

More than banking:

FOR THE NEXT
DECADE OF
SUSTAINABILITY

Sustainability Report
2020



Welcome Message

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Welcome Message

Dear friends,

At the end of an extremely complicated year that left its mark on each of us, both individually and especially across the entire society, we have reasons to be optimistic.

The recent context evolution gives us hope that things will soon start to shape back to "normal" and that in the coming period we can focus on solutions to restore the economy.

Last year we promised to remain a reliable partner for all those who need us, and the way we handled the situation can only make me proud of what we have managed to build together and of how quickly we have accelerated, developed and implemented new projects: all that in times of great uncertainty and a lot of unanswered questions.

In the first few months of the crisis we focused on what we can do to help. We supported customers with solutions to help them overcome the problems generated by the pandemic: we joined government programs aimed at limiting the negative economic effects of the pandemic and implemented our own measures to help them manage the situation more easily. We adapted our products, constantly communicating with our customers. Despite the challenges encountered, we continued the projects dedicated to our clients, adjusting the way they unfolded. During this time, the digital solutions offered by the bank have played an extremely important role, helping our customers manage their money remotely and thus stay safe.

Alongside our partners in the civil society we supported the medical sector and donated almost 1.6 million lei to hospitals, ambulance services and emergency inspectorates across the country. At the same time, we continued or adapted a number of important projects and launched Raiffeisen Art Proiect - Stagiune Virtuală. Our wish was to create an online cultural space that

connected artists and the public, at a time when we all felt the important role art plays in the life of a community.

All this would not have been possible without the extraordinary efforts made by the entire team of Raiffeisen Bank Romania. I would therefore like to take this opportunity to thank all my colleagues once again. Their involvement and efforts demonstrated how much we can achieve when we work together towards the same goal.

Although a difficult year, 2020 also came with many lessons from which we all need to learn: we need responsibility, commitment and a change in the way we do things. If for the recent crisis the whole society mobilised and came up with rapid solutions, the climate crisis, poverty, inequalities and depletion of resources and natural ecosystems remain the biggest problems we face. In this context, we are aware that the banking system plays a key role. Thus, in 2020, we continued our efforts to map out the financing portfolio based on environmental, social and governance criteria, and we are now laying the foundations for our sustainable financing strategy.

The COVID-19 pandemic is just a wake-up call, because we know that the hardest times are yet to come: we are at the beginning of an extremely important decade, and the way the world will look tomorrow depends on how we manage the current situation and the decisions we make right now.

We look towards the future with hope and confidence that we will restart things in a different way, that we will put responsibility and the principles of sustainable development at the heart of everything we do, because it is in our power to do *banking for the next decade of sustainability*.



Steven van Groningen

President & CEO
Raiffeisen Bank Romania

About the report

This is the twelfth consecutive year that Raiffeisen Bank Romania publishes transparent information on the company's activity and its economic, social and environmental impact.

The report was developed in accordance to the [GRI \(Global Reporting Initiative\) Standards](#), „Core” option and complies with the national legislation normatives: [Order of the National Bank of Romania No. 7/2016](#) and [Order of the Ministry of Public Finance 3,456/2018](#). Thus, the report details information that describe the development, performance, position and impact of the Bank's activity, including environmental, social and personnel aspects, respect for human rights and the fight against corruption and bribery, as well as a number of key non-financial performance indicators relevant to our activity.

The sustainability report, **Banking for the next decade of sustainability**, presents the activity of Raiffeisen Bank S.A. ("Raiffeisen Bank S.A.", "Raiffeisen Bank" or "the Bank"), carried out across our headquarters, the Braşov Operational Centre and the 333 agencies, between 1st of January 2020 and 31st December 2020. The report does not include information on the subsidiaries: Raiffeisen Asset Management, Raiffeisen Leasing and Aedificium Banca pentru Locuinţe (Aedificium Bank for Housing). However, during the report, where the information was considered relevant to the understanding of the general context, details of the activity of the Group's subsidiaries in Romania were included.

For the first time, PwC performed a limited assurance mission, in accordance with the ISAE 3000 Standard, on some of the key performance indicators presented in the Report, in accordance with the details presented in the Annex of the Independent Limited Assurance Report that can be found starting [page 91](#).

The Bank operates under the normatives of Romanian legislation in force, its articles of incorporation and internal regulations, and all financial and banking activities of the Bank are regulated and supervised by the National Bank of Romania.

The financial values mentioned are expressed in EURO. In accordance with financial reporting rules, EOP conversion rate was used for the balance sheet, while for the profit and loss statement (income and expenses) and the rest of the financial data included in the report, the average conversion rate was used.

For regulatory information, the exchange rate used was 1 Euro = 4.8684 lei, and for income/expenses/payment information, the exchange rate used was 1 Euro = 4.8371 lei.

Editorial team

The 12th Raiffeisen Bank Romania Sustainability Report is the result of collective work undertaken by the entire team of Raiffeisen Bank and was developed in partnership with The CSR Agency, a sustainability and corporate social responsibility consultancy company.

Suggestions and recommendations

We kindly ask that you send your suggestions, opinions, recommendations or questions to:

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Navigating through the Report:

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SDGs button: : the Sustainable Development Goals that the Bank contributes to/ generates a positive impact on, through the projects it implements

1 We Are Raiffeisen Bank Romania

2020 Highlights

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Corporate Governance

Business Ethics and Responsibility

Risk Management



2020 Highlights

Raiffeisen Bank Romania

333

agencies

2,072,343

private individual clients


99,197


SMEs

5,313

companies

Responsible Banker

 **Gold Level Recognition** for the third consecutive year at the Romanian CSR Index for transparency and non-financial performance

 Money Bistro is declared **Outstanding Financial Educational Program of the Year**



SUPPORT FOR CLIENTS

>55,000

private individual clients benefited from postponement of installment payments

>2,800

SME clients benefited from postponement of payments

127

corporate clients benefited from postponement of installment payments

341.5 mill. €

was the total amount of financing granted to companies, in order to limit the negative effect of the pandemic

PROGRAMS FOR ROMANIAN ENTREPRENEURSHIP

112 projects funded through

Factory by Raiffeisen Bank

RESPONSIBLE FINANCE

47%

of the new mortgages were class A energy efficient

12.9%

of the value of loans granted to corporate clients were directed towards sustainable real estate projects

32%

of Raiffeisen Bank International's green bond portfolio is found in Romania

37 young farmers attended the **Masterclass in Business of Agriculture** executive training program

120 participants in the *Dialogue for a sustainable future* conference at **Cereal Expert**

DIGITALIZATION

Smart Mobile

the most downloaded mobile banking application in Romania in March 2020

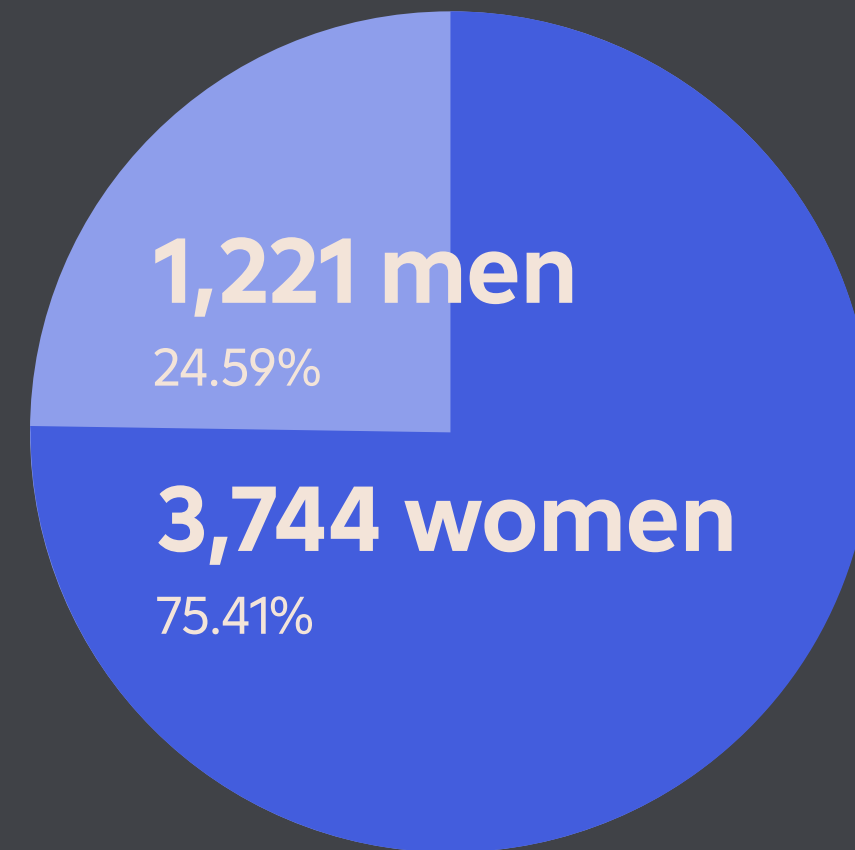
29%

increase in the number of active Smart Mobile users

Fair Partner

4,965

employees:



We updated and published the workplace diversity policy.

average training hours :

33.37

for men

50.95

for women

40%

of Raiffeisen Bank employees worked from home in 2020

86%

of our employees feel proud to be working for the company

81%

of our employees say that the Bank demonstrates care for the team

56.4%

of management positions (Board-1 and Board-2) are held by women

997 participants in the online

Banking University

program

Committed Corporate Citizen

1,589,967 lei

in the form of sponsorships, granted to 199 hospitals, ambulance services and emergency inspectorates across the country

total value of community investments:

>8.7 million lei

We launched

Raiffeisen Art Proiect – Stagiune Virtuală

70 cultural projects could be watched on the platform in the four sections: Theatre, Music, Explorer and Conversations

The projects recorded **over 100.000 views**

11 education projects funded through the

Raiffeisen Communities

grant program

518

colleagues volunteered in community projects

30%

the share of the budget allocated for education projects, out of the total community investments budget



About Us

Raiffeisen Bank S.A., part of the Austrian Group Raiffeisen, has been present in Romania since 1994.

Offering a full range of banking products and services, at the end of 2020 the Bank's network consisted of 333 agencies, 726 ATMs, over 23,400 POSs and 392 multifunctional machines and a portfolio of 2,072,343 private individual clients, 99,197 SMEs and 5,313 companies.



333

agencies

726

ATMs

23,400

POSs

392

multifunctional machines



clients:

2,072,343

private individual clients

99,197

SMEs

5,313

companies



Mission, Vision and Values

In Raiffeisen Bank's vision, ensuring the sustainable development of the company is our obligation towards society, stakeholders and ourselves. Our mission is to enable this journey towards a sustainable community and to support customers by providing them with the proper financial products and services. In our day-to-day work, we are guided by solid values, which are reflected in everything we do: collaboration, responsibility, learning and proactivity.

2020 emphasized the importance of such values, of transparency, of the ability to respond to unforeseen situations. Although it was a difficult year, full of unpredictable events that forced us to reevaluate the way we operate, we reacted fast, in order to ensure the continuity of the business in safe conditions and to come to the aid of our employees, customers and partners, but also to support our society, faced with such a great challenge.



Our Values:

Collaboration

We work together. If we collaborate, discuss, listen and help each other, we will always have the desired results. We will create an environment of understanding, respect and trust, in which we encourage diversity and teamwork.

Learning

We are eager to learn. This way we come to know personal progress and learn from experiences, education and sharing knowledge. Sometimes, experimenting can lead to mistakes, but this way we will be able to become even better, because learning and curiosity help us innovate.

Responsibility

We act responsibly. We take responsibility for our actions, for significant changes. Individually or as a team, we make decisions responsibly and we are accountable for the results of our work. We are aware of the consequences of our actions and we are responsible members of society, supporting sustainable business.

Proactivity

We are proactive. We look towards the future and we lead the change. We focus on opportunities, not on threats and we transform indecision into decisions and reactivity into proactivity. Through courage and determination, we make a difference, because even slow progress today will lead to great results tomorrow.

Economic performance

Description	2020 thousand €
Direct economic value generated:	474,054
Revenues	474,054
Economic value distributed	-429,177
Operating costs	-182,524
Employee wages and benefits	-131,596
Payments to shareholders	9,923
Payments to government/state budget	-103,318
Community investments	-1,816
Economic value retained <i>calculated as "Direct economic value generated" extracting "Economic value distributed"</i>	44,877

Payments to shareholders represent dividends distributed following the decisions of the General Shareholders' Meeting (GSM), in the current year, for the previous financial year. In April 2021, the distribution of dividends amounting to RON 48,000,000, was approved.

Tax exemptions and tax credits in 2020 (euro)* 2,070,150

Other financial benefits paid or payable by any public authority for any operation in 2020 (euro)** 65,573

*2020 profit tax reduction for timely payment (5% in the 1st quarter and 10% in Q2 and Q3)

**amounts received from ANOFM (National Agency for Employment) in accordance with Law 19/2020 representing the payment of the days of parents who stayed at home with their children during the state of emergency

Raiffeisen Bank ended the 2020 financial year with good financial performance, achieving a net profit of 644 million lei, 17% lower than in 2019.

This decrease was recorded, on the one hand, due to the economic evolution during the pandemic, but also because of our conservative credit provisioning policy. In addition, Raiffeisen Bank capitalized on its experience and responsible behaviour and has come up with effective solutions during this period, aware that numbers are not what matters the most when facing a health crisis.

Financial Indicators

Description	2019 thousand €	2020 thousand €
Profit & Loss		
Net interest income	362,283	352,928
Net commission income	112,482	100,210
Trading profit	70,117	68,999
Administrative expenses	(318,668)	(314,120)
Profit/(loss) before tax	202,270	159,935
Profit/(loss) after tax, before the net income obtained from the sale of interrupted activity	164,258	133,167
Net profit for the year	164,258	133,167
Number of ordinary shares	12,000	12,000
Earnings per share (in thousand €/share)	13.69	11.10

Balance Sheet		
Loans and advances to banks (including placements with banks)	42,057	199,443
Loans and advances to customers	5,713,188	5,873,413
Deposits from banks	64,585	69,508
Loans from banks	8,844	3,626
Deposits from clients	7,491,120	8,911,761
Equity (including minorities and profit)	982,361	1,104,192
Balance-sheet total	8,971,757	10,531,670

Regulatory Information		
Risk-weighted assets, including market risk	4,870,586	5,041,549
Total own funds	1,144,028	1,290,368
Total own funds requirement (RWA*8%)	389,647	403,324
Excess cover ratio (Own funds capital requirements) = Total own funds excess	754,381	887,044
Core capital ratio (Tier 1), including market risk (Tier 1 ratio = Tier1/ RWA)	19.53%	21.93%
Own funds ratio	23.49%	25.59%

Performance Indicators		
Return on equity (ROE) before tax	25.16%	16.74%
Return on equity (ROE) after tax	20.43%	13.94%
Cost/income ratio*	51.81%	53.68%
Return on assets (ROA) before tax	2.30%	1.64%
Risk/earnings ratio	10.88%	18.82%

*Compared to 2019, in 2020, the calculation methodology of the cost/income ratio indicator has been updated. Last year, the formula underlying this calculation was: cost-to-income ratio = operating expenses/operating income, while in 2020, the cost-to-income ratio is calculated as (operating expenses - resolution fund - litigation provisions - tax on assets)/operating income. Therefore, the value of the cost-to-income ratio for 2019 changed from 55.77% (value reported in the Raiffeisen Bank Sustainability Report 2019) to 51.81%.

Shareholder structure

99.925%

Raiffeisen SEE Region Holding GmbH

0.075%

Other shareholders
(individuals and legal entities)

In 2020, there were no significant changes to the Bank's shareholder structure. The shareholder structure is entirely private. There are no Government entities present in the company's shareholder structure.

Corporate Governance

Corporate governance is the set of principles and mechanisms based on which the company's management exerts its leadership and control prerogatives, in order to achieve its goals by implementing the adopted strategy, always having a fair conduct towards clients, counterparties, shareholders, investors or supervisory authorities.

The Bank gives great importance to responsible and transparent management, which aims to ensure that the Bank correctly informs its stakeholders and maintains their trust (not just capital market participants). Thus, the Bank applies the principles defined in the Corporate Governance Code (CGC) of the Bucharest Stock Exchange (BVB), which can be found on the Stock Exchange's website, [here](#).

The company's management is based on trust, transparency and respect, attributes that enable the development of human capital and strategic decisions that support the sustainable development of the Bank.

The General Shareholders' Meeting

The General Shareholders' Meeting (GSM) is the superior decision-making authority of the Bank. The General Shareholders' Meeting may be Ordinary or Extraordinary. In accordance with the Bank's Articles of Incorporations and the legislation in force, the General Shareholders' Meeting has a series of main competences:

The Ordinary General Shareholders' Meeting:

- ▣ To discuss, to approve or to modify the annual financial statements of the Bank, upon the analysis of the Management Board's and Supervisory Board's reports, as well as that of the report and the opinion issued by the financial auditor, and to establish the dividends, if any;
- ▣ To elect the members of the Supervisory Board and the financial auditor of the Bank;
- ▣ To revoke the members of the Supervisory Board and the financial auditor of the Bank, whenever it is considered necessary;

- ▣ To set the remuneration for the Supervisory Board members, as well as the general principles and limitations with respect to the additional remuneration of the Supervisory Board members and the general principles and limitations with respect to the remuneration of the Management Board members;
- ▣ To consider the performance of the Management Board members, to discharge them of liability and to decide to sue them, if necessary;
- ▣ To approve the budget of revenues and expenses and the business plan for the following fiscal year.

The manner in which the General Shareholders' Meetings are conducted, as well as the regulations with respect to the shareholders' rights and obligations, are regulated by Law no. 31/1990 on trading companies.

The Extraordinary General Shareholders' Meeting:

- ▣ The change of the Bank's legal form;
- ▣ The merger of the Bank with other companies;
- ▣ The Bank's dissolution or division;
- ▣ The issuance of bonds and conversion of such bonds from a category into another or into shares;
- ▣ Decrease the Bank's share capital;
- ▣ Any amendments to the Articles of Incorporation of the Bank.

Administration Structures

The administration of Raiffeisen Bank S.A. is performed by a dual management system consisting of the Management Board and the Supervisory Board. The dual management system allows for the segregation of the company's management responsibilities – carried out by the Management Board – from the responsibilities of control/supervision that are fulfilled by the Supervisory Board. The dual management system ensures that the operational decision-making process becomes efficient, while increasing control over factors that influence it.

The Supervisory Board

The Supervisory Board exercises ongoing control over the Bank's current management activity conducted by the Management Board. The Supervisory Board consists of 9 members appointed by the General Shareholders' Meeting within four-year mandates, being possible to be re-elected for additional mandates.

The main competences of the Supervisory Board:

- ▣ To set the exact number of Management Board members, as well as their competences;
- ▣ To appoint and revoke the Management Board members;
- ▣ To verify that the Bank's managerial operations are compliant with the law, with the Articles of Incorporation and with the resolutions of the General Shareholders' Meeting;
- ▣ To provide the General Shareholders' Meeting with at least a yearly report regarding the supervision activity undertaken;
- ▣ To convene the General Shareholders' Meeting on an exceptional basis, should this be required in the best interest of the Bank;
- ▣ To establish advisory committees as required by law, but not only, as these will be considered necessary in order to develop the Bank's activities. The committees will consist of Supervisory Board members;
- ▣ To approve and to periodically review the general principles of the remuneration policy as well as its implementation. To directly oversee the remuneration of the senior officers in the risk management and in compliance functions.

