs are to sections and paragraphs of the Terms and Conditions of the Notes.

The blanks in the provisions of the Terms and Conditions of the Notes, which are applicable to the Notes shall be deemed to be completed by the information contained in these Final Terms as if such information were inserted in the blanks of such provisions. All provisions in the Terms and Conditions of the Notes corresponding to items in these Final Terms which are either not selected or completed or which are deleted shall be deemed to be deleted from the Terms and Conditions of the Notes applicable to the Notes.

ISSUER, CURRENCY, DENOMINATION, FORM, CERTAIN DEFINITIONS (§ 1)

Issuer

☐ Erste Group Bank AG

■ Banca Comercială Română S.A.

☐ Česká spořitelna, a.s.

- ☐ issued in the Czech Republic
- ☐ issued outside the Czech Republic

☐ Erste & Steiermärkische Bank d.d.

☐ Slovenská sporiteľňa, a.s.

Currency and Denomination

Specified Currency	Romanian Leu ("**RON**")
Aggregate Principal Amount	RON 500,000,000
Aggregate Principal Amount in words	RON five hundred million
Specified Denomination	RON 500,000

Form of the Notes

☐ Bearer form, Permanent Global Note in classical global note-format (CGN)

■ Domestic Notes form governed by Romanian law, registered form (book entry, dematerialised, nominative) (in Romanian

"*obligaţiuni corporative, guvernate de legea română, sub formă de întregistrare (prin înscriere în cont, dematerializate, nominative)*")

☐ Book-entry notes (in Czech "*zaknihované dluhopisy*") under the Czech Act on Bonds (Act No. 190/2004 Coll., as amended) issued as book-entry securities

☐ Certificated notes (in Czech "*listinné dluhopisy*") which are issued to the order of the respective Holder under the Czech Act on Bonds (Act No. 190/2004 Coll., as amended) and which are represented by the Global Note which is an immobilised security

☐ Dematerialised registered book-entry notes (in Croatian "*nematerijalizirani vrijednosni papiri na ime*") issued as dematerialised registered book-entry securities

☐ Book-entry notes (in Slovak "*zaknihované cenné papiere*") issued in bearer form (in Slovak "*na doručiteľa*")

Title to the Notes

Admission to trading on the spot regulated market or an alternative trading system operated by Bursa de Valori Bucureşti S.A.	Applicable

Business Day

■ Specified Currency is not Euro

■ Relevant Financial Centre	Bucharest
■ TARGET	

STATUS (§ 2)

■ Preferred Senior Notes

☐ Non-Preferred Senior Notes

☐ Subordinated Notes

INTEREST (§ 3)

■ **Fixed Rate Notes (Option I)**

Interest Commencement Date	14 October 2021
Rate of interest	5.00 per cent. *per annum*
☐ Short or long first or last Interest Period	
Regular interest payments	annually
Interest Payment Dates	14 October in each year
First Interest Payment Date	14 October 2022
Last Interest Payment Date	14 October 2028
Day Count Fraction	
■ Actual/Actual (ICMA)	
Determination Date(s)	one in each year (14 October)
☐ Actual/365 (Fixed)	

- ☐ Actual/360
- ☐ 30/360, 360/360 or Bond Basis
- ☐ 30E/360 or Eurobond Basis

☐ **Floating Rate Notes (Option II)**

☐ **Fixed to Fixed Rate Notes (Option III)**

☐ **Fixed to Floating Rate Notes (Option IV)**

PAYMENTS (§ 4)

■ Payment Business Day

- ■ Business Days as defined in § 1 (6)
- ☐ Relevant Financial Centre
- ☐ TARGET

■ Business Day Convention

- ■ Following Business Day Convention
- ☐ Modified Following Business Day Convention
- ☐ Preceding Business Day Convention

Adjustment of Interest Periods

- ☐ Adjusted
- ■ Unadjusted

REDEMPTION (§ 5)

Redemption at Maturity

Maturity Date	14 October 2028
Early Redemption at the Option of the Issuer	Yes
Minimum Notice Period	15 Business Days
Maximum Notice Period	45 Business Days
Optional Redemption Date(s)	14 October 2027
Early Redemption for Regulatory Reasons	Yes
Minimum Notice Period	30 Business Days
Maximum Notice Period	90 Business Days
Early Redemption following an MREL Disqualification Event (§ 5 (3)(a)(ii))	No
Early Redemption for Reasons of Taxation	No
Minimum Notice Period	
Maximum Notice Period	

