

To: Bucharest Stock Exchange (BSE)

The Financial Supervisory Authority (FSA) – Financial Investments and Instruments Sector

## **Raiffeisen Bank Romania: solid financial results and strong capitalization position in 2022**

- **Zdenek Romanek, president & CEO of Raiffeisen Bank Romania: "Customers matter in everything we do, and the bank's employees are the ones who made possible extraordinary achievements in 2022"**
- **2022 meant the increase to 80% of bank employee satisfaction, but also of NPS (Net Promoter Score)**
- **over 300,000 feedbacks collected from our customers in 2022 helped us to be better every day**

"The very good results recorded by Raiffeisen Bank in 2022 prove to us that we are ready to continue our development, regardless of the economic context we will go through in the coming years. I strongly believe that if our employees feel good and are satisfied, we can provide the best financial expertise and leading digital solutions to our customers. That's why we have integrated the philosophy <people come first>, in our day-to-day activity, with visible results in the important indicators: employee satisfaction increased from 76% in 2021 to 80% in 2022, and NPS (Net Promoter Score) registered a significant increase, from 71% to 80%. The year 2022 ended with good financial results, with a capital adequacy ratio well above the minimum imposed by the National Bank of Romania and with a strong liquidity position." said Zdenek Romanek, President & CEO of Raiffeisen Bank.

Raiffeisen Bank had more than 4,900 employees at the end of 2022, 300 more than the previous year. This growth comes mainly from the IT area, areas directly related to customer service (Call Center or the Braşov Operational Center). Salary increase budgets doubled last year, and in 2023 the budget allocated to our employees will continue to grow, to support the retention of well-trained colleagues, as well as programs for professional development of our team. Moreover, Raiffeisen Bank is recognized in the Romanian banking market as a true banking school.

In 2022 we collected more than 300,000 opinions from our customers that help us to constantly improve our services and products. "Focusing on understanding customer needs has led to a significant increase in NPS. We have made and will make changes within the organization, with one goal: to make our customers' day easier and their business more profitable." said Zdenek Romanek.

### **Sustainable financing of the Romanian economy**

Raiffeisen Bank's loan balance grew strongly, by 22%, in 2022 compared to the previous year, as a result of the development of lending activity for all customer segments. For corporate clients, we registered a considerable increase the credit balance consolidated by 44%, year on year. The economic context dominated by high inflation led to a greater need for working capital for companies in Romania. Raiffeisen Bank has once again demonstrated that it remains a strong and reliable partner for its customers, quickly offering financial solutions adapted to their needs. The balance of SME loans increased by 17% year-on-year, with a notable contribution also coming from government guarantee schemes, especially the SME Invest program. In 2022 Raiffeisen Bank granted 2,333 loans to more than

2,000 customers from very diverse fields of activity, with an approved value of 592 million euros, within the SME Invest program.

### **Responsible partnership with our private individuals (PI) customers**

We also recorded an upward trend in 2022 for the stock of PI loans, which rose by 7%, with a balanced contribution of both consumer and mortgage loans. It is worth mentioning that most of the PI loans are with fixed interest rate, thus protecting clients from potential shocks caused by the evolution of interest rates in the market. More than 60% of PI customers benefit from fixed interest for a period of time. We continue to promote products that encourage sustainability and responsible lending. Loans from the Green Mortgage category (energy class A buildings) came to represent over 50% of the volume of real estate loans granted by the bank.

In addition, Raiffeisen Bank offers the "Vacanta 3 Rate" facility when its customers are facing difficult times, with easy access and at no cost. During the entire period of the credit, customers can benefit from an advantageous life insurance package, "Protect". The number of "Protect" life insurance package taken out during 2022 was more than double compared to 2021.

We ended 2022 with an increase in the number of digital customers. About 1,250,000 individual customers use mobile/internet banking apps every month. On average, a customer logs in about 22 times in a month. Also, 2022 meant the launch of new functionalities in Smart Mobile: shorter flow for obtaining a pre-approved consumer loan (Flexicredit), Instant Payments and SavingBox. Personal financial planning is part of our strategy to be the best advisors for clients and their financial needs. During 2022, our PI customers started more than 25,000 savings, investment or pension plans, taking a first step towards achieving their medium or long-term goals.