During 2020, 4 Supervisory Board meetings took place and their decisions were made by the unanimous votes of the attending members. Also, a number of 19 decisions were made by circulation.

The Supervisory Board structure, by gender and age

	M		W		Total	
	nr.	%	nr.	%	nr.	%
<30 years	0	0	0	0	0	0
30-50 years	3	33.33	0	0	3	33.33
>50 years	4	44.45	2	22.22	6	66.67
Total	7	77.78	2	22.22	9	100.00

The Supervisory Board has set up a number of 5 committees, namely:

- ⇒ the Audit Committee
- ⇒ the Nomination Committee
- ⇒ the Remuneration Committee
- ⇒ the Executive Credit Committee
- ⇒ the Supervisory Board Risk Committee

Q Detailed information on the responsibilities and activity of the committees can be consulted at length by visiting the *Raiffeisen Bank Romania 2020 Annual Report*, available [here](#).

The Management Board

The Management Board ensures the managing of the Bank's current business and it consists of 7 members appointed by the Supervisory Board for mandates of up to 4 years, with the possibility of being re-appointed for additional time periods.

Competences delegated to the Management Board:

- ▣ Relocation of headquarters to another address;
- ▣ Changes in the Bank's activity, except changing the main field of activity and the main object of activity;
- ▣ Increase the Bank's share capital, except when this is made through an increase in the nominal value of the shares (provided that the increase is not achieved through the incorporations of reserves, benefits and issuance premiums), in which case the decision regarding the share capital increase will be made by the Extraordinary General Shareholders' Meetings unanimously;
- ▣ Establishment and closing down any territorial bank units with no legal entity.



The Management Board structure, by gender and age

	M		W		Total	
	no.	%	no.	%	no.	%
<30 years	0	0	0	0	0	0
30-50 years	4	57.14	0	0	4	57.14
>50 years	3	42.86	0	0	3	42.86
Total	7	100.00	0	0	7	100.00

The Management Board set up a number of 9 committees, namely:

- ⇒ Asset and Liabilities Committee
- ⇒ Risk Committee
- ⇒ Credit Committee
- ⇒ Problem Loan Committee
- ⇒ Private Individuals Credit Committee
- ⇒ Project Portfolio Committee
- ⇒ Rules and Procedures Committee
- ⇒ Security Council and Investment & Product Governance Committee

Q Detailed information on the responsibilities and activity of the Management Boards, as well as the Committees under its supervision, can be consulted at length by visiting the *Raiffeisen Bank Romania 2020 Annual Report*, available [here](#).

Business Ethics and Responsibility

In addition to strictly complying with national and international law, the regulations of the Code of Conduct implemented at Group level, as well as the norms of the Corporate Governance Code (CGC) of the Bucharest Stock Exchange, Raiffeisen Bank's daily activity is guided by ethics and responsibility.

The Bank's Code of Conduct (updated in January 2020) forms the foundation of a corporate culture based on integrity. The Bank expects all its employees to act responsibly, not engage in any inappropriate behavior, especially intentional, violating or requiring others to violate the Code of Conduct.

Employees are advised to express their concerns and promptly report any fraudulent attempts or possible violations of laws or regulations to their managers. Any breach of the Code of Conduct may have consequences under the labor law, including early termination of the employment contract.

The company also expects all suppliers and partners of the Bank to comply with the Code of Conduct or other identical or similar rules, regulations and standards.

All employees are encouraged to report any suspicions about irregularities in their day-to-day work. Thus, two channels are available for them to submit notifications, remaining under the protection of anonymity:

⚠ The Whistleblowing platform

managed at RBI Group level

⚠ Whistleblowing E-mail

dedicated local e-mail address

Conflicts of Interest

At the level of Raiffeisen Bank Romania, specific policies are defined, in force, regarding Conflicts of Interest, both for the Bank's staff and for the Governing Bodies (Management and Supervisory Board). Governing bodies are responsible for establishing, approving, and overseeing the effective implementation of conflicts of interest policies.

Conflicts of interest are monitored in order to prevent bribery and corruption, as well as to prevent any other conduct that could have a negative impact on the Bank's customers and partners. The conflicts of interest internal policies are intended to help identify, assess, manage, and mitigate or prevent current and potential conflicts of interest, including those related to the financial services provided by the Bank.

i In 2020, 7 complaints were reported via Whistleblowing E-mail. Of these, 4 were disproved, and 3 concerned inappropriate behavior of some employees. Thus, measures were adopted according to the internal regulatory and legislative framework.



i In 2020, the Bank registered two complaints from employees/partners regarding the existence of potential conflicts of interest at company level.

Based on the complaints received, the Bank performed specific internal audits and took measures to manage and monitor conflicts of interest in accordance with the internal regulatory and legislative framework.

Anti-corruption Policy

The Bank takes responsibility for preventing and combating corruption and bribery and implements a rigorous internal set of rules that meet the highest international standards. Raiffeisen Bank complies with the Romanian legislation on anti-corruption, as well as the standards of the Raiffeisen Bank International Group. When there are differences between the Romanian legislation and the Group standard, Raiffeisen Bank applies the more restrictive standard.

Corruption and bribery can take many forms, including offering or accepting direct or indirect payments, excessive gifts, sponsorships, donations, preferential payments or facilitating services. Employees are authorized to accept or offer gifts and invitations that are appropriate to their position in the company only in certain circumstances, subject to the limitations, approvals and registration requirements defined in the Bank's internal rules, but are strictly prohibited from offering or receiving monetary gifts or equivalent.

Acts of corruption committed by employees or partners who have contractual relations with the Bank are unacceptable.

The risks of corruption are assessed and closely monitored by the Anti-fraud and Anti-corruption Department, which is responsible for developing, updating and implementing internal regulations designed to eliminate the risk of acts that go against the Bank's ethical standards:

- 🏠 a company-wide anti-corruption policy, revised in August 2020;
- 🏠 a policy on managing and preventing conflicts of interest, revised in September 2019;
- 🏠 a policy on conflicts of interest for members of the Management Board and the Supervisory Board, updated in April 2019.

The Anti-fraud and Anti-corruption Department assesses and monitors the risks of corruption both within the company and externally, in relation to service and product providers and in sponsorship and charitable actions.

In 2020, all Bank's employees were informed on the Bank's anti-corruption policies and procedures, and 89% of employees received and promoted a mandatory anti-corruption training.

i According to the Sponsorship Policy, the Bank does not provide cash or in-kind sponsorships to political parties or politicians

In 2020, there were no:

- ⊗ confirmed corruption incidents;
- ⊗ confirmed incidents leading to the dismissal or disciplinary sanction of employees for corruption;
- ⊗ confirmed incidents that led to the termination or interruption of collaborative relations as a result of corruption;
- ⊗ legal actions/public lawsuits brought against the Bank, based on suspicions of corruption, or against any of the Bank's employees.

During the reporting period, 36% of Raiffeisen Bank's operations were assessed in terms of corruption risks in 4 areas:

- ③ The process of vetting new employees
- ③ Supplier screening process (services, rented spaces)
- ③ Sponsorship and charitable actions
- ③ Conflicts of interest - including gifts and invitations

The evaluation of operations aims to identify and avoid potentially significant risks, such as giving and taking bribes, abuse of authority, reputational risks, etc.

Personal Data Protection

Personal data protection is a constant concern for Raiffeisen Bank Romania. The Bank focuses on implementing the necessary information protection measures, both by technical means and by administrative controls based on best practices in the field. The purpose of these approaches is the need for continuous improvement in the field of data security and customer service. At company level, there are internal policies and procedures that govern how the confidentiality and security of the data of any data subject is ensured.

In order to ensure compliance with the applicable law, the Bank has appointed a Data Protection Officer (DPO), making it mandatory to be consulted on all matters relating to personal data protection, including:

- 🔒 the approval of internal rules and procedures, including any change with an impact on the processing and protection of personal data;
- 🔒 the design of new flows/processes/services or banking products/operations involving the processing and protection of personal data;
- 🔒 ensuring compliance with requests for the exercise of the rights of the data subject and/or complaints concerning the way in which the Bank complies with the legal provisions on the protection of personal data;
- 🔒 carrying out any impact analysis in the field of processing and protection of personal data;
- 🔒 investigating any security incident with an impact in the field of processing and protection of personal data.

🔍 Information on the processing of personal data by the Bank can be found on the page dedicated to our [Personal Data Processing and Privacy Policy](#). Customers can also submit questions to the DPO by sending a message to the dpo@raiffeisen.ro.

Specific control activities regarding personal data protection are carried out in accordance with the provisions and recommendations included in the general data protection governance framework, in accordance with the directives issued by the Group on the strategy and governance of personal data, and take into account principles, policies and standards accepted at the level of the organisation. These comply with the principles and rules applicable to the processing of personal data carried out by Raiffeisen Bank by setting the requirements to be met by Raiffeisen Bank employees when processing personal data in the performance of their duties (including in the context of human resources activities).

During the reporting period, there were 25 legal proceedings, concluded with final court decisions, regarding violations of the legislation regarding client data protection and privacy, where clients requested that Raiffeisen Bank delete negative data from record systems such as Credit Bureaus, and cease future reporting of negative data to the Credit Bureau.

Complaints concerning the personal data protection

	Number of complaints	Of which partially founded*	Of which unfounded
National Authority for Consumer Protection	3	0	3
National Supervisory Authority for Personal Data Processing	7	3	4
National Bank of Romania	2	0	1
County Commissary for Consumer Protection	7	2	4
Customers	4,025	999	2,471
The Centre for the Alternative Dispute Resolution in Banking	39	3	35
Total	4,083	1,007	2,518

*Starting 2019, Raiffeisen Bank divides complaints received as well founded, unfounded or partially founded. The category of partially substantiated complaints refers to those complaints for situations where an error of the Bank cannot be found, but customers request certain changes or improvements in the services offered.

i In 2020, at Bank level, there were no fines or warnings received for non-compliance with the laws or regulations on the processing of personal data.

Information Security

We have a responsibility to provide our clients with access to financial-banking products and services in terms of maximum security. That is why we are constantly implementing measures to protect them from any form of cyberattacks. We strictly comply with both national regulations on information security and European legislative frameworks.

Transactions security is a top priority for Raiffeisen Bank, because we want to give our clients the confidence to make transactions, including at night or on weekends, and access to private information about personal accounts anytime and anywhere in the world.

We constantly communicate information to customers to help them protect themselves against existing risks, especially when using digital banking services. Customers can access a dedicated section on Bank's website outlining the steps we take for the safety of their transactions, as well as steps to follow and helpful tips for:

- ⇒ [Safe online shopping](#)
- ⇒ [Safe online transactions](#)
- ⇒ [Safe mobile transactions](#)
- ⇒ [Avoiding online fraud](#)

Socio-economic Compliance

Compliance with legislative regulations is a fundamental performance indicator for Raiffeisen Bank Romania's business model. Strict compliance with the legal provisions is essential for our activity, as any deviation from these rules produces imbalances, both in terms of the trust that stakeholders have in us and in terms of operational costs.

In 2020, there were 11 legal actions that resulted in the Bank being sanctioned by the National Consumer Protection Authority for non-compliance with social and economic laws and/or regulations concerning the supply and use of financial products and services. For this reason, the Bank was sanctioned by the aforementioned authority with 2 warnings and 25 fines, totalling 58,500 lei. The reasons that led to these sanctions concerned contested card transactions (duration of settlement), credit claims (notifications, erroneous settings), insurance claims (collection of outstanding premium amounts).

Other disputes for non-compliance with applicable laws and/or regulations

	2018*	2019**	2020***
Total number of disputes	1,921	1,777	1,384
Total number of completed disputes	490	683	395
Number of pending disputes at the end of the year	1,431	1,094	989

Product and Services Transparency

Having our clients' trust is a priority for us, and this can only be maintained through transparent, clear and honest communication of information about the Bank's products and services.

Accurate and responsible marketing communications are extremely important in this regard, because we want to offer our clients the opportunity to make informed decisions, in accordance with their needs and possibilities, knowing all the details and responsibilities of each party.

Thus, the promotion and marketing processes of our products and services comply with the national and international regulations in force, and for this, the Bank has developed a strict policy framework that aims to provide our customers with complete information, while at the same time protecting them against possible losses. When we offer recommendations and advice to customers for choosing a product or service, the main criterion we are guided by is objectivity. It is essential for both us and the customer that the risks associated with accessing products and services are clearly explained to the customer.

*Of the total number of pending cases at the end of 2018 („total number of pending disputes“), 1,420 are cases of consumers, customers of the Bank, concerning alleged abusive terms in credit agreements; share of disputes won is 77.96% for 2018.

**Of the total number of pending cases at the end of 2019 („total number of pending disputes“), 1,047 are cases of consumers, customers of the Bank, concerning alleged abusive terms in credit agreements; share of disputes won is 68.70% for 2019.

***Of the total number of pending cases at the end of 2020 („total number of pending disputes“), 946 are cases of consumers, customers of the Bank, concerning alleged abusive terms in credit agreements; share of disputes won is 65.94% for 2020.

In Romania, Council Directive 93/13 / EEC of 5 April 1993 on unfair terms in consumer contracts was implemented in 2008, but retroactively, which is the reason for the high number of disputes.

- i** During the reporting period there were no:
- ⊗ incidents of non-compliance with regulations and/or voluntary codes on labelling and providing information on the Bank's products and services;
 - ⊗ incidents of non-compliance with voluntary regulations and/or codes on marketing communications, including advertising, promotion and sponsorship of the Bank's products and services.

Compliance with Competition Law

All laws and regulations are strictly observed and the Bank's products and services are promoted in accordance with the rules of fair competition and the norms governing market behaviour at international level, an essential element for sustainable economic growth.

i In 2020, there were no legal actions brought against the Bank for anti-competitive behaviour, or breaches of anti-trust and monopoly legislation, in which the organisation was identified as a participant.

Human Rights

Our approach to human rights is set out in the Bank's Code of Conduct. At Raiffeisen Bank, in our relations with employees, we comply with national laws, regulations and rules, as well as international standards regarding fundamental human rights, freedom of association, equal employment opportunities, and the prohibition of forced, compulsory and child labor.

At Bank level, there is a number of training programs for employees that address human rights issues such as diversity and equal opportunities and non-discrimination.

Q Details on these programs, as well as the number of employees who have completed such trainings, are presented in the [Diversity and Equal Opportunities](#) section.

At the same time, the Bank supports the protection of human rights stipulated in the [European Convention on Human Rights](#) as well as in the [Universal Declaration of Human Rights](#) and aims not to engage in activities that do not comply with these principles. We strive not to directly or indirectly fund any transactions, projects or parties or to cooperate with any business partner (customer, supplier) that does not comply with these standards or are suspected of human rights violations. We seek not to be involved in the business of products that are intended for use in the elimination of demonstrations, political unrest or other human rights violations.

As part of the Raiffeisen Group, signatory to the [United Nations Global Compact](#), we are committed to consistently comply with the ten responsible business principles, two of which are directly aimed at respecting fundamental human rights:

Businesses should support and respect the protection of internationally proclaimed human rights and make sure that they are not complicit in human rights abuses.

Risk Management

The Raiffeisen Group approaches risk in a prudent manner, in line with its long-term development objectives.



The risk management function is independent of the commercial one and focuses on the management and control of the following risks: credit risk, market risk, liquidity risk, operational risk, reputational risk.

The Management Board has overall responsibility for the establishment and oversight of the Bank's risk management framework. In this respect, it established the Assets & Liabilities Committee (ALCO), Credit Committee, Problem Loans Committee and Risk Committee, which regularly report to the Management Board and are responsible for developing and monitoring the Bank's risk management policies in the specified areas.

Raiffeisen Bank's risk management policies are established to identify and analyze the risks faced by the Bank, to set appropriate risk limits and controls, and to monitor risks and adherence to risk limits. Risk management policies and systems are regularly reviewed to reflect changes in the market conditions, products and services offered.

Starting January 2014, following the issuance and coming into force of the EU Directive and Regulation regarding Basel III implementation, the Bank reports the Leverage Ratio, the Liquidity Cover Ratio (LCR) and Net Stable Funding Ratio (NSFR) to the National Bank of Romania (NBR).

In 2014, the Bank also completed the implementation and reporting of the European Banking Authority (EBA) standards concerning forbearance and non-performing exposures. The NBR and EBA regulations on recovery and resolution are applied by the Bank starting 2015. Starting 2018, the Bank applies the IFRS 9 requirements.

In the context of the complex regulatory environment, the Bank continues its efforts to adapt the IT architecture, as well as the risk policies and procedures, to the new legislative requirements and to the market evolution.

The Bank is currently developing and implementing tools to identify, measure and manage social and environmental risk.

Credit Risk

Credit risk analysis and assessment functions for all activity segments are fully centralized and currently represent a single point of contact for the entire Bank. Credit risk activity is organized by industries and specialized by customer segments. This allows a quick reaction to any major change in the micro or macroeconomic environment of Raiffeisen Bank or its customers.

Starting with 2009, the Bank implemented a standardized early warning system in order to monitor certain categories of non-retail borrowing customers and retail borrowing customers.

This system monitors, on a monthly basis, the selected portfolio, in order to identify early warning signs and explain them. Based on these signs, customer portfolio is split into risk groups and actions/strategies are proposed for the customers considered problematic.

Raiffeisen Bank S.A. received NBR's approval to determine the capital requirement for credit risk according to internal rating-based (IRB) models approach starting 2009, July 1st. As regards the retail portfolio, Raiffeisen Bank received NBR's approval to determine the capital requirement for credit risk according to advanced internal rating-based models approach (AIRB) starting 2013, December 1st.

Market Risk

Regarding market risk, the Bank currently uses the standard approach for capital requirement calculation. The market risk management is currently implemented through a market risk limits and warning levels structure applied to the Bank's exposures towards interest rate risk, both from trading book and from banking book, foreign exchange risk and other subtypes of market risks. The close monitoring process and the monitoring frequency of the established limits and warning levels assure a prudent market risk profile for Raiffeisen Bank.

Liquidity Risk

The Management Board defines the liquidity risk strategy based on recommendations made by the units responsible for liquidity and funding management in cooperation with the area responsible for monitoring and controlling of liquidity risk.

The main tools used for liquidity risk management and control purposes are: liquidity gap report, liquidity scorecard, regulatory liquidity indicator, early warning system, regulatory liquidity coverage ratio (LCR), and internal stress test.

Operational Risk

Starting with January 1st, 2010, Raiffeisen Bank determines and reports the capital requirement for operational risk using the standard approach that was approved by the National Bank of Romania's in November 2009.

This approval was based on the operational risk management framework developed by Raiffeisen Bank by implementing an operational risk management model based on three defense lines and on certain advanced tools, such as: operational risk incidents database, operational risk indicators, risk scenarios, risk assessment matrix. Both the operational risk management tools and process are continuously improved, being aligned with the operational risk management framework implemented at the Group level.

Reputational Risk

Within the Bank, reputational risk management is structured on the following directions: defining the management framework and identification, evaluation, monitoring, and management of the risk.

