

To: Bucharest Stock Exchange (BSE)

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

## **Raiffeisen Bank leverages on its financial expertise and becomes the leader of sustainable financing in the Romanian economy**

**Bucharest, November 3, 2022** – Raiffeisen Bank succeed to offer customized solution for its clients, adapted to the Romanian economy despite the difficult macroeconomic situation, marked by unprecedented uncertainties. In addition, the bank constantly collects **extremely positive feedback from its customers and partners, especially large and medium-sized corporations.**

Loan stock of Raiffeisen Bank gained a significant advance of 27%, yoy, sustained by an excellent lending evolution, largely for **corporate**, whose **loan book grew by 55%**. The growing trend is visible also for SME segment with an increase of 19% YoY a significant contribution having our participation in the Governmental programs. In parallel, Raiffeisen Bank assumed the role of facilitator in the transition to a green economy and a sustainable community. At the beginning of August 2022, Raiffeisen Bank placed, **for the first time, an issue of non-preferential senior sustainable bonds, denominated in lei**. The bond issue was addressed to institutional investors and attracted over 500 million lei, with a maturity of 5 years. The funds thus attracted will be used for the exclusive financing of sustainable projects, according to the eligibility criteria described in the Bank's Framework for Sustainable Bonds (link [here](#)).

*„In 2022 we are improving our approach step by step, mindful of the way our customers expect us to do things for them. A 55% increase in the balance of loans granted to large and medium-sized corporations is a result confirming that we are doing the right thing for these customers, many of them important companies in the Romanian economy. In the case of SMEs, we have more than **72,000 companies using the new Mobile Banking application, Smart Business**, which we are constantly enriching with new features. There are already several hundred SMEs for which we offer the **RaiPos service, the application turning your phone or tablet into an electronic card payment terminal**. These are just a few of the things we have done in 2022 for our customers to make their day easier and their business more profitable" said Zdenek Romanek, president & CEO Raiffeisen Bank.*

On Q3 2022, in this difficult economic context, we continued to offer **for private individuals financing solutions and instruments adapted to their needs**, with fixed interest rate for stability and predictability by the medium term. In addition, our **"Vacanta 3 rate" facility** which helps our customers **when they are facing difficult times**. The stock of net loans for private individuals also increased by 8%, balanced, both for personal loans and for mortgage loans. For consumer loans a slight slowdown in the pace of the market was felt in Q3 2022. However, the evolution of Raiffeisen Bank's portfolio remains positive, even with an increasing market share in

August 2022. **The number of personal loans granted in the Smart Mobile application doubled in Q3 2022**, compared to Q3 2021, a trend supported by constant improvements of the digital flow, adapted to the best customer experience. In addition, in the bank's offer we introduced a **financial planning package** for the benefit of the client, with an **important price reduction when purchasing a loan for personal needs together with life and unemployment insurance**. Another solution designed to ensure a stable and healthy financial life for clients is the offer of a mortgage loan with a fixed interest rate for 5 years, after which it will return to the contractual conditions. **More than 75% of the mortgage loans granted by Raiffeisen Bank have a fixed interest rate and over 50% of them fell into the "Green Mortgage" category (energy efficiency class A).**

Customer deposits registered an increase of 7% at Q3 2022 (yoy). In the first three quarters of 2022, the bank made efforts to permanently adapt the interest rates for deposits to the rising inflation. These efforts have resulted in a series of interest rate increases to maintain the interest of customers to save. In parallel, we also enriched the range of savings products. *"Starting from each client's specific financial and lifestyle goals **we train our network teams to provide the most appropriate financial planning solutions**. We invest in the financial health of all our clients by supporting their plans", Zdenek Romanek said.*

**Our customers return to the behaviour they had before the pandemic** and the bank continues to make investments to improve and complete the offer of digital solutions meant to make our customers' lives easier. Payments through Raiffeisen cards for hotels increased by over 50%, and those in restaurants, bars, for concerts, events or rent a car by 20%, compared to previous quarter this year. The number of online transactions made by individuals, through debit cards, increased by almost 40%, compared to the same period last year. The bank joined Transfond scheme and activated **instant payments from September 2022**. This functionality makes the transfer of amounts smaller than 50,000 lei, through Smart Mobile, only in a few seconds. On September 30, 2022, the number of **card payments made by Raiffeisen Bank customers with their phone or watch doubled compared to Q3 2021**. In August 2022, we obtained from the Authority for the Digitization of Romania the authorization for the remote identification solution related to the digital enrolment flow of PF customers, through Smart Mobile. This step confirms the quality and safety of **the video identification solution available to our customers for opening an online current account**. 5 months after its launch, **Raiffeisen Smart Market**, the bank's newest digital product, **serves over 200,000 individual customers**, whom we rewarded with over 90,000 vouchers at 60 merchants, 500,000 loyalty points, cashback of 160,000 euros and advantageous offers on banking products. Raiffeisen Bank is one of the **leaders of the credit card market** in Romania, with a portfolio of over 570,000 active cards.

The portfolio of individual digital clients (1.2 million, 54% of the bank's clients) continued to grow. Every day, on average, **over 360,000 unique customers use the**

**Smart Mobile application**, with a peak of over 1.2 million logins in one day, in August this year.

Raiffeisen Bank net profit of 920 million lei shows a solid increase of around 43% compared to the same period of the previous year, despite the challenging and uncertain environment caused by the Ukraine conflict escalation, inflationary pressures and high volatility in the market. The bank's revenues increased in Q3 2022 by 19%, year on year, reaching 2.3 billion lei, and total assets exceeded 62 billion lei, an increase of 9%, compared to September 30, 2021.

*"Our very good results recorded this year prove that we are ready to continue our development and journey to success, regardless of the economic context we will go through in the coming years"* said Zdenek Romanek.

Operational expenses (around 1 billion lei) grew YoY by 7%, mainly from higher personnel costs, following our strategy to attract and keep talented employees, but also due to additional measures taken to compensate the negative effects of inflation on purchasing strength. IT costs are also on a growing trend YoY as we continued to invest, improve and develop our digital capabilities in order to cover our clients' needs by offering quicker, more accessible and innovative products and solutions. Also, the upward trend in prices generated increasing costs for utilities, rent, fuels and consumables. Risk costs exceeds the level registered in the first 9 months of 2021 by 7%, grounded mainly on our prudential approach in an uncertain economic environment. Risk costs remain however at lower levels, sustained by a good risk profile for our customers, which continued to pay their instalments in due time.

Raiffeisen Bank, the leading universal bank, has been active on the Romanian banking market for 25 years, serving more than 2.3 million clients, individuals and legal entities. The bank has 4900 employees, 295 units, 1131 ATM&MFM and 27,000 POSs.

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

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Phone / Fax No: +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

The regulated market where the instruments are traded: Bucharest Stock Exchange (RBRO26, RBRO27, RBRO27A, RBRO27B, RBRO28 and RBRO29) and Luxemburg Stock Exchange (RBRO26, RBRO27, RBRO27A, RBRO27B and RBRO28)