In 2022, the number of online transactions made by individuals, through Raiffeisen Bank debit cards, increased by 36%, compared to 2021, and the number of payments by phone or watch increased by 87%. Raiffeisen Bank continues to be one of the leaders of the credit card market in Romania, with a portfolio of over 570,000 cards.

In April 2022, we launched Raiffeisen Bank's loyalty ecosystem, Smart Market, which brings together all customer segments (individuals, SMEs, Corporations), in a unique app in the market, through which legal entities, customers of the bank can promote products or services with discounts or rewards for individual customers. In just 8 months since launch, 350,000 PI customers have signed up to the app and more than 50 merchant partners have come up with significant discounts on their products and services.

Raiffeisen Bank launched the instant payments service for individuals in September 2022. Customers can send or receive money instantly, to or from any of the banks participating in the Instant Payments system. In four months after launch, the bank achieved a market share of almost 23% for instant payments.

### **Strong capitalization and liquidity position**

The capital adequacy ratio is over 21%, well above the minimum level required by the BNR (17%). Non-performing loans remained at very low levels (1.75%) and the liquidity position (liquidity coverage ratio, LCR) was at a comfortable level (174%), well above the minimum regulatory requirements (100%). In addition, through the four issues of MREL-eligible bonds placed in 2022, worth 1.7 billion lei, the bank additionally strengthened its ratio of own funds and eligible liabilities to over 32%, above the regulatory requirements applicable on January 2023 (27.48%). All this creates the conditions for

increasing the sustainable financing offered by Raiffeisen Bank to its clients. Also, through the green and sustainable format of the bonds issued by the bank, we directly contribute to Romania's transition towards a sustainable economy, supporting the reduction of regional gaps and strengthening the competitiveness and resilience of SMEs.

The Moody's rating agency reconfirmed in July 2022 the rating given to Raissen Bank for deposits, Baa1 with a stable outlook, located two classes above Romania's country rating (Baa3), emphasizing its solid position of solvency, liquidity and reduced dependence on market financing.

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The total assets of the bank passed the threshold of 60 billion lei, increasing by 5%, year on year;

The bank's net credit balance reached 39.5 billion lei, 22% more than at the end of 2021;

Customer deposits reached 50 billion lei in 2022, similar to the level of 2021;

The total income of the bank registered a 22% increase in 2022 compared to 2021, reaching the level of 3.2 billion lei;

Net profit recorded for 2022 was 1.2 billion lei, 56% higher than the previous year;

The operational expenses of the bank reached approximately 1.5 billion lei, increasing by 14%, year on year;

In this economic context marked by many uncertainties, the cost of provisions exceeded the level of 2021 by 31% as a result of a prudent approach. Although we are talking about a higher level of provisions in 2022, our customers have shown good payment behavior for their contractual commitments.

Raiffeis Bank, a leading universal bank, has been active on the Romanian banking market for over 25 years, serving over 2.3 million individuals and legal entities. The bank has 4930 employees, 291 units, 1130 ATM&MFMs and 27,000 POSs.

*Note: All the financial figures are in accordance with International Financial Reporting Standards (IFRS) and RBI Group Management Reporting Standards (MIS).*

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Name of the issuer: Raiffeisen Bank S.A.

Headquarters: Sky Tower Building, No. 246 C, Calea Floreasca, Bucharest

Phone/fax number: +40 21 306 1000 / +40 21 230 0700

Unique Registration Code with the Trade Register: 361820

Order number in the Trade Register: : J40/44/1991

Subscribed and paid-in share capital: RON 1,200 million

Regulated market on which the issued securities are traded: Bucharest Stock Exchange (RBRO26, RBRO27, RBRO27A, RBRO27B, RBRO28 and RBRO29) and Luxemburg Stock Exchange (RBRO26, RBRO27, RBRO27A, RBRO27B, RBRO27C and RBRO28)