In order to implement the risk strategy for reputational risk, the Bank defined and approved the Reputational Risk Policy, which describes the roles and responsibilities regarding reputational risk, and also the tools used to insure proper management and control of this risk.

Tools used for assessing and managing reputational risk:

- ④ reputational risk indicators (indicators that measure the perception and behavior of the customers – i.e., number of complaints; indicators that measure the public perception in the mass media; and indicators reflecting the relationship with government authorities);
- ④ collecting and reporting of reputational risk events, which are managed using specific flows and actions;
- ④ assessment of reputational risk as part of the Bank's risk profile.

Reputational risk is a priority for the Bank, and therefore we continuously focus to improve the management process, especially in terms of raising the awareness of all employees through specialized training programs.

2 We Are a Responsible Banker

Our Sustainability Strategy

- Materiality Analysis
- Stakeholder Engagement
- Awards and Affiliations
- Our Commitments and Progress

Safe Together: for Our Customers

- Measures Taken by Raiffeisen Bank Romania in the Context of COVID - 19
- Our Portfolio
- Responsible Financing
- Digitalization
- Programs for Romanian Entrepreneurship
- Financial Education



Our Sustainability Strategy

Materiality Analysis

We want to deliver responsible banking to all of our clients, and this requires accountability and commitment. We prove that these values define us by publishing the annual sustainability report, a practice that has already become a custom, this being the twelfth year in which we transparently publish non-financial performance indicators.

An essential step in the development of the sustainability report is the process of determining material topics, by identifying areas where the Bank has economic, social and environmental impacts, and revealing the topics of interest to our stakeholders, a process carried out every two years. In this regard, in January 2020, together with The CSR Agency consultants team, we developed and distributed a series of online questionnaires to our management and stakeholders to help us identify material topics.



The main stages of the materiality process:

- ① Identify potential material topics
- ② Evaluate economic, social and environmental impact (Internal Analysis)
- ③ Assess the influence on stakeholders' decisions and evaluation (External Analysis)
- ④ Analyze answers
- ⑤ Materiality matrix

①

Potential material topics for the company are identified starting with the analysis of the sustainability context, taking into account national and international legislative regulations and specific topics of the financial-banking sector.

②

The list of potential material topics is then analysed internally, each topic being assessed from the perspective of the economic, social and environmental impact dimension. In 2020, the evaluation was carried out by 32 representatives of the company (board and department directors).

③

At the same time, potential material topics are subject to stakeholder analysis; they assess each topic, depending on how much their decisions are influenced by how the Bank approaches the topic.

The stakeholder categories consulted were:

- Raiffeisen Bank Romania employee
- Local or central authorities
- Supranational organizations
- Customer - company
- Customer – private individual
- Business partner or consultant
- Goods and services supplier
- Mass-media
- Civil society/non-governmental organization/non-profit organization representative
- Business and professional associations
- Employers'/trade unions organizations

The stakeholders categories consulted were identified by an inter-departmental team within the Bank, in 2017 and revalidated in 2019 during an internal workshop. Stakeholder identification was based on the definition that they represent entities or individuals that may be affected by the organization's activity, on which the organization has an impact through the products and services it places on the market or whose activities may affect the organization's ability to implement strategies and achieve its goals.

In addition to the stakeholder categories listed above, the Bank identified two other categories that were not included in the sustainability report consultation process: shareholders and the local community. The majority shareholding of the Bank is 99.925% owned by Raiffeisen SEE Region Holding GmbH, and 0.075% by other shareholders (individuals and legal entities). Their interests and expectations

are represented by the General Meeting of Shareholders and are reflected in the Bank's sustainability strategy. Communication is done directly, whenever necessary, through dedicated internal channels.

Local community is defined as the population living in Romania, the Bank having a network of agencies distributed throughout the country. Thus, the Bank considers that the interests and expectations of the general population in relation to the organization are represented by the categories consulted, in particular by local or central authorities, civil society representatives, journalists and customers.

➔ **More than four thousand people (4,111), included in the 11 categories listed above, participated in the consultation process in 2020.**

④

The results analysis of the impact assessment and stakeholder consultation processes leads to the list of material topics, i.e. those topics that reflect the significant economic, social and environmental impact of the Bank or that substantially influence the assessment and decisions of stakeholders.

The material topics for Raiffeisen Bank Romania are those topics:

- where the Bank has significant economic, social and environmental impact, as follows:
 - ⊕ existing policies and practices generate high positive impact
 - ⊕ existing policies and practices generate major positive impact
 - ⊕ despite existing policies, the impact is negative and high (most likely a large and sustained intervention is needed to aim for zero)
 - ⊕ despite existing policies, external and internal factors make the impact negative and very large (major and sustained intervention is needed, both inside and outside the company, to reduce this impact)
- that influence the way stakeholders evaluate the Bank, as follows:
 - ⊕ have a high influence on the decisions they make in relation to the Bank
 - ⊕ have a major influence on the decisions they make in relation to the Bank

⑤

The material topics are graphically represented in the materiality matrix, included in the report.

The 29 material topics resulting from the analysis were included in three categories:

Economic

- 1. Anti-corruption
- 2. Management and leadership
- 3. Innovation
- 4. Public policy
- 5. Anti-competitive behavior
- 6. Economic performance
- 7. Market presence
- 8. Indirect economic impacts
- 9. Procurement practices

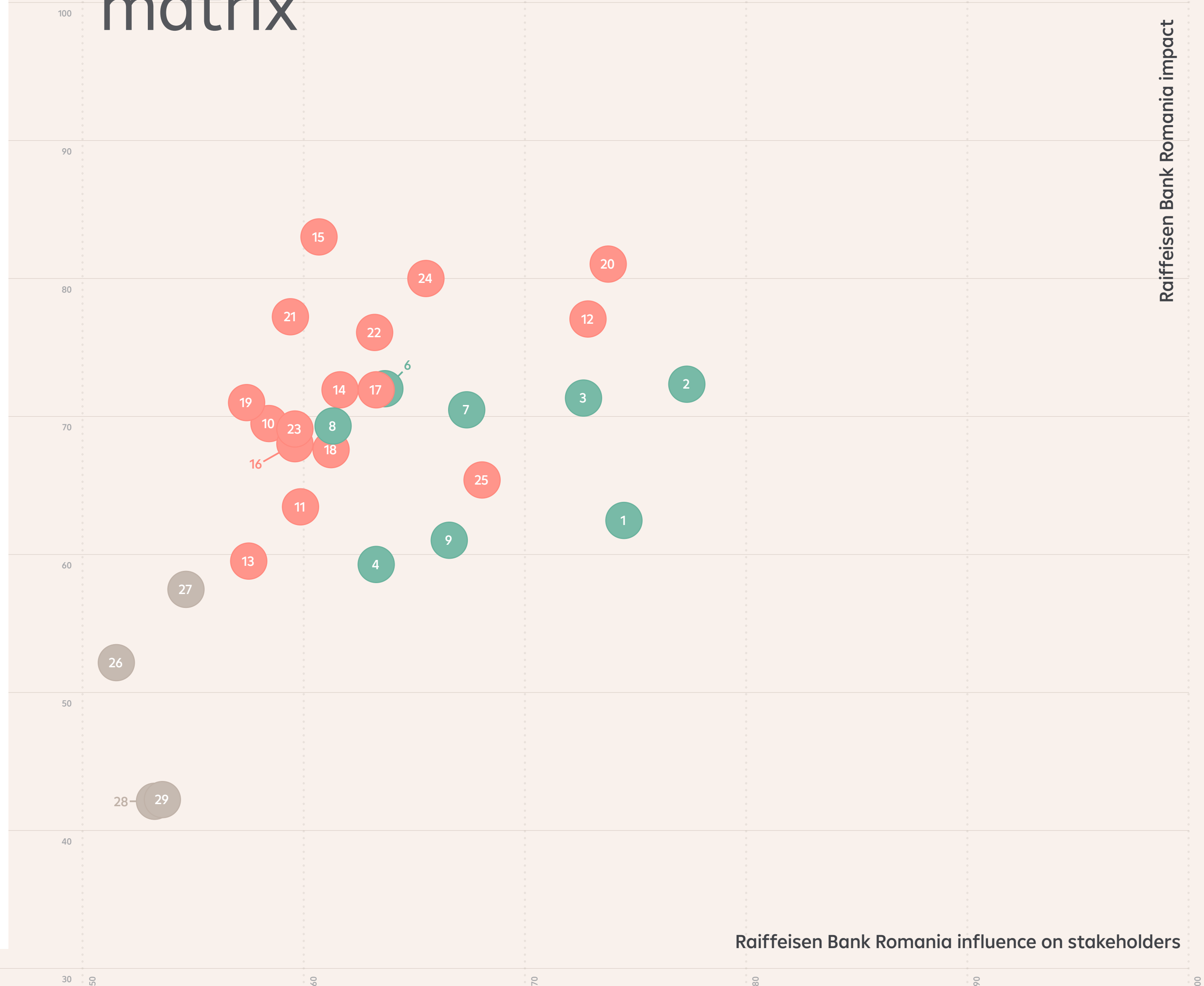
Social

- 10. Customer privacy
- 11. Sustainable financing
- 12. Marketing and labeling
- 13. Transparent information regarding products and services
- 14. Employment
- 15. Occupational health and safety
- 16. Diversity and equal opportunity
- 17. Training and education
- 18. Labor-management relations
- 19. Non-discrimination
- 20. Human rights assessment
- 21. Volunteering and community investments
- 22. Socioeconomic compliance
- 23. Stakeholders and community engagement
- 24. Financial education
- 25. Security practices

Environment

- 26. Energy
- 27. Waste
- 28. Emissions
- 29. Materials

Materiality matrix



Raiffeisen Bank Romania impact

Raiffeisen Bank Romania influence on stakeholders

Material topics	Topic boundary		Stakeholders
	Direct impact*	Indirect impact**	
Economic			
1. Anti-corruption	✓	✓	① ② ③ ④ ⑤ ⑥ ⑦ ⑧ ⑨ ⑩ ⑪
2. Management and leadership	✓	✓	① ② ③ ④ ⑤ ⑥ ⑦ ⑧ ⑨ ⑩ ⑪
3. Innovation	✓	✓	① ② ③ ④ ⑤ ⑥ ⑦ ⑧ ⑨ ⑩ ⑪
4. Public policy	○	✓	① ② ③ ④ ⑤ ⑥ ⑦ ⑧ ⑨ ⑩ ⑪
5. Anti-competitive behavior	✓	✓	① ② ③ ④ ⑤ ⑥ ⑦ ⑧ ⑨ ⑩ ⑪
6. Economic performance	✓	✓	① ② ③ ④ ⑤ ⑥ ⑦ ⑧ ⑨ ⑩ ⑪
7. Market presence	✓	○	① ② ③ ④ ⑤ ⑥ ⑦ ⑧ ⑨ ⑩ ⑪
8. Indirect economic impacts	✓	✓	① ② ③ ④ ⑤ ⑥ ⑦ ⑧ ⑨ ⑩ ⑪
9. Procurement practices	✓	✓	① ② ③ ④ ⑤ ⑥ ⑦ ⑧ ⑨ ⑩ ⑪
Social			
10. Customer privacy	✓	✓	① ② ③ ④ ⑤ ⑥ ⑦ ⑧ ⑨ ⑩ ⑪
11. Sustainable financing	✓	✓	① ② ③ ④ ⑤ ⑥ ⑦ ⑧ ⑨ ⑩ ⑪
12. Marketing and labeling	✓	✓	① ② ③ ④ ⑤ ⑥ ⑦ ⑧ ⑨ ⑩ ⑪
13. Transparent information regarding products and services	✓	✓	① ② ③ ④ ⑤ ⑥ ⑦ ⑧ ⑨ ⑩ ⑪
14. Employment	✓	○	① ② ③ ④ ⑤ ⑥ ⑦ ⑧ ⑨ ⑩ ⑪

15. Occupational health and safety	✓	○	① ② ③ ④ ⑤ ⑥ ⑦ ⑧ ⑨ ⑩ ⑪
16. Diversity and equal opportunity	✓	✓	① ② ③ ④ ⑤ ⑥ ⑦ ⑧ ⑨ ⑩ ⑪
17. Training and education	✓	✓	① ② ③ ④ ⑤ ⑥ ⑦ ⑧ ⑨ ⑩ ⑪
18. Labor-management relations	✓	○	① ② ③ ④ ⑤ ⑥ ⑦ ⑧ ⑨ ⑩ ⑪
19. Non-discrimination	✓	○	① ② ③ ④ ⑤ ⑥ ⑦ ⑧ ⑨ ⑩ ⑪
20. Human rights assessment	✓	✓	① ② ③ ④ ⑤ ⑥ ⑦ ⑧ ⑨ ⑩ ⑪
21. Volunteering and community investments	✓	✓	① ② ③ ④ ⑤ ⑥ ⑦ ⑧ ⑨ ⑩ ⑪
22. Socioeconomic compliance	✓	○	① ② ③ ④ ⑤ ⑥ ⑦ ⑧ ⑨ ⑩ ⑪
23. Stakeholders and community engagement	✓	✓	① ② ③ ④ ⑤ ⑥ ⑦ ⑧ ⑨ ⑩ ⑪
24. Financial education	✓	✓	① ② ③ ④ ⑤ ⑥ ⑦ ⑧ ⑨ ⑩ ⑪
25. Security practices	✓	✓	① ② ③ ④ ⑤ ⑥ ⑦ ⑧ ⑨ ⑩ ⑪
Environment			
26. Energy	✓	✓	① ② ③ ④ ⑤ ⑥ ⑦ ⑧ ⑨ ⑩ ⑪
27. Waste	✓	✓	① ② ③ ④ ⑤ ⑥ ⑦ ⑧ ⑨ ⑩ ⑪
28. Emissions	✓	✓	① ② ③ ④ ⑤ ⑥ ⑦ ⑧ ⑨ ⑩ ⑪
29. Materials	✓	✓	① ② ③ ④ ⑤ ⑥ ⑦ ⑧ ⑨ ⑩ ⑪

*direct impact resulting from the Bank's activities

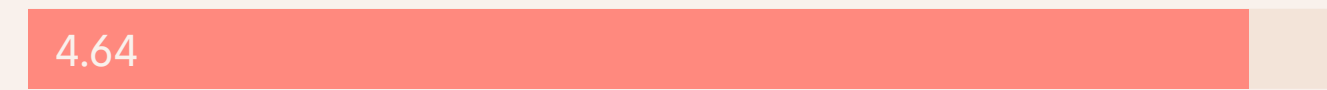
**indirect impact that arises as a result of contractual relations with partners, customers, suppliers

- ① Raiffeisen Bank Romania employee
- ② Local or central authorities
- ③ Supranational organizations
- ④ Customer – company
- ⑤ Customer – private individual
- ⑥ Business partner or consultant
- ⑦ Goods and services supplier
- ⑧ Mass-media
- ⑨ Civil society/ Non-governmental organization/ Non-profit organization representative
- ⑩ Business and professional associations
- ⑪ Employers'/trade unions organizations

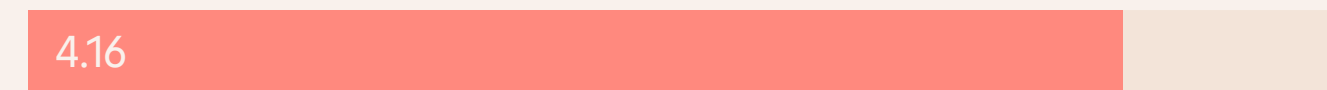
On a scale of 1 to 6 (where 1 – the least important to me, 6 – the most important to me), please assess the areas in which Raiffeisen Bank Romania should invest with priority, from the perspective of its activity.

Areas:

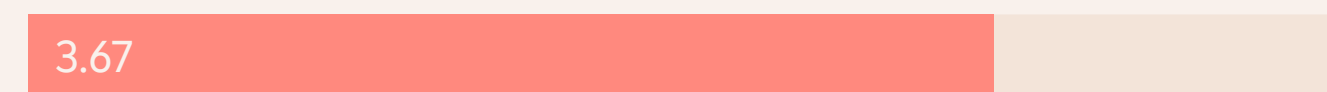
Digitalization



Custom products

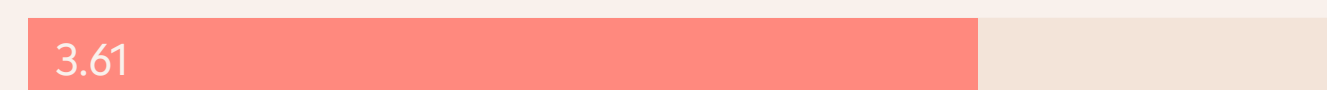


Employee occupational health and safety

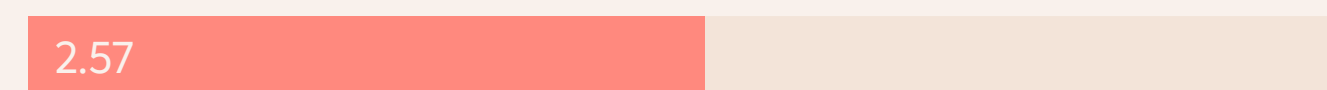


Sustainable products and services

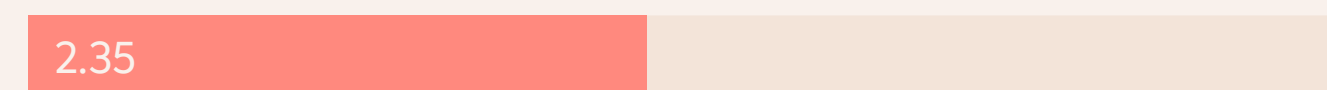
(with little or no environmental impact, addressing a social issue, etc.)



Reducing environmental impact



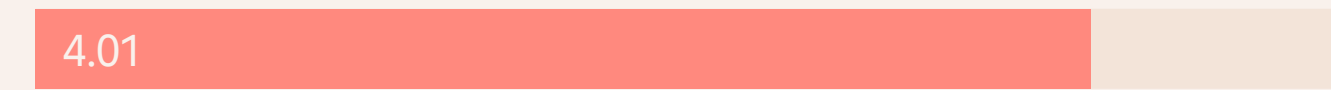
Community involvement



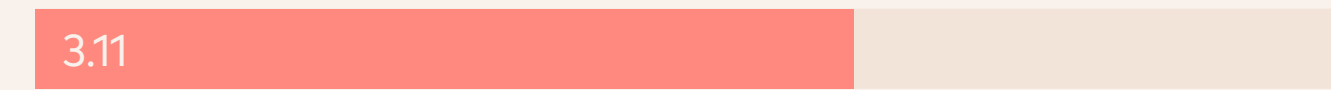
Raiffeisen Bank Romania makes annual community investments, on 5 strategic directions. On a scale of 1 to 5 (where 1 - the least important to me, 5 - the most important to me), please rate them, according to the priority with which the Bank should invest in these directions.