PAYING AGENT (§ 6)

■ Principal Paying Agent

- ☐ Erste Group Bank AG

- ■ Banca Comercială Română S.A.
- ☐ Česká spořitelna, a.s.
- ☐ Slovenská sporiteľňa, a.s.
- ☐ Other

☐ Additional or other Fiscal and/or Paying Agent and specified office(s)

☐ Calculation Agent

- ☐ Erste Group Bank AG
- ☐ Banca Comercială Română S.A.
- ☐ Česká spořitelna, a.s.
- ☐ Slovenská sporiteľňa, a.s.
- ☐ Erste & Steiermärkische Bank d.d.
- ☐ Other

☐ Central Depository & Clearing Company Inc. as Paying Agent

Notices (§ 10)

Notices be sent directly to the Holders	No
Website where Notices will be published	www.bvb.ro

MEETING OF HOLDERS, MODIFICATIONS AND WAIVER (§ 11)

☐ Applicable

■ Not applicable

Appointment of a Joint Representative of the Holders

☐ by majority resolution of the Holders

☐ in the Terms and Conditions

APPLICABLE LAW, PLACE OF JURISDICTION AND ENFORCEMENT (§ 11)

Governing Law

☐ German law (save for the provisions of § 2 which shall be governed by Romanian law)

☐ Austrian law

■ Romanian law

☐ Croatian law

☐ Slovak law

☐ Czech law

PART B. – OTHER INFORMATION

ESSENTIAL INFORMATION

Interests of Natural and Legal Persons Involved in the Issue or the Offering

So far as the Issuer is aware, no person involved in the issue or offering of the Notes has an interest material to the issue or the offering.

☐ Other Interests, including conflicts of interest

Use of Proceeds

The Notes are issued as Green Bonds.

The Issuer intends that an amount equivalent to the net proceeds of the Notes will be exclusively used to finance and/or refinance the loans and investments of the Issuer dedicated to the financing of Eligible Green Projects (as defined below) with a positive environmental impact ("**Green Loans**") in accordance with the Erste Group Sustainable Finance Framework dated April 2021 (as amended and/or replaced from time to time, the "**Sustainable Finance Framework**").

"**Eligible Green Projects**" include projects or assets in the following three eligible categories: (i) Green Buildings (Residential), (ii) Green Buildings (Commercial) and (iii) Renewable Energy.

<u>Green Buildings (Residential)</u>

Loans and/or investments to finance new or existing residential buildings which:

a. are within the top 15% low-carbon performing in the respective country, or

b. have undergone refurbishments resulting in an increase in energy efficiency of at least 30% against the baseline performance of the building before renovation, or

c. are new buildings that comply with "Nearly Zero Energy Buildings" requirements defined in the relevant country building regulation.

<u>Green Buildings (Commercial)</u>

Loans and/or investments to finance new or existing commercial buildings which:

a. are within the top 15% low-carbon performing in the respective country, or

b. have undergone refurbishments resulting in an increase in energy efficiency of at least 30% against the baseline performance of the building before renovation, or

c. where applicable, have a minimum certification of BREEAM "Very

Good", LEED "Gold" or any other equivalent certification.

Renewable Energy

Loans and/or investments to finance or refinance generation and transmission of energy from renewable sources and manufacturing of the related equipment:

a. Onshore and offshore wind energy

b. Solar (Photovoltaic)

c. Small scale hydro power (<20 MW) and refurbishment (or refinancing) of existing large-scale hydro (>20 MW)

d. Geothermal energy with life cycle assessment emissions ≤100g CO2 / kWh.

Erste Group may, at any time, amend the list of Green Loans to other type of assets which provide verifiable sustainability benefits. In this case, Erste Group has committed to update the Sustainable Finance Framework and to amend the set of criteria to appropriately reflect the new asset class.

The Issuer ensures that all Green Loans comply with official national and international environmental and social laws and regulations and any standards on a best effort basis.