Areas:

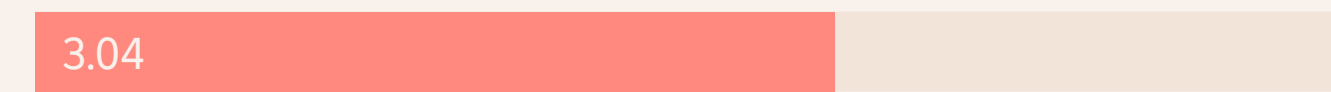
Financial education



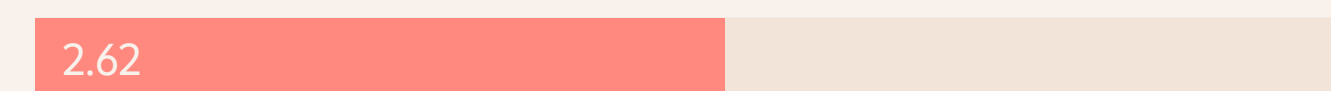
Innovation



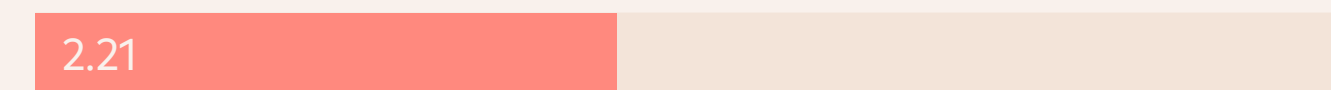
Sports as a healthy lifestyle



Arts and culture



Urban ecology



Stakeholder Engagement

Stakeholder category	How we engage	Engagement/ communication frequency	Top material topics	How we meet their expectations?
Raiffeisen Bank Romania employee	<ul style="list-style-type: none"> → Regular thematic surveys → Regular information → Internal communication campaigns → Internal communication platform → Online events 	<ul style="list-style-type: none"> → Quarterly → Monthly → Weekly 	<ul style="list-style-type: none"> → Occupational health and safety → Labor-management relations → Training and education → Employment → Management and leadership 	<ul style="list-style-type: none"> → Flexible working hours, where possible → Asking feedback on internal decisions and projects → Continuing the “Your Voice” program and increasing employee contribution to management decisions → Providing training opportunities and benefits → Conducting the annual Employee Opinion Survey (EOS) → Training and personal development programs → Wellness programs → Promoting volunteering in bank-supported programs
Local or central authorities	<ul style="list-style-type: none"> → Survey on important materiality topics → Regular consultations → Supporting national economy → Equal employment opportunities → Human capital investments → Public policies and legislative proposals 	<ul style="list-style-type: none"> → Annual → When necessary 	<ul style="list-style-type: none"> → Transparent information regarding products and services → Human rights assessment → Customer privacy → Innovation → Security practices 	<ul style="list-style-type: none"> → Annual Report and Sustainability Report → Raiffeisen Bank annual non-financial statement → Regular reports of the Management Board

Supranational organizations	<ul style="list-style-type: none"> → Survey on important materiality topics → Regular consultations → Creating partnerships and ongoing dialogue 	<ul style="list-style-type: none"> → Annual → When necessary 	<ul style="list-style-type: none"> → Customer privacy → Innovation → Anti-corruption → Transparent information regarding products and services → Market presence → Sustainable financing → Waste 	<ul style="list-style-type: none"> → Annual reports → Annual Financial Report → Annual Sustainability Report
Customer - company	<ul style="list-style-type: none"> → Survey on important materiality topics → Perception survey on interaction with the Bank → Online and offline events → Ongoing communication through Relationship Managers 	<ul style="list-style-type: none"> → Annual → When necessary 	<ul style="list-style-type: none"> → Innovation → Management and leadership → Customer privacy → Financial education 	<ul style="list-style-type: none"> → Customer-dedicated programs → Continuous improvement of products and services → Digitalization of services → Code of Conduct → Positive financial results → Position papers
Customer – private individual	<ul style="list-style-type: none"> → Survey on important materiality topics → Perception survey on interaction with the Bank 	<ul style="list-style-type: none"> → Annual → When necessary 	<ul style="list-style-type: none"> → Transparent information regarding products and services → Customer privacy → Innovation → Security practices → Human rights assessment 	<ul style="list-style-type: none"> → Annual Report → Annual Sustainability Report → MoneyBistro.ro platform → Continuous improvement of products and services
Business partner or consultant	<ul style="list-style-type: none"> → Survey on important materiality topics → Regular consultations → Close relations with partners and customers → Dedicated contact points 	<ul style="list-style-type: none"> → Annual → When necessary 	<ul style="list-style-type: none"> → Management and leadership → Transparent information regarding products and services → Customer privacy → Innovation → Marketing and labeling 	<ul style="list-style-type: none"> → Annual Report → Annual Sustainability Report → Press releases

Goods or services suppliers	<ul style="list-style-type: none"> → Survey on important materiality topics → Regular consultations 	<ul style="list-style-type: none"> → Annual → When necessary 	<ul style="list-style-type: none"> → Financial education → Anti-corruption → Management and leadership → Innovation → Human rights assessment → Transparent information regarding products and services → Socioeconomic compliance → Stakeholder and community engagement 	<ul style="list-style-type: none"> → Annual Report → Annual Sustainability Report → Press releases → Code of Conduct → Commitment to ensure supplier diversity and further development of the supply chain in line with best sustainability practices → Supplier's commitment to the Code of Conduct → Cooperation with local community suppliers
Mass-media	<ul style="list-style-type: none"> → Survey on important materiality topics → Regular consultations → Online press events 	<ul style="list-style-type: none"> → Annual → Weekly → When necessary 	<ul style="list-style-type: none"> → Human rights assessment → Transparent information regarding products and services → Innovation → Employment → Anti-corruption → Management and leadership → Security practices → Customer privacy → Socioeconomic compliance 	<ul style="list-style-type: none"> → Annual Report and quarterly financial statements → Annual Sustainability Report → Thematic events → Statements and press releases → Answers to questions regarding the Bank's activity
Civil society/ non-governmental organization/ non-profit organization representative	<ul style="list-style-type: none"> → Survey on important materiality topics → Regular consultations 	<ul style="list-style-type: none"> → Annual → When necessary 	<ul style="list-style-type: none"> → Volunteering and community investments → Human rights assessment → Stakeholder and community engagement → Management and leadership → Transparent information regarding products and services 	<ul style="list-style-type: none"> → Annual Report → Annual Sustainability Report → Raiffeisen Communities Program → Internal volunteer programs for partner NGOs → Strategic partnership program with civil society representatives

Professional and business associations	<ul style="list-style-type: none"> → Survey on important materiality topics → Regular consultations → Direct involvement in business and professional associations' activity → Online events 	<ul style="list-style-type: none"> → Annual → When necessary 	<ul style="list-style-type: none"> → Human rights assessment → Security practices → Procurement practices → Materials → Anti-corruption → Market presence 	<ul style="list-style-type: none"> → Annual Report → Annual Sustainability Report → Press releases → Active members → Participation in working groups of professional and business associations
Employers'/ trade unions organizations	<ul style="list-style-type: none"> → Survey on important materiality topics → Regular consultations 	<ul style="list-style-type: none"> → Annual → When necessary 	<ul style="list-style-type: none"> → Anti-corruption → Management and leadership → Public policy → Human rights assessment → Market presence → Economic performance → Training and education → Socioeconomic compliance → Employment → Indirect economic impact → Labor-management relations → Occupational health and safety → Anti-competitive behavior 	<ul style="list-style-type: none"> → Annual Report → Annual Sustainability Report → Representation in national employers' / trade unions organizations → Press releases

Customer Engagement

Constant communication with our clients and the feedback we receive from them are very important tools that help us to continuously improve and implement measures that help increase satisfaction both in terms of the products and services we provide as well as in regards to our relation with them.

In an attempt to better adapt to the communication habits of the contemporary customers and to capture their opinions on the bank's products and services, starting 2020, we have implemented new methodologies for collecting and measuring the Customer's Voice, based primarily on digital communication, in a continuous collection regime.

Thus, we measure the customer experience by their willingness to recommend the bank, both through transactional surveys following an interaction, and through relational surveys, of general perception, through our internal platform.

Based on a partnership with a top provider, we continued developing the Customer Experience management platform, PULS, capable of delivering a unified 360 view of our customers' opinions in real time. The platform provides a starting point for improving the quality of products and services offered, based on customer needs and feedback, and having as a main objective an overall better customer experience. By the end of 2020, we managed to send 1,591,000 survey invitations to our clients, we collected 198,000 customer feedbacks from all network agencies, relationship managers and direct sales agents, with an average response rate of 12.4%.

Also, in order to have market references and comparability with other banks, we continued to conduct surveys to measure the general relationship through an external market research agency, adapting the collection methodology to follow the same direction.

Survey name	Customer segment	Indicator	Results 2020
1 Net Promoter Score Agencies	Private individual customers	Intent to recommend the Bank following an agency visit	65
2 Net Promoter Score Agencies	SMEs	Intent to recommend the Bank following an agency visit	69
3 Net Promoter Score Transactional Relationship Manager (RM)	SMEs	Intent to recommend the Bank, given the relationship with the allocated Relationship Manager	41
4 Net Promoter Score Transactional Complaints	Private individual customers & SMEs	Intent to recommend the Bank following the complaint resolution process	41
5 Net Promoter Score General relationship with the Bank	Private individual customers	Intent to recommend the Bank	37
6 Net Promoter Score General relationship with the Bank	SMEs	Intent to recommend the Bank	39
7 Net Promoter Score General relationship with the Bank	Corporate customers	Intent to recommend the Bank	44

At the same time, we continued delivering training programs to permanently enhance our employees' customer experience skills, thus providing clients with a professional interaction with front-office employees, facilitating their access to our products and services, and therefore building a long-term collaborative relationship based on trust.

In 2020, the number of complaints registered by Raiffeisen Bank continued its increasing trend, but at a slower pace, by +2% compared to the previous year. Of the total complaints, 55% represent disputed card transactions, decreasing by 8% compared to 2019. At the same time, the NPS score reflecting the experience with complaints resolution improved over the past year. In 2020, we closed over 100 mediation cases through The Alternative Banking Dispute Resolution Centre, representing a total benefit of over EUR 300,000 for our customers.

Complaint management

	2018	2019	2020
Number of complaints	96,363	108,167	109,930



Employee engagement

Employee Opinion Survey

In 2020, the Bank carried out a new edition of the Employee Opinion Survey (EOS), a study for investigating the engagement and efficiency levels, partnering with an agreed company at Group level. We used a platform that allowed us direct access and gave us permission to draft the study as administrators. This study enhances our understanding of the factors that influence the main two pillars of our organization (engagement and efficiency). In addition to the standard questions, agreed at Group level, we also included the additional questions section, designed to collect data related to perception on leadership skills for all management levels.

EOS	Trend	2019	2020
Pride "I am proud to be working for the company"	→	86%	86%
Care "The company demonstrates care and interest for its employees"	↗	73%	81%
eNPS "I would recommend this workplace to my family and friends"	↗	66%	70%
Engagement	↗	73%	76%
Enablement	↗	80%	82%
Effectiveness	↗	58%	63%

Internal Collaboration Satisfaction Survey (ICSS)

In 2020, the Bank conducted a new edition of the satisfaction study on the internal interaction carried out during the entire year, in collaboration with our traditional partner for this project, IPSOS Romania. The purpose of this study is to gather the needed coordinates to initiate tailored actions aimed at increasing the level of employee satisfaction with internal collaboration, in order to reach the performance goals, and last but not the least, to increase the level of our external clients' satisfaction with our services.

Awards and Affiliations

Affiliations

Association/ Organization	The company holds a position in the management structures	The company offers substantial funding beyond membership fees	The company considers that affiliation with this organization is strategic
Employers' associations			
The Council of Banking Employers in Romania (CPBR)	Steven van Groningen, Member of the CPBR Board of Directors	No	Yes
Employers' Confederation "Concordia" (CPC)	Steven van Groningen, Chairman of the Concordia Board of Directors	Raiffeisen Bank provided funding, together with other members of the CPC, for the educational project "Om cu om vom face bine", organized by CPC in the context of COVID-19	Yes
Professional associations			
Romanian Association of Banks (RAB)	No	Raiffeisen Bank provided funding, along with 11 other RAB member banks, for the "Right to Banking" educational project, carried out by RAB on behalf of the banking community.	Yes

Romanian Association for Electronic Payments (APER0)	No	No	Yes
Romanian Factoring Association (ARF)	Cristina Kalinov, member in the Board of Directors ARF	No	Yes
Fund Managers Association (AAF)	No	No	Yes
Business associations			
The Coalition for the Development of Romania (CDR)	Steven van Groningen, CDR Steering Committee Member	No	Yes
Foreign Investors Council (FIC)	Steven van Groningen, Member of the FIC Board of Directors	Raiffeisen Bank, together with other FIC member companies, provided funding for the FIC's humanitarian project, which supported the authorities' efforts to limit the spread of COVID-19 infections.	Yes
German Economic Club Association (DWK)	No	No	Yes

Chambers of commerce			
American Chamber of Commerce in Romania (AmCham)	No	No	Yes
Switzerland-Romania Chamber of Commerce	No	No	Yes
German-Romanian Chamber of Commerce (AHK)	No	No	Yes
Netherlands-Romanian Chamber of Commerce (NRCC)	Alin Neacșu, member of the NRCC Board of Directors	No	Yes
Other organizations			
Aspen Institute Romania (ASPEN)	Steven van Groningen, Founding Member of the Aspen Romania Institute	Raiffeisen Bank provided funding, together with other Aspen member companies, to support the educational project "Economic Opportunities & Financing the Economy Program"	Yes
Romania Green Building Council (RoGBC)	No	No	Yes
Romanian Diversity Chamber of Commerce	Corina Vasile, member of the Board of Directors	No	Yes

As part of the Raiffeisen Bank International Group, we respect and promote the ten principles of the **United Nations Global Compact (UNGC)**:

HUMAN RIGHTS

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights.

Principle 2: Businesses should make sure that they are not complicit in human rights abuses.

LABOR

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.

Principle 4: Businesses should uphold the elimination of all forms of forced and compulsory labor.

Principle 5: Businesses should uphold the effective abolition of child labor.

Principle 6: Businesses should uphold the elimination of discrimination in respect of employment and occupation.

ENVIRONMENT

Principle 7: Businesses should support a precautionary approach to environmental challenges.

Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility.

Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies.

ANTI-CORRUPTION

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

We also support and contribute to the **17 Sustainable Development Goals**, outlined by the United Nations and adopted by all Member States (including Romania) since 2015. This set of goals is a framework designed to guide the sustainable development of the society. In order to highlight the Bank's contribution to achieving these objectives, each indicator is correlated with the corresponding targets in the [GRI Content Index](#).

In addition, we are founding members of the **Chamber of Commerce for Diversity**, which aims to promote diversity and inclusion in business and support entities run by persons belonging to minority groups, including women, LGBTQ+ people, people belonging to ethnic minorities and people with disabilities.

2020 Awards



EMEA Finance

The EMEA Finance international publication named Raiffeisen Bank as

„The best bank” §
„The best investment bank”

in Romania



The Banker

Raiffeisen Bank was declared

„Best Private Bank in Romania” §

for the second consecutive year,
according to PWM The Banker.



Romanian PR Awards §

Golden Award for Excellence –
Communication in the financial sector

Money Bistro, season 2

Golden Award for Excellence –
Culture, Arts

Raiffeisen Art Proiect – Stagiune Virtuală

Silver Award for Excellence –
Employer branding

„Social Media Heroes” campaign

Excellence Diploma –
Annual sustainability report

2019 Raiffeisen Bank Romania Sustainability Report



Gala Piața Financiară

The best credit product of the year §

Flexicredit



Business Arena – Financial Leaders’ Hall of Fame Awards Gala

Outstanding financial
education program §

Money Bistro



CSR Index

Gold Level Recognition §

transparency and sustainability performance

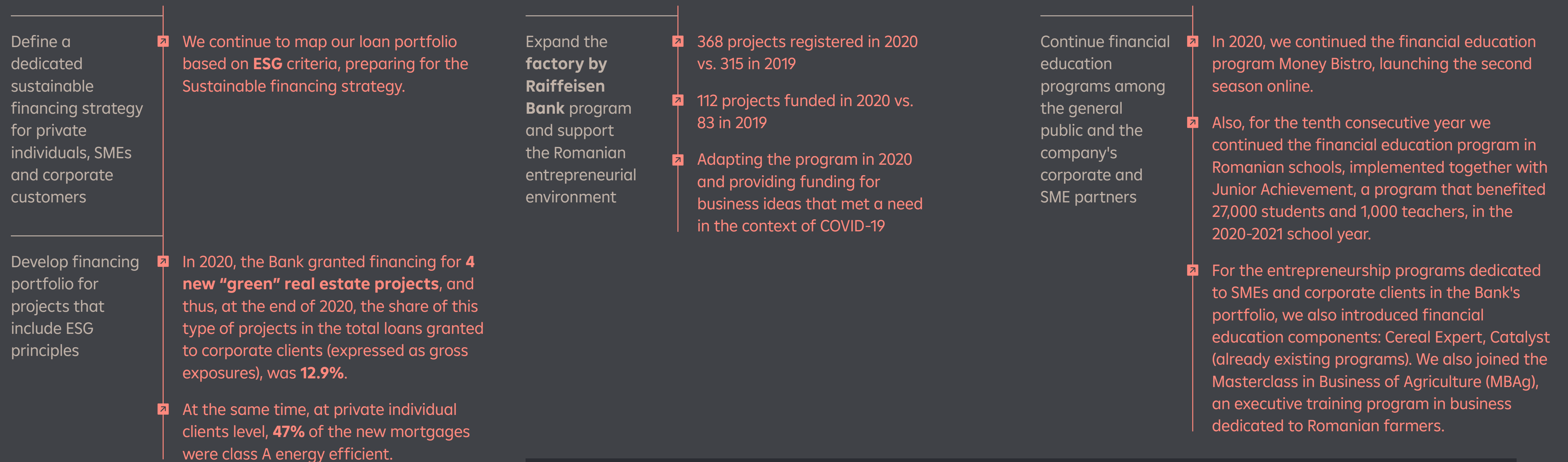


Our Commitments and Progress in 2020

Our commitment to responsible banking

2025 Goal:

Our progress in 2020:



What we want to achieve next:

- Review social and environmental risk policy and launch a new version in 2021
- Set up the Sustainability Council and the Committee for Sustainable financing at Raiffeisen Bank Romania level
- Set up and operationalize the Green Bonds Framework at Raiffeisen Bank Romania level
- Define a strategy dedicated to Sustainable financing

Our commitment to sustainable partnerships

2025 Goal:

Our progress in 2020:

Include ESG principles in events:

- sponsored by Raiffeisen Bank Romania
- for Raiffeisen Bank customers

Provide non-financial reporting resources and expertise for Raiffeisen Bank corporate customers

- In the context of the COVID-19 pandemic, public events have shifted to the online environment.
- We included sustainability and circular economy topics in the events agenda for corporate customers.

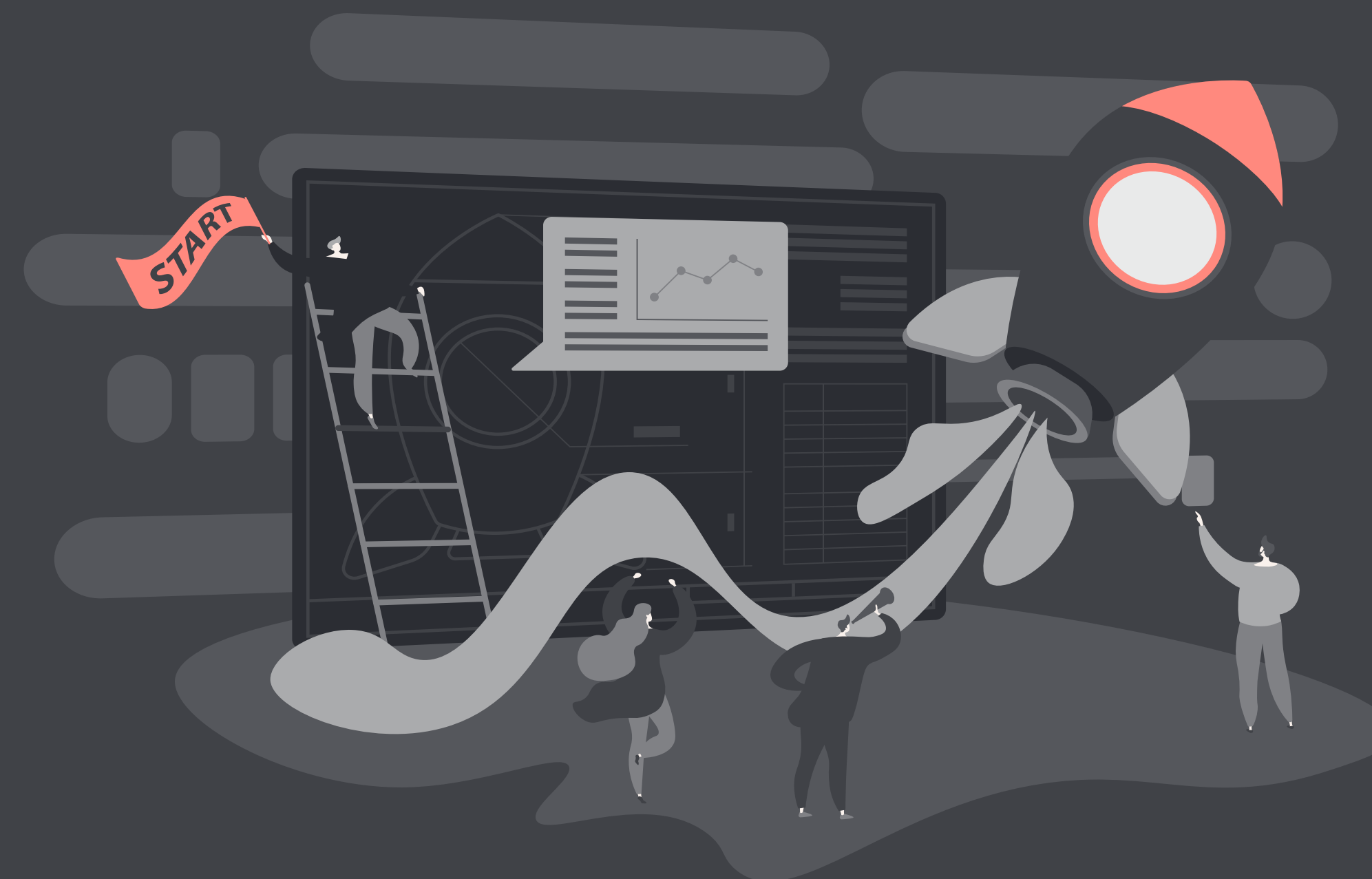
■ Initiative in progress.

Increase the share of education projects in the Raiffeisen Bank community investment budget

Increase the fundraising capacity and implement impact projects of the company's community partners

■ Education received the largest share of the community investment budget in 2020 (30%).

■ The share of community development projects in the Raiffeisen Bank community investment budget is 14%.



What we want to achieve next:

- Review the community investment strategy in 2021
- Include innovation in Raiffeisen Bank's strategic community involvement directions

Our commitment to the team

2025 Goal:

Our progress in 2020:

Develop a diversity and inclusion policy and take specific measures

During 2020, we introduced an updated diversity policy and a procedure against discrimination and harassment in the workplace. We included the Code of Conduct in coworker relations course in the mandatory courses that Raiffeisen Bank employees must follow. Also, we launched a course on diversity at Banking University, in the second half of 2020.

Develop flexible working hours and working conditions programs for Raiffeisen Bank employees

We extended the Work From Home program at network level and the Braşov Operational Center. In 2020, 40% of Raiffeisen Bank employees worked from home, in order to be protected in the context of COVID-19.

We implemented flexible working hours, with different start and end hours.

Continue training and recruitment programs for new talents among students and recent graduates

Banker2Be - 14 young people were trained for 3 months and hired at the end of the training period

Raiffeisen Siebel CRM Academy - 7 young future enterprise technology specialists started their careers in the IT Division

Management Trainee - 19 young people took part in the Bank's programs

Raiffeisen BeTech Academy - 7 candidates recruited from over 190 applicants

What we want to achieve next:

- We want our people to have the confidence to talk to their managers regarding wrong behaviors or any other issues. That is why, starting 2020, we intend to add an element related to people's openness to report misbehavior in the annual employee level of engagement and efficiency research survey (EOS).
- We want all our employees to receive responsible and fair treatment. Therefore, in the event of restructuring, we intend to ensure that in 2021 at least 30% of the affected staff has the opportunity to take over other positions within the company. We will also provide learning and requalification programs in other professional fields for another share of our employees. Because IT is one of the most important areas of professional retraining, we will offer employees who want to learn and adapt their skills in this field, a professional requalification program, through a partnership with a specialized company.
- In accordance with our goal to provide employees with fair remuneration, the Bank's commitment is that over the next 3 years, it will gradually increase the minimum wage in the company, up to 3,000 lei net (an increase of about 25%).

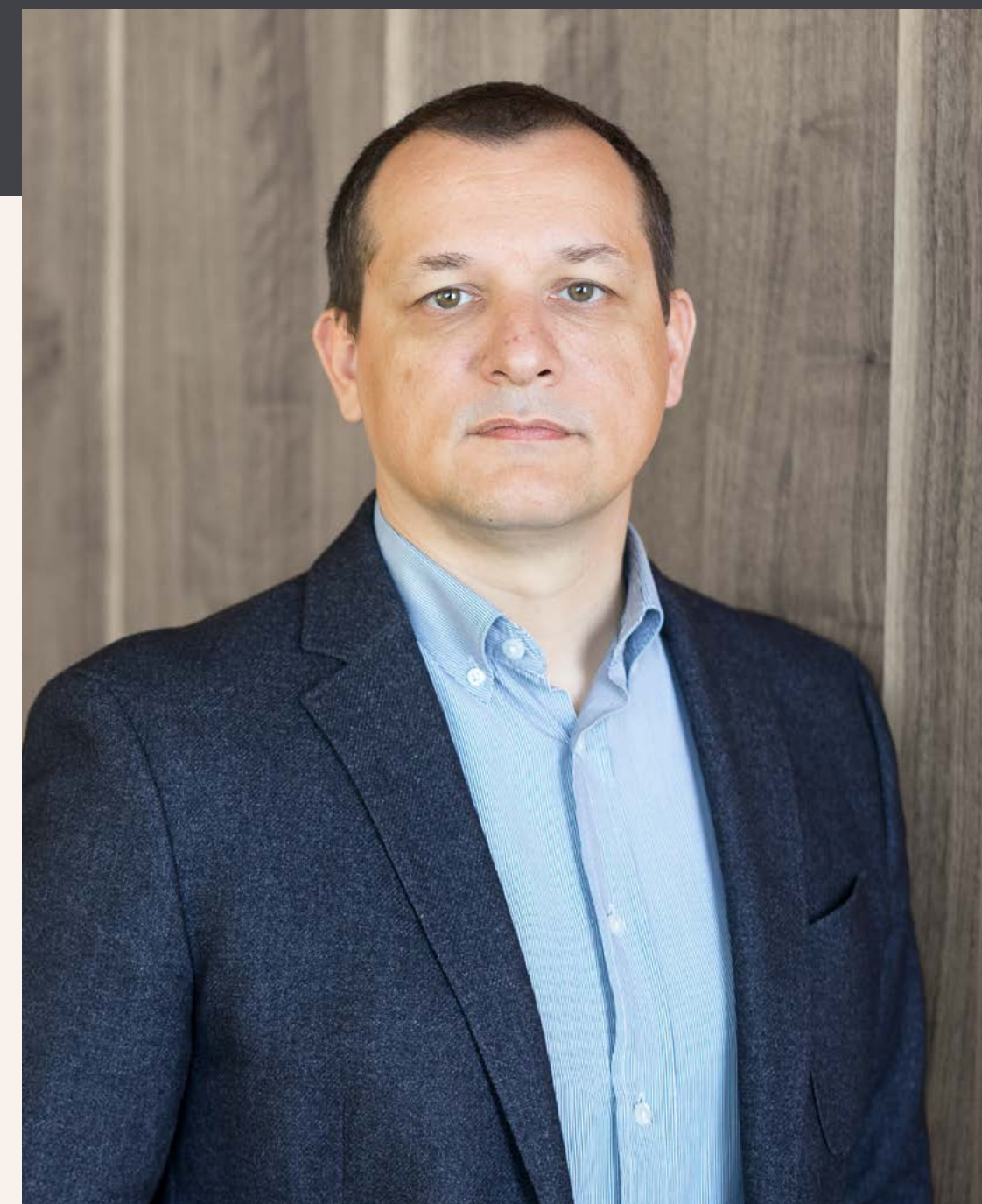
Safe Together: for Our Customers



Vladimir Kalinov

Vice President, Retail
Banking Division

Despite all the problems, the pandemic brought us closer to our clients and determined us to accelerate the services digitalization process. We have proactively implemented our own moratorium on postponing installments payment and engaged in government programs to support the economy. We sought to constantly communicate with customers, to find out what challenges they face in the context of the health crisis and together to find ways to come to their aid and ensure that they are protected in a difficult time for all of us.



Cristian Sporiş

Vice President, Corporate
Banking Division

The close, trusting relationship with corporate clients has helped us reduce the negative effects of the COVID-19 pandemic. We mainly focused on the needs of clients in industries heavily affected by the pandemic and together we looked for customized solutions for them. We have a solid corporate portfolio that will overcome the crisis period. At the same time, our clients have identified new opportunities for investment, expansion and consolidation of their companies, and we are here to provide them with the most sustainable financing solutions.



Measures Taken by Raiffeisen Bank Romania in the Context of COVID - 19

The COVID-19 pandemic underlined, once more, the need for transparency and commitment: we all had to quickly adapt to the new situation in order to maintain a safe environment for our colleagues, clients and partners.

Although it still raises many questions, the current context also gives us the opportunity to reflect, adapt and act differently. One thing is certain: as a society, we need to change, to get more involved, to act responsibly and to make sustainable investments. We can use this historic moment as an opportunity to rethink the way we approach the many alarm signals that have warned us in recent years – climate change, inequality of opportunity, restricted access to education – and to jointly support the sustainable development of the Romanian society.

Since the beginning of the coronavirus pandemic, we have constantly communicated with all our clients and partners, providing them with dedicated channels to discuss with the Bank's representatives, trying together to find tailored solutions to the needs and the situations they faced:

☆ **By phone**

***2000** – regular toll number, available from any mobile network in Romania

021 306 3002 – regular toll number, available from any mobile network in Romania or outside the country

☆ **Online**

☆ **By e-mail:** centrala@raiffeisen.ro

☆ **Through social media channel**

☆ **Ana**, Raiffeisen Bank virtual consultant (available 24/7)

At the same time, our clients were asked to opt for the use of mobile and online banking applications and to limit their agencies visits unless strictly necessary and in compliance with the rules imposed by the authorities. Sanitary materials were distributed in all units and buildings of the Bank, as well as protective materials for staff working with the public. During the critical period in which traffic restrictions were imposed, some of the Bank's agencies were temporarily closed or reduced their activity, as a preventive measure.

Throughout this period, the online banking solutions offered by the Bank played an extremely important role. Thus, customers were able to carry out their activity and make transactions securely, without visiting the agencies.

🔍 Details on the measures taken and the results obtained in this direction are presented in detail in the [Digitalization](#) section.

**NOUL cont curent ZERO Simplu
Cu ZERO COSTURI**

+ **OFERTĂ BLACK FRIDAY**



Aplică online >

UNBOX  **CREDITUL IMOBILIAR CASA TA** 



**Nu doar o casă, ci acasă.
Cu dobândă la alegere, fixă sau variabilă.**

Private individual customers

For private individual customers, the Bank implemented a set of measures, as follows:

- ☆ **Postponement of loan installments.** Since the early days of the pandemic crisis, before the entry into force of the Emergency Ordinance no. 37/2020, we informed our clients that they can request a postponement of installments of up to 3 months, most of the lending clients already having a 3-month vacation from paying the installments included in their contracts. Once the public moratorium came into force, we offered customers the opportunity to postpone installments for up to 9 months. At the same time, we launched an online form for processing deferral requests and a dedicated phone number and email address.
- ☆ We reduced the interest on personal loans granted between June 23 and August 7 by 2.5%.
- ☆ We reduced the interest on real estate loans accessed between June 23 and August 23.
- ☆ Although the Bank offers private individuals the possibility to contract a personal loan 100% online, ever since 2019, by signing documents from a distance via qualified electronic signature, the number of customers who opted for **Flexicredit 100% online** increased in 2020 by 6% compared to December 2019, and the volume of digitally initiated loans increased by 14%.
- ☆ Renewed cards were sent to customers by courier to prevent their presence in agencies (approximately 5,000-7,000 cards per day).
- ☆ For **ZERO Simplu** current account packages opened between June 15 and September 30, the costs in the first 6 months were 0, regardless of the monthly income condition.

Number of cards sent by courier:
>450,000

Number of private individual customers who benefited from installment postponement:

54,054

Public moratorium

31,766

Private moratorium

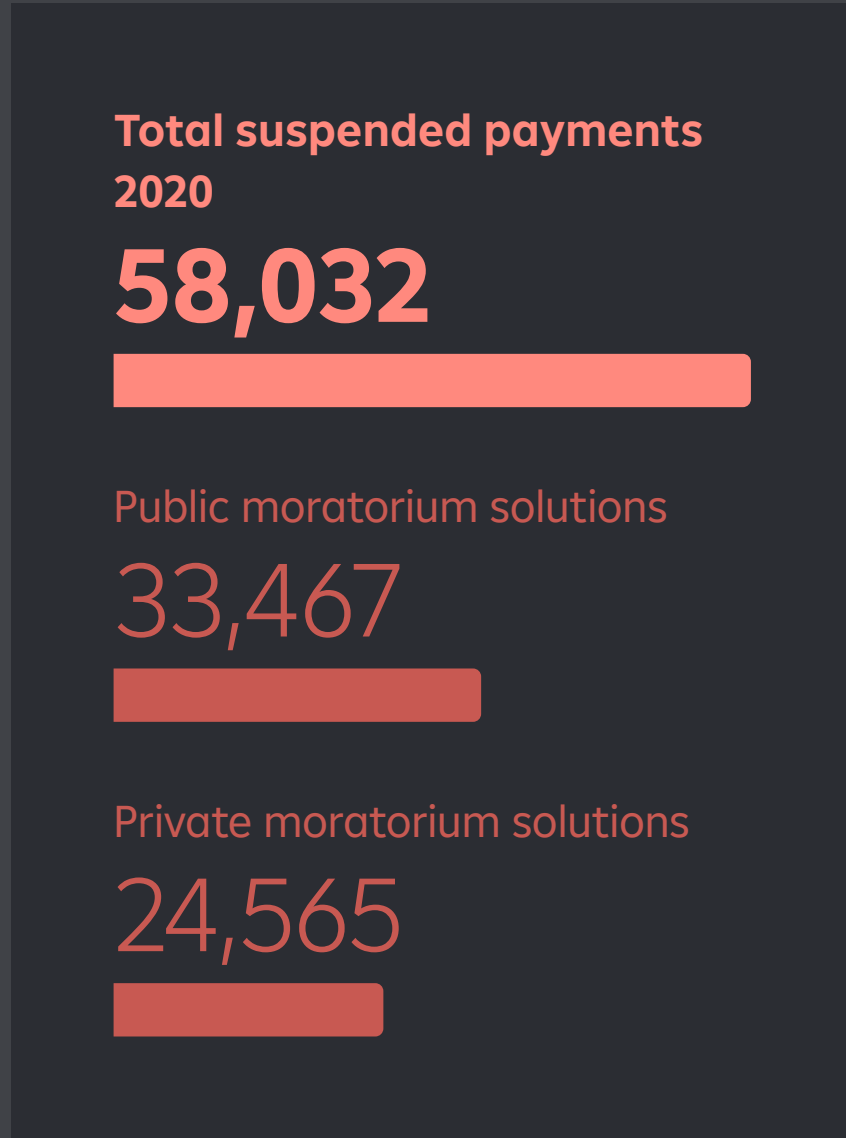
23,288

Corporate customers

The measures taken for corporate customers consisted of:

- ☆ Immediately after the state of emergency was declared in Romania, Raiffeisen Bank's Corporate and SME customers were contacted to update their status and to find the proper solutions together, if necessary. Companies in industries most affected in the short or medium term by the health crisis have been contacted with priority.
- ☆ In order to support merchants, during the state of emergency, Raiffeisen Bank waived the collection of fees for acceptance services through POS and E-commerce by granting 0 commission. This way we encouraged card payments, helping both merchants as well as cardholders avoid using cash that would pose high risk of contamination.
- ☆ Financing solutions remained a critical need for customers in the SME segment, both during and after the emergency period. Raiffeisen Bank remained close to this segment of clients and implemented payment deferral solutions via private and public moratoriums, joined dedicated programs such as SME Invest, and extended existing European Investment Fund (EIF) programs (COSME and EaSI in the context of COVID-19). The Bank also participated in the State aid scheme provided by Emergency Ordinance no. 130/2020 – the SMEs grants program, where Raiffeisen qualified among the seven banks on the market that supported the implementation of these measures.
- ☆ We adapted the factory by Raiffeisen Bank lending program dedicated to start-up businesses to support entrepreneurs developing products or services that actively contributed to fighting the effects of the health crisis. Thus, we expanded the program by providing funding for business ideas that offer useful products or services in the fight against COVID-19. The proposals were analyzed with priority and funding was granted quickly so that they could implement their idea immediately.
- ☆ We developed an alternative workflow in order for addendums to credit agreements to be signed remotely, dedicated to customers and guarantors unable to reach the agencies and sign the documents by hand.

Number of customers who benefited from postponed installments (SME)	Public moratorium	1.621
	Private moratorium	1.230
Number of customers who benefited from postponed installments (Corporate)	Public moratorium	80
	Private moratorium	47
SME Invest loans granted		2.800
SMEs grants program		1.600
Projects funded by factory by Raiffeisen Bank (business ideas that had an active role in the fight against the new coronavirus)		27



In total, in 2020, the Bank provided support to legal entities in the context of COVID-19, through 7 open financing programs (guaranteed by the Romanian state or in partnership with international bodies). The total volume of funding provided through these programs amounted to **EUR 341.5 million.**

15.7% of the total value of loans to corporate clients concerned projects aimed at supporting society and companies in the context of COVID-19.