The net proceeds of the Notes will be managed by the Issuer in a portfolio approach. The eligible loan portfolio (the "**Loan Portfolio**") is comprised of all Green Loans.

The Issuer will strive, within 24 months after issuance of the Notes, to reach a level of allocation of the Loan Portfolio that at least matches the net proceeds from its Notes. Pending the allocation of the net proceeds of the Notes to the Loan Portfolio, all or a portion of the net proceeds of the Notes may be used for the payment of outstanding indebtedness or other capital management activities.

Erste Group will make and keep readily available reporting on the allocation of net proceeds of the Notes to the Loan Portfolio on a nominal equivalence basis one year from the issuance of the Notes, to be renewed annually until full allocation.

Where feasible, Erste Group intends to report on the environmental impacts of the projects funded with the Note proceeds or refer to existing sustainability reporting of Erste Group.

Erste Group has retained ISS ESG to obtain an external review of its Sustainable Finance Framework. ISS ESG has issued a second-party opinion (the "**Second-Party Opinion**") confirming the alignment of the Sustainable Finance Framework with the relevant industry standards and

has provided views on the robustness and credibility of the Sustainable Finance Framework.

The Sustainable Finance Framework as well as the Second-Party Opinion are publicly available on the Erste Group website (https://www.erstegroup.com/en/investors/debt/Sustainable_Finance_Framework).

For the avoidance of doubt, neither the Sustainable Finance Framework nor the Second-Party Opinion are incorporated by reference into these Final Terms.

Estimated net amount of the proceeds	RON 500,000,000

INFORMATION CONCERNING THE SECURITIES TO BE OFFERED OR ADMITTED TO TRADING

Security Codes

■ ISIN	ROMU2ND4VHC6
■ Common Code	DBFNGR
☐ German Security Code (WKN)	
☐ Any Other Security Code	

Issue Yield	5.00 per cent. *per annum* (in case there is no early redemption).
Issue charge	Not applicable
Representation of debt security holders including an identification of the organisation representing the investors and provisions applying to such representation. Indication of where the public may have access to the contracts relating to these forms of representation	Not applicable
Resolutions, authorisations and approvals by virtue of which the Notes will be created and/or issued	Management Board Decision dated 8 October 2021 approving the Terms and Conditions for the issue of the Notes

PLACING AND UNDERWRITING

Method of Distribution

☐ Non-Syndicated

■ Syndicated

Details with regard to the Managers (including the type of commitment)

■ Managers	**Erste Group Bank AG** Business address: Am Belvedere 1, 1100 Vienna, Austria **Banca Comercială Română S.A**. Business address: 159 Calea Plevnei, Business Garden, Building A, 6th floor, sector 6, Bucharest, 060013, Romania

☐ Firm Commitment

■ Without Firm Commitment

☐ Stabilising Manager	Not applicable

LISTINGS, ADMISSIONS TO TRADING AND DEALING ARRANGEMENTS

Listings	Yes
■ Vienna - Official Market	
■ Bucharest - Spot Regulated Market	
☐ Prague - Regulated Market	
☐ Bratislava - Regulated Market	
☐ Zagreb - Official Market	
Expected Date of Admission	For Vienna – Official Market: on or around 19 October 2021 For Bucharest – Spot Regulated Market: on or around 19 October 2021
Estimate of the total expenses related to the admission to trading	RON 4,100

ADDITIONAL INFORMATION

Rating

It is expected that the Notes will be rated as follows:	Fitch: BBB+[1]

Selling Restrictions

TEFRA

☐ TEFRA C

■ Non-TEFRA

Additional Selling Restrictions	Not applicable

Third Party Information

The rating set out above have been sourced from Fitch. The Issuer confirms that such information has been accurately reproduced and that, as far as it is aware and is able to ascertain from information published by Fitch, no facts have been omitted which would render the reproduced information inaccurate or misleading.

[1] "**Fitch**" means Fitch Ratings Ireland Limited. Fitch has been established in the European Union and has been registered (pursuant to the current list of registered and certified credit rating agencies, published on the website of the European Securities and Markets Authority (www.esma.europa.eu)) pursuant to Regulation (EC) No. 1060/2009, as amended.