Program

Total funding value

million euro

SME Invest

234

SMEs grants
(measure 1)

5

SMEs grants
(measure 2)

10

COVID-19 measure – Eximbank
Guarantee/Financing Scheme for
large corporate customers

60

Total

341,5

COVID-19 measure under
the European Program for
Employment and Social
Innovation (EaSI)

20

COVID-19 measure under COSME
(Competitiveness of Enterprises
and SMEs)

7,5

SME Leasing

5



6 months of free Microsoft Office 365 for SME customers

In order to help them adapt to the unique period and challenges generated by the coronavirus pandemic, together with our partners, Microsoft and Vodafone Romania, we offered SME customers the opportunity to benefit from 6 months of free Microsoft Office 365 services, so that their employees could work from home and keep in touch with customers and partners.

Our Portfolio

Retail: private individuals

In 2020, we continued our strategy of offering private individual clients, free of charge and bundled, all the services that they need for daily banking: current account, card, ATM withdrawals without commission from any bank in Romania, digital solutions (Smart Mobile, digital payments) as well as savings accounts. By the end of 2020, more than three-quarters of the client portfolio enjoyed these benefits.

Raiffeisen Bank continued to be the leader on the credit card market in Romania, with a portfolio of over 540,000 cards and a market share of over 18.4%.

The portfolio of eMAG co-branded credit cards has grown by 30% in 2020, to 60,000 cards.

Raiffeisen Bank customers were also able to pay with shopping cards and by phone via RaiPay on Android and Apple Pay on iOS. Garmin Pay is also available on Garmin watches.

Raiffeisen Bank aims to actively reward customers who receive their monthly salary or pension in an account opened at Raiffeisen Bank, as well as those who use digital channels. Therefore, in 2020 we continued to offer interest rates of up to 2.25% per year for new deposits. As proof of the trust customers have in Raiffeisen Bank, the RON liabilities portfolio attracted from the population increased by 17% compared to the end of 2019.



Retail: SMEs

Raiffeisen Bank continued in 2020 to develop and adapt its business model to the specific and dynamic needs of the SME customer segment, servicing a portfolio of over 90,000 SMEs. At the same time, the challenges raised by the COVID-19 period have accelerated the identification of solutions that allow customers to get through this period more easily, the efforts being especially oriented towards digital consulting services and migration of customers to alternative channels.

The SME customers portfolio is represented by Micro companies (with annual turnover up to 1 million EURO) and Small and Medium companies (with turnover between 1 and 5 million EURO). Liberal Professions are also serviced according to their membership in various associations and professional bodies, in order to ensure a customized service appropriate to their profile, size of activity, complexity as well as their transactional & financial needs.

After a successful history with the EIF in the last 10 years (5 successive programs with a total of 600 million EURO in loans used and 10,000 credit facilities granted), Raiffeisen Bank implemented at the end of 2020 a new Guarantee Agreement with EIF, under the European Program for Employment and Social Innovation (EaSI). This program will boost the microfinance sector and help support more than 3,000 micro-entrepreneurs with loans of up to 25,000 EURO.

The program addresses both new and existing customers and contributes to increasing SMEs' access to loans by solving two most important problems related to micro-companies: availability of guarantees and price.

In order to improve the experience of our customers and facilitate their access to services offered by well-known partners, and aiming to contribute to improving the capacity of SME companies to cope with new market conditions in the COVID-19 environment, Raiffeisen Bank has expanded its collaborations with new partners. Thus, in addition to the services and products offered by the Raiffeisen group in Romania (leasing, insurance, and investment management), SME clients can now benefit from services offered by Microsoft Dendrio, Regina Maria or, more specifically, in the agricultural sector, by Agrii Romania and RWA Raiffeisen Agro. These partnerships support the idea of diversified services offered to customers aiming at improving their experience beyond banking.

Corporate Banking

In 2020, The Large Corporates segment focused on delivering personalized customer development programs, structured on industry expertise developed as a result of previous experience. The maturity of our business relations allowed us to actively take part in the most relevant transactions in the market, irrespective of the structure complexity.

Focusing on customer regional coverage, the Mid Market segment continued its efforts to develop the business community by encouraging collaboration and the exchange of good practices. Following the experience gained in the previous year, the Raiffeisen Catalyst platform continued in 2020 and received great feedback from our partners, who participated in large numbers in the organized events.

In terms of financial results, the Corporate Division maintained its assets base (+1% yoy) and increased its liabilities base (+18% yoy), both representing the expression of the good partnership developed with our clients over the years.

Premium Customers

Raiffeisen Bank addresses customers with high potential (monthly income of over 2,000 EURO or assets under the administration of the Raiffeisen Group between 40,000 and 250,000 EURO) through the Premium Banking service. The main value differentiator we offer to these clients is the personal banker, together with other Premium benefits relevant to the complex needs of this segment of customers.

In 2020, Raiffeisen Bank celebrated 10 years of Premium banking in Romania and continued its strategy of consolidating the customer portfolio, registering a 9% increase in the number of customers compared to 2019.

Private Banking

Raiffeisen Bank Romania's Private Banking Division, with over EUR 1 billion in assets under management, continued to enjoy a high level of recognition for the service excellence in 2020, by both customers and the financial market.



Responsible Financing



Responsible Credit Solutions for Private Individual Clients

Raiffeisen Bank continued to provide customers with responsible credit products, as simple and fast as possible, such that in 2020 the star credit product from Raiffeisen Bank's lending offer, Flexicredit, won the Financial Market Award for the best credit product of 2020.

In 2020, a year marked by deep uncertainties, Raiffeisen Bank also showed its support through special lending offers, with lower interest rates by up to 2.5 percentage points for personal loans and up to 0.5 percentage points for mortgage loans.

By continuously adapting credit solutions to the reality of 2020, we managed to reach a record performance in the second half of the year, reaching a market share of consumer loans of 24% in August 2020. In addition, we managed to grant mortgage loans at a similar level to the previous year, despite the impact of

COVID-19. Raiffeisen Bank quickly adapted to the legislative changes brought by the NBR Regulation 8, offering clients the possibility to refinance their existing loans on extended terms of up to 8 years.

As every year, Raiffeisen Bank continued to offer its support for customers who wanted to purchase a house through the "First House" government program, so that in 2020 the Bank aligned to the amended legislation, granting "New House" loans.

47%
of the mortgage loans granted by the Bank in 2020 financed the acquisition of high energy performance buildings (energy class A).

Responsible Credit Solutions for Corporate Customers

The financial-banking system plays an extremely important role in the fight against climate change and the transition to a sustainable economy. Our wish is to contribute to the sustainable development of the country and generate a positive impact, both through the way it operates, but especially through the projects it chooses to finance.

In 2020 we continued to map out our portfolio, based on environmental, social and corporate governance (ESG) criteria. Raiffeisen Bank's portfolio includes renewable energy projects, sustainable real estate projects, financing initiatives aimed at supporting entrepreneurship and, in 2020, it also included financing programs aimed at supporting the economy and the corporate environment in the context of the COVID-19 pandemic.

The sustainability criteria used in the portfolio mapping process are defined according to internal rules of Raiffeisen Bank International, developed following the European legislation in force. These are grouped into two main categories:

green financing (which generates a positive impact on the environment and climate) and social financing (which generates a positive impact on the society or includes social aspects). In addition to topics such as renewable energy and sustainable real estate, green financing includes criteria such as energy efficiency, sustainable mobility, waste and emission reduction, protection of nature and other environmental issues. Social financing includes, among others, criteria such as social entrepreneurship, healthcare, culture and education.

12.9%
At the end of 2020, of the value of loans granted to corporate clients* were directed towards sustainable real estate projects**.

32%
of Raiffeisen Bank International's green bond portfolio is found in Romania.

*The value of all loans granted to corporate clients means total gross balance sheet exposures to non-retail clients, excluding small and medium-sized enterprises and non-bank financial institutions.

**Sustainable real estate projects = construction of energy efficient buildings, renovation of buildings with low resource consumption (especially energy); certified buildings (LEED, BREEAM, OGNI).

Green Real Estate Projects Financing

Șerban Vodă Plaza Development

Raiffeisen Bank International and Raiffeisen Bank Romania jointly financed, in 2020, the development of the U Center project by Forte Partners. Upon completion, the building will provide Class A workspace on eight floors, a commercial space on the ground floor and two basement levels for parking and services. U Center is close to the capital's Tineretului and Carol parks, and the metro station, positioned at 100 meters from the building, offers easy access to the rest of the city. The development of the building followed the highest sustainability standards, the real estate project aiming to obtain LEED Platinum, WELL Gold and WELL Health & Safety certifications.



Take Work

Phase III

The third phase of the ISHO Offices project in Timișoara is part of a new neighborhood, positioned in the central area, developed by Mulberry Development, which upon completion will include a mix of residential buildings/office buildings, retail stores and hotel. The new generation office building was developed using the best technologies and specifications available aiming at an "Excellent" rating on the BREEM International New Construction 2016 standard. The first 2 phases of the office building have the "Excellent" rating on the same standard. The third phase was received in February 2021, while at the date of publication of the report, the interior design works were being completed.



The Bank's portfolio in the field of renewable energy financing currently includes a biomass cogeneration power plant. In terms of sustainable real estate projects, Raiffeisen Bank is funding 12 BREEAM/LEED certified (or pre-certified) buildings and 6 EPC A* buildings. Of the total funding for sustainable real estate projects, 4 were granted in 2020.

In terms of financing high social impact projects, the bank currently runs two programs to support sustainable entrepreneurship, social entrepreneurship and start-ups (**EaSI** and **factory by Raiffeisen Bank**).

Q Details on the results of these programs are presented in the *Programs for Romanian Entrepreneurship* section.

Since the beginning of 2020, we added to our investment products offer the first fund in Romania that incorporates environmental, social and corporate governance (ESG) factors in the investment decisions: Raiffeisen Global Equity fund, denominated in EURO, managed by Raiffeisen Asset Management. The fund aims to provide individual investors with access to the growth potential of global and local stock markets, under conditions of professional investment and risk management administration. The fund enjoyed a high interest from investors.

*according to the RBI classification, from 2020, this type of buildings is also included in the category of sustainable real estate projects (it should be mentioned that some of these projects existed in the Bank's portfolio before 2020).

Environmental and Social Risk Management

We are aware that beyond managing the social and environmental impact generated by the day-to-day activity of the Bank, we have a great responsibility given the position we occupy in the banking ecosystem in Romania.

The **Environmental and Social Risk Management Policy** is implemented by the Bank since 2014. The policy, updated at the beginning of 2021, provides the framework on which the Social and Environmental Management System is developed. It includes criteria that apply to internal activity, such as topics regarding human resources management, procurement practices with minimal negative impact, but also criteria applicable in the financing (through loans or investments) assessment process for corporate clients.

The main objectives of the policy are:

- ☆ financing sustainable and healthy projects from an environmental and social impact perspective
- ☆ minimizing the environmental and social risks both for the bank and for our partners (customers and/or suppliers)
- ☆ compliance with national and international requirements and standards on environmental and social risks

The policy was developed taking into account the national legislation in force governing environmental and social practices, other legal acts and international treaties adopted by the government on environmental and labor protection, as well as the Raiffeisen Group Compliance Manual.

Before structuring any financing transaction, potential customers as well as existing customers in the Bank's portfolio are checked according to the **Exclusion List**, which is part of the lending policy. The list is updated whenever the exclusion lists defined by national and international standards are amended (industries excluded, as defined by the EBRD/IFC, are part of industries excluded by the RBRO, while sensitive industries to be sent to the EBRD/IFC if financed from their sources are part of the restricted RBRO industries).

More than that, during the screening stage, the environmental and social risk level is classified based on the national and international list for environmental and social risks and sector-specific activities, projects and actions are verified to ensure compliance with national environmental regulations (relevant documents, permits and licenses).

Environmental and Social Exclusion and Referral List

The risk categories are:

- ☒ **Low risk:**
activities, projects or actions whose environmental or social impacts are expected to be negligible, for which no additional social and environmental assessment is required.
- ☒ **Medium risk:**
activities, projects or actions in sectors where potential environmental impacts can be easily identified and, if necessary, standard preventive and/or remedial measures can be prescribed within the financial and technical/managerial capacities of the customer.
- ☒ **High risk:**
activities, projects or actions in sectors where there may be significant, negative and/or long-term environmental or social impacts, the extent of which is difficult to determine during the loan application stage.

The Bank annually checks the loans in the portfolio, including assessing environmental and social risks and compliance with international law. How the customer implements the risk mitigation/correction measures, if any, is also monitored.

Digitalization

Given the pandemic context, remote transactions have become extremely important for the safety and comfort of our customers. Thus, we constantly encouraged them to avoid visits to agencies and to use online tools. In this regards, we enabled the remote activation of Raiffeisen Bank mobile applications, a procedure that usually required the physical presence of customers in the agencies.

In the first half of 2020, we registered a spectacular 80% increase in electronic payments. Thus, we decided to develop a new **Zero Simplu** current account package, to facilitate even more the free-of-charge access to all the benefits included.

Digital payments made through RaiPay, Apple Pay or Garmin Pay also increased, double as compared to the end of 2019, demonstrating the growing interest of Raiffeisen customers for a native digital payment experience. Over 200,000 customers use the payment applications offered by Raiffeisen Bank.

At the same time, the Bank's customers continued to pay their invoices through digital channels, and more and more of them have opted for automatic payments: the number of direct debit contracts increased with 8% in 2020 compared to December 2019.

Compared to 2019, at the end of 2020, the POS transactions performed by individuals with the debit card increased by 22% in number and by 20% in value. Even more significant were the debit card transactions used for e-commerce, with increased by 55% in number and 60% in value compared to 2019. At the same time, the number of ATM cash withdrawals decreased by about 9%.

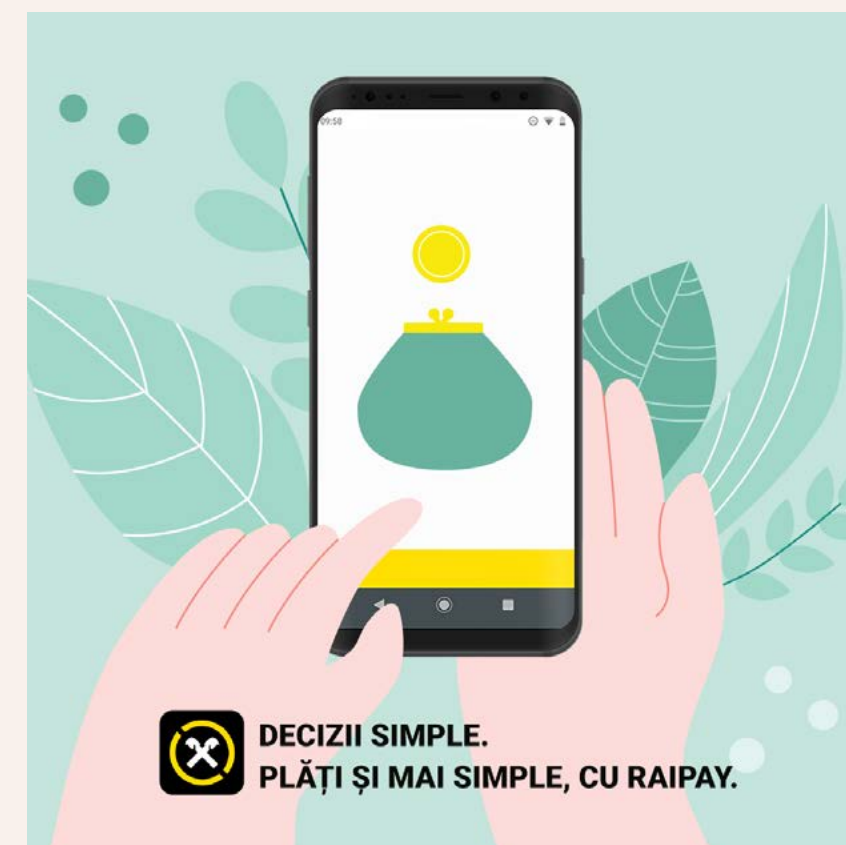
In 2020, transactions made through mobile and internet banking applications increased by 73%, thus we registered almost 12 million transactions in 2020.

At the same time, in July, we launched the cash withdrawal service from the POS installed at Rompetrol (CashBack), providing customers with the option to request cash up to 200 lei when they shop at Rompetrol gas stations and pay by card at a Raiffeisen Bank POS.

Raiffeisen Bank also offers private individuals the possibility to contract a personal loan 100% online, since 2019. Customers benefited from this option in 2020 also, with the number of those who opted for a personal loan 100% online increasing by 6%.

In order to support customers who need more and more digital money management solutions in 2020, we postponed the decommissioning date for the old internet banking and mobile banking applications until June 2020, thus giving customers more time to activate and get familiar with the new applications. At the same time, we continued to develop **Smart Mobile** and **Raiffeisen Online**, adding features to support users: push notifications for current account and credit card transactions, sending feedback directly from the app, activating Smart Mobile remotely (for Raiffeisen customers), pre-approved Flexicredit loans for a selection of customers, postponing installments in the context of the COVID-19 pandemic. All these improvements had a positive impact on customer satisfaction, directly reflected in the reviews and ratings that the applications received in stores (Google Play and AppStore), Smart Mobile being now one of the top banking applications in Romania.

The volume of digitally initiated personal loans granted increased by 14%.



The digital applications are being used more and more: every day, about 300,000 customers access the digital services, registering about 700,000 logs, and even exceeding 1 million logs on certain days.

Smart Mobile

The most downloaded mobile banking application in Romania in March 2020 was **Smart Mobile** (according to AppAnnie), dedicated to individual customers, with an intuitive and friendly design, all the information about accounts and cards at first sight, even without logging in (via the available widget), a simplified payment flow and better card control.

In 2020, the number of customers who used the mobile banking application increased by 30% compared to 2019. Transactions made through mobile and internet banking applications also increased by 73%, so that in 2020 we registered almost 12 million transactions.

Number of active customers using the Smart Mobile app*

December 2019

575,808

December 2020

742,051

Variation

166,243

29%

*Active customer using the Smart Mobile application - active customer of the bank, which has a signed contract for digital services, with login to the Smart Mobile application in the month for which the data is reported.

Smart Hour is one of the most valued digital option by customers. With Smart Hour, from Monday to Friday, between 10:00 and 11:00, Raiffeisen Bank customers can exchange euro in lei and vice versa, at the NBR exchange rate, directly from the mobile banking application. The average monthly number of lei-euro and euro-lei exchanges made by clients at Smart Hour increased by 160% in 2020 compared to 2019, reaching approximately 60,000 foreign exchanges per month.

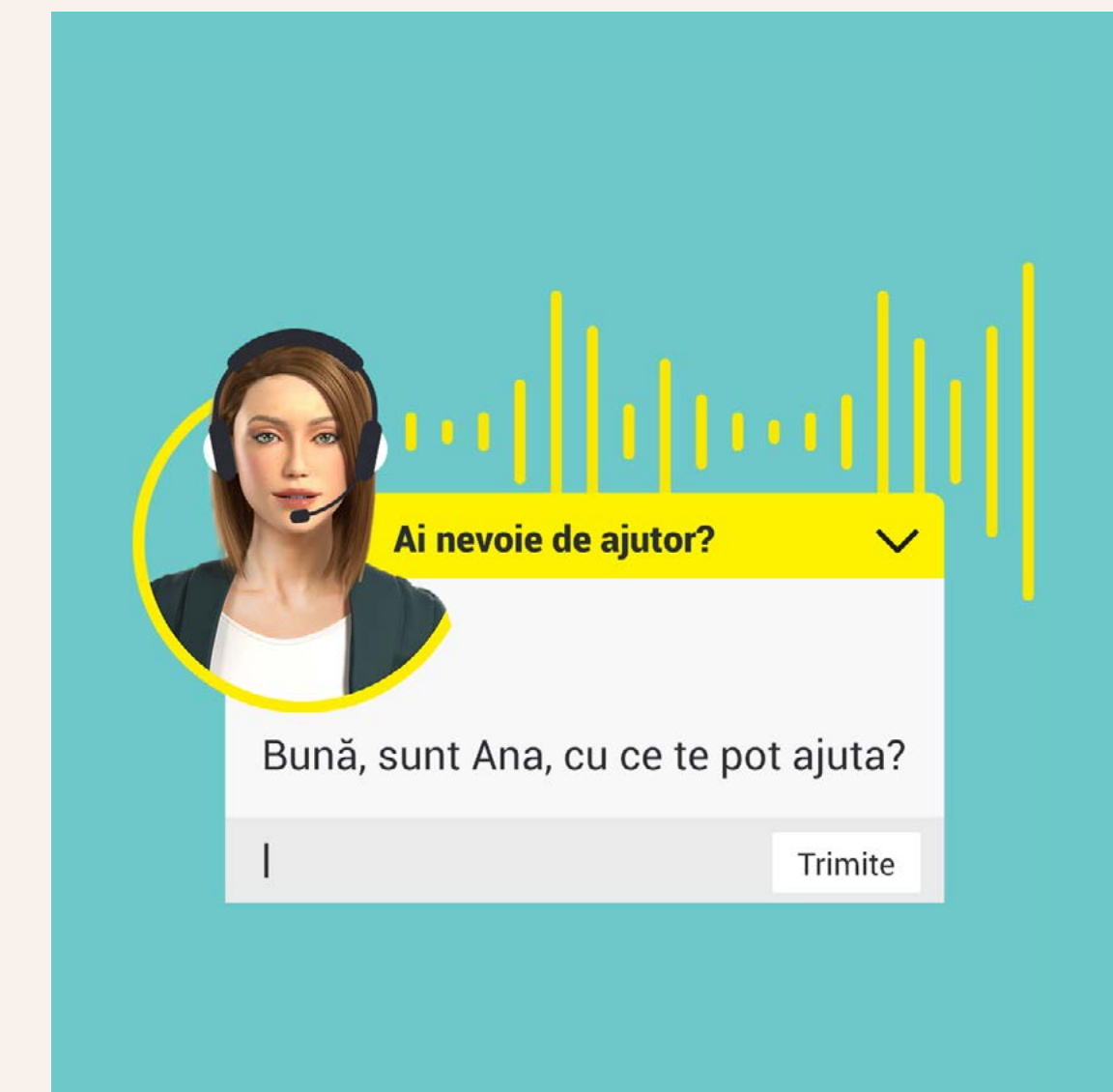
At the same time, in order to support civil society, whose exemplary mobilization had an extremely important impact for the medical sector facing many shortcomings, Raiffeisen Bank launched a new option in the **Smart Mobile** application, providing customers with the option to make donations directly from their mobile application to three NGOs that helped the medical staff in Romania in the context of the pandemic: the Association for Community Relations, Regina Maria Social Innovation Foundation, the SMURD Foundation. Payments made for this purpose had zero costs for both the donors and the beneficiary foundations.



Ana, Raiffeisen Bank Virtual Consultant

Ana, Raiffeisen Bank's virtual consultant, is a digital solution that provides Raiffeisen Bank customers with non-stop access to information and support. Based on AI technology - Interactive Voice Response - Natural Language Understanding, the interaction with the virtual operator allows quick access to the bank's services and products. The virtual consultant can be contacted from anywhere, 24/7, by calling *2000 or +0421 306 3002 or directly on the [Raiffeisen Bank website](#).

The chatbot initially answers any general questions that do not require authentication, providing answers to questions about the Bank's products and services. At the same time, by phone, customers can find out information in complete safety, following the authentication based on the bank card and the CNP.



The First Agency in Cluj to Implement the "New Generation" Concept

In 2020 we continued to implement the "New Generation" concept, in Cluj. The Cluj-Napoca branch, located on Cuza Vodă Street, has reopened for the public with a contemporary and welcoming design. Thus, the concept of the new generation of Raiffeisen Bank branches starts from the transparency of the activity carried out indoors and the desire to create a memorable experience, regardless of the purpose of the visit. It includes well-defined areas and adapted signage, both for digital interaction and financial counseling customized to the simpler or more complex needs of customers. The agency has many facilities, including a generous self-banking area open 24/7, positioned right at the entrance and which openly communicates with the agency's space, network of digital devices, where customers can find useful information, but also ongoing campaigns, areas for interaction both in open space and in private areas. It also has a large space where various topics seminars or demonstration sessions on the use of digital banking technologies can be organized for customer communities. The first Raiffeisen Bank unit based on the "New Generation" concept was opened in September 2018 in Bucharest.



Online SMEs Lending Platform

In November 2020, we announced the development of a 100% digital lending platform for small and medium enterprises, in partnership with Qualitance. Currently in the testing phase with a limited group of the Bank's customers, through the new functionalities implemented, the platform will become available to all SME customers of the bank in 2021.

The digital platform, whose development process began in 2020, aims to provide a different and efficient experience that small and medium-sized enterprises need to accelerate their development in the current context. The entire flow of banking operations, from sending customer offers to loan disbursement, is fully automated and reduced to just a few minutes long. The most important benefits, according to companies that have tested the digital platform include the high speed and efficiency of the lending process, as well as the simple, easy-to-use experience of eliminating bureaucracy and visits to the Bank. In every design and development stage of the platform, the emphasis was on simplifying the customer's interactions with the Bank, while ensuring the data security for the end-user.

Viața fără CAȘH

Life without CAȘH

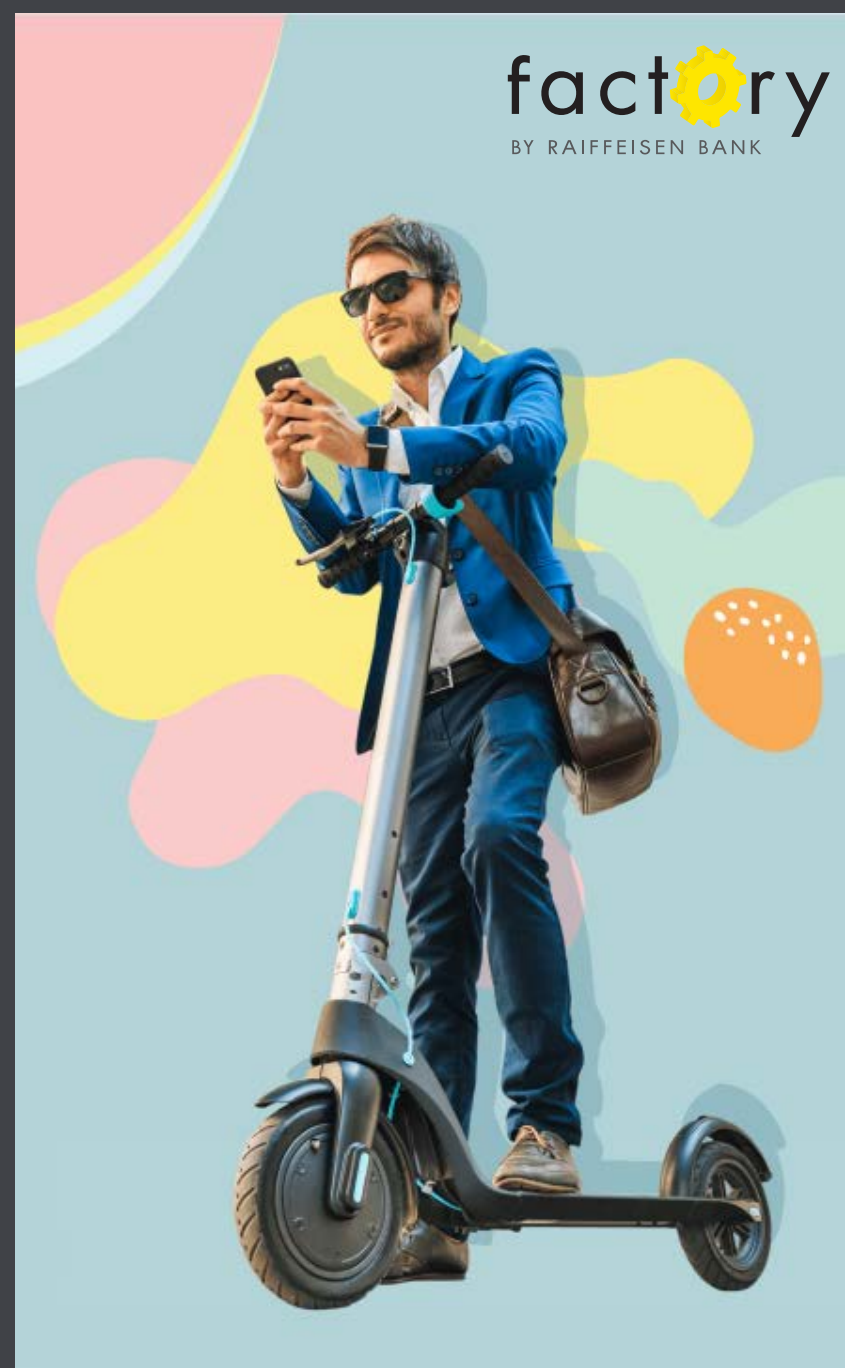
In November 2020, we announced that approximately one third (129) of our agencies will take important steps towards digitalised services, entering a new era, in which cash operations will be performed exclusively at MFM/ATM, in the existing 24H area in each unit. In addition, the Bank has a reduced cashier program in a few dozen other units, which we will continuously adapt as traffic decreases and digital alternatives offered to customers will cover an even wider range of cash transactions.

Thus, the cash operations performed by our customers at the counter in the 129 units will be done on multifunctional machines (MFMs) or will have alternative solutions (Raiffeisen Online, Smart Mobile, Collection). Each employee of the Bank will be ready to assist customers on how to efficiently use all alternative payment channels (ATM/MFM, Online & Smart Mobile). If no alternative solution for cash operations exists, customers will be directed to a nearby Raiffeisen Bank branch.



Programs for the Romanian Entrepreneurship

Factory by Raiffeisen 2020



Factory by Raiffeisen Bank is the Bank's program for financing start-ups, with loans of maximum 50,000 EURO. At its third edition, the initiative focuses on supporting innovation-oriented startups, while contributing to the development of a strong ecosystem for startups in Romania and supporting sustainable economic growth.

In 2020, the ideas contest was held in 3 stages:

- ③ project registration (January 28 - March 16, 2020)
- ③ projects evaluation by a committee of specialists (February 10 - March 27, 2020)
- ③ interview sessions between semi-finalists and Raiffeisen Bank specialists (March 3 - April 25, 2020)

The results were announced on April 30, 2020.

As the registration stage coincided with authorities declaring a state of emergency, the Bank extended the period during which start-ups were able to apply, prioritizing businesses that actively participated in the fight against the effects of the pandemic, through the products or services they offer, and optimised the analysis and funding flow of registered projects to 5 working days. We quickly adapted and moved interviews with the 220 selected projects online. We financed companies producing protective equipment, masks or disinfectants, as well as educational projects, through factory by Raiffeisen Bank.

In 2020, factory by Raiffeisen meant:

🔊 **368 registered projects**

🔊 **222** projects passed the interview stage (of these, 27 were business ideas that took an active role in the fight against the effects caused by the new coronavirus)

🔊 **112 projects funded**

🔊 **4 million EURO** total project budget

Evolution of the factory by Raiffeisen Bank program in the first three editions

	2018	2019	2020
Number of project registered	84	315	368
Number of interviews	51	127	222
Number of funded projects	27	83	112

Masterclass in Business of Agriculture (MBAg)

In 2020, the Raiffeisen Bank Romania team was involved in the development of an executive training program (masterclass) dedicated to young farmers, in order to provide them with valuable and applicable business information. The MBAg initiative was born by joining the efforts of five of the most important companies in the industry - Raiffeisen Bank Romania, Amazag, Syngenta Romania, Cargill Agriculture, Agrii Romania and weagri.

The program consists of four modules within a 6-month period that develop concepts of good practice in agricultural technology, business and financial management, tech, sales and trading. The program took place between September 2020 - March 2021.

The initiative was successful beyond expectations, with the number of farmers included in the program being increased to 37 young farmers. The total area of the registered farms exceeded 50,000 ha, with an average per farm of more than 1,400 ha. Farmers enrolled in the program have higher education, the average age is 32 years and 4 of the students are female farmers.



The program started on September 15, 2020, and the course sessions on September 29, mostly online. With the help of the students, who sent constant feedback on the proposed topics of discussion and the level of interactivity in each session, we managed to improve their experience at the online events.

The event includes a financial education component, while also being a platform for communication between clients, prospecters and prescribers.

In 2020, the theme of the conference was "Dialogue for a sustainable future" and was attended by **120 participants**. The speakers of the conference were Cristian Sporiş, Vice President of the Raiffeisen Bank Corporate Division, Emil-Florian Dumitru, former Secretary of State, Ministry of Agriculture and Rural Development, Sari Serdar, European Investment Bank, Ionuț Dumitru, Chief Economist Raiffeisen Bank, Viorel Panait, General Manager of Comvex SA and Viorel Marin, Co-Leader Smartagrihubs - SEE.

Cereal Expert

Cereal Expert is an event dedicated to corporate clients in the agricultural sector: farmers, local and international grain traders, grain processors, suppliers (inputs, equipment, agricultural machinery), consultants specializing in European funds, financial and non-financial institutions, independent inspectors, institutional organizations (ministries and agencies, embassies, professional and employers' associations).

Catalizator

Catalyst

Catalizator (Catalyst) is designed as a learning program for entrepreneurs, with sessions held by specialists and interactive workshops to contribute to their development, helping them make the best decisions for their businesses.

Catalizator is organized annually and is divided into two editions, the spring and autumn one. Each edition consists of seven regional events, in Braşov, Bucharest, Cluj, Constanţa, Iaşi, Piteşti and Timişoara. Each event was attended by about 100 entrepreneurs.

In 2020, the program for entrepreneurs with big ideas turned **5 years old**. The spring edition (May 7 - June 4) consisted of 7 regional events in which the macroeconomic outlook was presented in the context of the pandemic, as well as topics related to sustainable business opportunities. The speakers of the program were Ionuț Dumitru, Chief Economist of Raiffeisen Bank and Radu Ciocoiu, Director of Regional Corporations and Public Sector of Raiffeisen Bank. All events were organized online (webinars), thus adapting to the restrictions in force caused by the pandemic context.

The autumn edition (November 24) was a special one, which united all regions, and addressed future issues, such as sustainability as part of the business strategy, but also what the business environment will look like in the coming year. Raiffeisen Bank President, Steven van Groningen, and Corporate Banking Vice President, Cristian Sporiş, were invited to talk about how the business environment was affected in 2020 and how much sustainability weighs on business responsibility. Moreover, Ionuț Dumitru, Chief Economist of Raiffeisen Bank and Raluca Fişer, President of Green Revolution Association joined the event and spoke about the macroeconomic perspectives, the green and circular economy. The autumn edition took place in a hybrid format: the guests presented the information from a studio, and the entrepreneurs connected through online communication technologies.

Financial Education

The need for early financial education has become obvious in recent years in a national economic context marked by a low understanding of financial services. At European level, European Commission directives recommend the introduction of financial education in schools from an early age, in order to educate and empower future consumers.

Lack of financial education can result in mismanagement of financial resources and misuse of financial products and services and thus irresponsible consumption behavior. Financial education can reduce the risk of indebtedness and increase financial inclusion, contributing to the well-being of the population and raising living standards.

We are a provider of financial products and services and thus have an important role in educating and guiding customers or future customers. We strongly believe that financial education is an extremely important factor for the health and quality of life of a community, with an impact on sustainable economic growth and poverty reduction.

In 2020, we developed two Financial education projects: Money Bistro and Financial education in Romanian schools.

Financial education projects = a project which, through the activities carried out, contributes to increasing knowledge of financial products and services at the level of data subjects (direct beneficiaries of projects).



Money Bistro

Money Bistro is Raiffeisen Bank's financial education platform, launched in 2018, through which the bank shares advice to the general public for a healthy financial life in an attractive and easy-to-understand form. The platform offers both video episodes in which economists, chefs or gastronomy enthusiasts, journalists, bloggers and entrepreneurs share experiences and tips for a healthy financial life, as well as articles and video infographics designed to explain "what is the deal with money".

In 2020, **Money Bistro** launched its second online season, consisting of a seven-episode mini-series with the Bănescu family, an ordinary family of four, who discuss and find solutions to everyday financial problems, alongside the season's host, actor Andi Vasluianu. The platform also offers recommendations from financial specialists, as well as a video pill with conclusions and practical advice on financial education. Season 2 of Money Bistro benefited from two online media campaigns, the first in January-June 2020 and the other in November-December 2020.

With the official launch of the new video season of Money Bistro, the Bank also published the results of a study on financial education in Romanian, in its first edition, conducted together with Reveal Market Research.

According to the [study](#):

- 2 out of 5 Romanians say that their financial situation is rather precarious, 35% have to give up some things to meet their daily expenses, while 5% do not earn enough to cover the bare necessities of daily living.
- 43% of families can cover their monthly financial needs, but can no longer put anything aside, and 16% of Romanians say they have a financial life that allows them to save.
- Less than half of Romanians (41%) consider that they manage their budget efficiently, but only 3% of them benefited from financial education in school. Half of those surveyed said they had learned in the family how to relate to money, and almost a third of them said they were insufficient or not at all financially educated.

In 2020, the Money Bistro platform continued its tradition of celebrating the "Financial Health Month" in June, when we measure the Financial Health Index - ISF and train the entire community of the platform for a financially healthy life. ISF is a tool meant to help Romanians measure their financial health and provide them with recommendations for easier planning of the monthly budget and for a better control of expenses.

At the same time, the Money Bistro platform content was also updated with a series of articles on financial education written by bloggers Natalia Dabija and Laurențiu Mihai, shared with their social media audience.

Money Bistro also launched the #ZeroWasteChallenge, a month in which Romanians try to reduce food waste, but not only. With the help of influencers such as Andreea Remeșan and Andreea Perju, Teo's Kitchen and Irina Rusu, Coffentropy, we managed to take the message further to as many categories of people as possible.

Money Bistro 2020 highlights:

- 🔊 the **moneybistro.ro** website had **46,000** visits
- 🔊 the estimated reach of the project in social media **10,003,638**
- 🔊 estimated impressions in social media for the project **33,599,417**
- 🔊 two out of three Romanian internet users know about Money Bistro

Financial Education in Romanian Schools

The program, organized in partnership with Junior Achievement, entailed facilitating financial education courses through modules tailored to students' age. The activities in the program are based on the principle of learning by doing and lay the foundations for the training of skills and attitudes for responsible management of financial resources at personal, family and community level.

27,000 students from 605 primary and secondary schools across the country (and 40,500 of their parents) and 1,000 teachers benefited from this project, which aims to teach students how to adopt a healthy financial behavior.

3 We Are a Fair Partner

Safe Together: for Our Employees

Measures Taken by
Raiffeisen Bank Romania in
the Context of COVID - 19

Working Environment

Diversity and Equal Opportunity

Non-discrimination

Occupational Health and Safety

Remuneration and Benefits Policy

Professional Development

Our Suppliers



Safe Together: for Our Employees



Irina Kubinschi

Human Resources Manager
Raiffeisen Bank

Our goal in 2020 was the safety and health protection of our employees.

We have invested significantly to protect them: we have permanently provided them with protective materials and disinfectant gels, plexiglass protective screens and we have ensured the testing of colleagues possibly exposed to the virus. 85% of our colleagues in the Central Administration were able to work from home. 20% of the colleagues in the agency network worked from home or provided call center services, and 45% of colleagues participated in personal development and health support programs.

We have allocated resources for teleworking, purchasing IT and office equipment, and we have been in constant contact with our colleagues, by launching the oncall service available 24/7.

We adapted our business model and internal processes, running online recruitment projects, training and onboarding courses and the performance management process.

The main challenge now is to change the way we operate, to implement alternative models of collaboration, systems and processes, to help our colleagues in their daily activity.



Measures Taken by Raiffeisen Bank Romania in the Context of COVID-19

The coronavirus pandemic is still in full swing, and the impact it will have on the entire Romanian business sector is still difficult to quantify. With day-to-day challenges, 2020 has been a year in which our focus has been on keeping our employees, customers and partners safe, both physically and in terms of their plans or business.

During 2020, we conducted several surveys to find out the expectations and suggestions of colleagues about working during the pandemic, to ensure that we maintain a proper work-life balance. The most important suggestions received from our colleagues were related to ensuring a flexible work schedule and the possibility to continue working from home/ remotely and to implement sanitary protection measures. These proposals have been implemented and developed throughout the organization.

We improved mental health awareness and support by offering our employees the **TuContezi@Raiffeisen** psychotherapy program, over 130 colleagues having benefited from individual therapy sessions, focusing on emotional well-being through constant psychoeducational resources such as articles and dedicated events.

>EUR 2.5 million

invested in the procurement of protective equipment and disinfectants for administrative offices and Raiffeisen Bank branches

The structure of the Raiffeisen Bank Romania team did not suffer as a result of the pandemic. At no time did we consider restructuring or wage cuts. Furthermore, our agency colleagues received pay increases for their involvement and effort to provide assistance to customers during the state of emergency.

WorkFromHome Program

The Bank has implemented the WorkFromHome program within its headquarters since 2019, and in 2020 this program was extended to the agency network and Braşov Operational Center, applicable to eligible functions in terms of job content and information security.

In 2020,
40%
of Raiffeisen Bank employees worked from home in order to be protected in the context of COVID-19.

With local management administration, a flexible hours work schedule was implemented, with different start and end working hours, in order to address issues like congestion in public transport and at the office in the pandemic context.

We constantly communicated the rules and recommendations for employee protection, taking measures adapted to the current context.

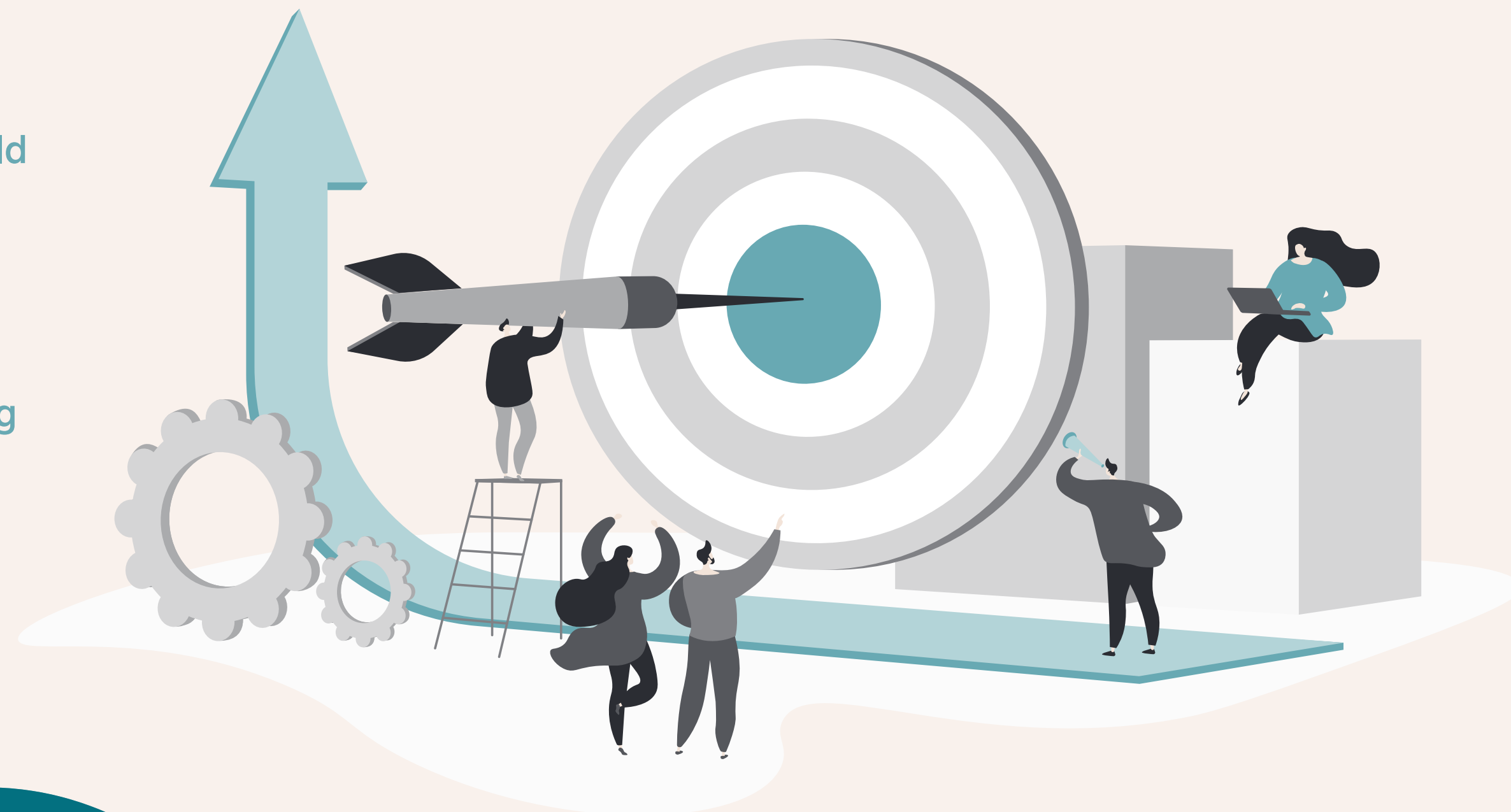
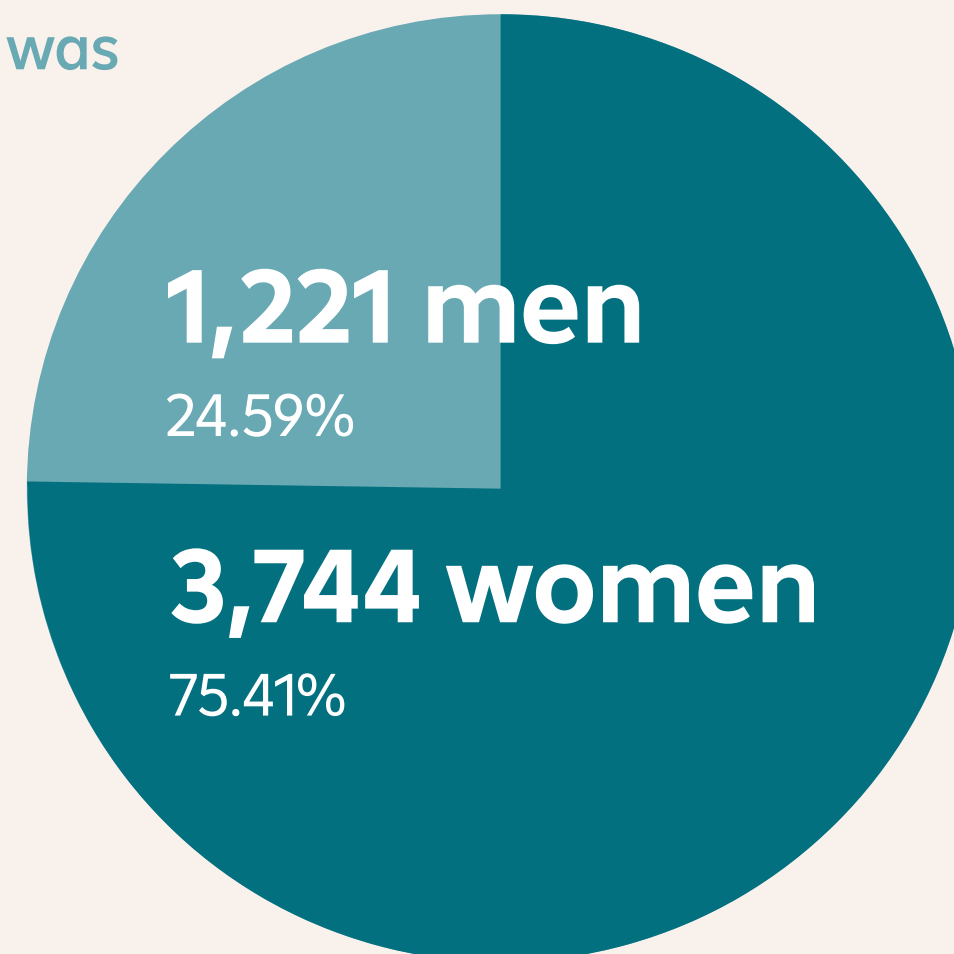
- ☆ We provided free personal protective equipment (protective masks, protective gloves, disinfectant gel, disinfectant wipes, soap, paper towels, surface disinfectants, etc.) and we provided additional hygiene supplies for both employees and customers.
- ☆ Colleagues with flu symptoms were encouraged to stay home.
- ☆ We encouraged the use of collaborative work solutions to work with colleagues in other areas of the bank, irrespective of their headquarter presence. The same was recommended for customers who prefer remote work.
- ☆ The meeting rooms were used by a maximum of 2 people at the same time; in case of meetings with more than 2 people, the rest of the colleagues joined by video conference.
- ☆ We provided protection panels and info-signs on keeping the minimum required distance and the route to follow.
- ☆ We trained our employees on disease prevention and limitation and following occupational health and safety instructions and maintaining preventive behavior.
- ☆ We limited the number of customers that could be in an agency simultaneously.
- ☆ Colleagues with chronic or acute illnesses, as well as any other risk category (pregnant women, colleagues over the age of 50) were encouraged to work from home, to the extent that the role and technical equipment allowed them to do so.



Work Environment

We are aware that our performance would not have been possible without the work of a close-knit team, made up of almost five thousand people at the end of 2020. An open-minded team that is dedicated to our customers and communities, acting guided by solid values, which embody Raiffeisen Bank's vision.

In 2020, our team consisted of **4,965 employees** out of which 75.41% were women, while the average age was **37.5 years.**



Employees by working hours 2020

	Men	Women	Total
Full time	1,204	3,684	4,888
Part time	17	60	77
Total employees	1,221	3,744	4,965

Employees by employment contract 2020

	Head offices		Network/Agencies	
	Men	Women	Men	Women
Permanent	678	1,382	487	2,160
Temporary	29	104	27	98
Total employees	707	1,486	514	2,258

Number of employees in head offices 2020

	No.	%
Sky Tower	637	13%
Office Building	1,020	21%
Braşov Operational Center	536	11%

Informing employees of significant changes in the Bank's operations is done at least 30 days in advance, after all alternatives for each case/employee have been analysed internally. Through the collective labour agreement and beyond, employees are offered the most advantageous opportunities. After drafting the documents, in the event of a possible termination, the notice period until termination of the contract is in accordance with the provisions of the Labour Code and, implicitly, those of the Collective Labour Agreement, respectively 20 working days.

Employee Turnover

In 2020, employee turnover decreased significantly, reaching 14.62%, compared to 24% in the previous year.

Category 2020

	New employees		Employees who left the company	
	Number	Percentage of total employees at 31 st december 2020	Number	Percentage of total employees at 31 st december 2020

Gender

Women	581	11.70%	520	10.47%
Men	192	3.87%	206	4.15%
Total	773	15.57%	726	14.62%

Age

<30 years	453	9.12%	291	5.86%
30-50 years	296	5.96%	335	6.75%
>50 years	24	0.48%	100	2.01%
Total	773	15.57%	726	14.62%

Office/location

Head offices	331	6.67%	269	5.42%
Network/Agencies	442	8.90%	457	9.20%
Total	773	15.57%	726	14.62%

The data are representative at country level (geographical location), when calculating employee turnover rates, employees who left the company involuntarily, as a result of agencies closing, were also included.

Diversity and Equal Opportunities

We strongly believe that all citizens have equal rights, that diversity is an essential element of any strong society, and we strive to ensure that we, at Raiffeisen Bank, also contribute to the development of an inclusive world by integrating this value in our day-to-day work, through the policies and measures adopted at Bank level. In addition to complying with national legislation, we are guided by internationally developed principles in this regard, such as the European Convention on Human Rights and the Universal Declaration of Human Rights.

We are dedicated to addressing diversity issues across the company and we want to adopt the diverse ideas, styles and perspectives of the Bank's team to reflect and understand our customers, communities, suppliers and investors. We want to make sure that people are appreciated, respected and supported to reach their potential and grow with us.

We emphasized how important this topic is to us in 2018, when we signed the Diversity Charter, and thus, publicly committed to respect and promote values such as diversity, equal opportunities and social inclusion. In addition, at the end of 2019, a Diversity and Inclusion Officer was appointed within Raiffeisen Bank, responsible for transforming our vision into specific measures.

Starting June 2020, we launched an internal communication campaign on diversity – Part of Diversity. The communication campaign included articles and interviews with colleagues or representatives on the subject of diversity, addressing various topics - collaboration between generations and the benefit of learning at any age, successful women, causes of discrimination, identifying various disabilities. The approach included an information and awareness component, but also specific actions for diversity. We used the training materials from the eLearning platform on the subject of

diversity and we prioritized interesting courses on the subject of diversity every month, which addressed several topics: understanding unconscious prejudices, maintaining cohesive multigenerational teams, reconciling diversity, cultivating a passion for learning.

We included the course Code of conduct in coworker relations in the portfolio of mandatory courses that Raiffeisen Bank employees must follow, and we launched during the second half of 2020, a course on diversity in the Banking University. The course is mainly addressed to colleagues with recruitment responsibilities (including


managers), but also to all colleagues interested in the subject of diversity at work and in their personal contribution to a more inclusive work environment. The topics presented refer to the stereotypes in thinking & prejudice; the role of emotional intelligence; discrimination - types and forms of discrimination; harassment and its forms; statistics & challenges for Romania; recommended actions in case of discrimination; individual contribution to a diverse and inclusive work environment; behaviors of leaders who support diversity and inclusion, diversity and inclusion during the stages of the employee's life cycle.


Employees by age and role within the company 2020

Category	Men				Women			
	<30	30-50	>50	Total	<30	30-50	>50	Total
B-1*	0 0.00%	19 0.38%	3 0.06%	22 0.44%	0 0.00%	8 0.16%	12 0.24%	20 0.40%
B-2**	1 0.02%	48 0.97%	9 0.18%	58 1.17%	0 0.00%	61 1.23%	11 0.22%	72 1.45%
Other management position	9 0.18%	130 2.62%	19 0.38%	158 3.18%	12 0.24%	243 4.89%	87 1.75%	342 6.89%
Specialists	301 6.06%	575 11.58%	107 2.16%	983 19.80%	906 18.25%	1,920 38.67%	484 9.75%	3,310 66.67%
Total	311 6.26%	772 15.55%	138 2.78%	1,221 24.59%	918 18.49%	2,232 44.95%	594 11.96%	3,744 75.41%

*B-1 (Board-1) represents the first level of management, after top-management/Management Board.

**B-2 (Board-2) represents the second level of management, after top-management/Management Board.


 During 2020, we published our policy on diversity in the workplace.

 In 2020, 56.4% of senior management positions (Board-1 and Board-2) within Raiffeisen Bank Romania were held by women, experiencing a slight increase compared to the previous year (55.34%).

Number of employees with disabilities		
Specialists	M	W
2018	4	14
2019	12	13
2020	5	16


Non-discrimination


Raiffeisen Bank Romania does not tolerate discrimination in any form. All employees enjoy equal opportunities, regardless of gender, nationality, age, family status, language, religion, political beliefs, disability or sexual orientation. Recruitment, employment and promotion within the company are based strictly on criteria related to the competence and performance of the employee.

 In 2020 we published and updated the policy on the prevention of discrimination and harassment in the workplace.

We know that age discrimination is one of the most common situations in the local market, so we aim to continue to support a multigenerational team approach and flexible skills, focusing on lifelong learning and digitalization. Thus, in 2020 we continued to provide resources for our employees such as articles, interviews and trainings on intergenerational collaboration and the benefits of long-term learning. We want our team to include people willing to learn and grow continuously, regardless of their age, as mentioned in all our recruitment announcements.

In 2020, we launched an initiative to improve the experience of colleagues and clients with disabilities. The program sets out organization-wide principles to improve existing processes so that we can operate as inclusively as possible for people with disabilities. Thus, we aim to identify solutions in 2021 and implement infrastructure changes, procedures and mindsets to become a more friendly environment for different vulnerable groups. At the same time, we will internally distribute a guide for appropriate interaction with people with disabilities, to raise awareness and promote best practices in collaboration with people who belong to these categories.

 For any complaint of discrimination, employees are instructed to use salariati.sesizari@raiffeisen.ro.

 In 2020, there were no incidents of discrimination among employees and no human rights violations were recorded.

Currently, the Bank has not implemented a system to monitor incidents of discrimination at the level of external stakeholders.

Starting August 2020, we included the ideal employee profile in the job announcements for new positions (internally and externally):

"At Raiffeisen Bank, the selection and promotion of people is based exclusively on skills. We are open to diversity and non-discrimination and encourage the inclusion of all employees, for an efficient, creative and pleasant work environment, with a good work-life balance! In our bank, the ideal employee profile does not take into account age, but enthusiasm and passion, it does not take into account religion, but the desire to learn, it does not take into account gender, but professionalism, it does not take into account ethnicity, but rather skills and competences! The more different we are, the more value we can create together."

Occupational Health and Safety

The Internal Service for Occupational Health and Safety (OH&S), within Raiffeisen Bank aims to ensure the best conditions in the work process, protection of life, physical and mental integrity, maintaining the health of workers or other persons participating in the work process.

Responsibilities of the internal service:

- ▣ organizes and carries out the occupational health and safety activity;
- ▣ elaborates and carries out the general induction training for the Bank's employees;
- ▣ identifies the risks of work-related accidents and occupational disease and proposes measures to assess them (with the help of the occupational physician and healthcare providers);
- ▣ keeps records of work-related accidents in the Bank's units, as well as of occupational diseases;
- ▣ collaborates in the research, registration and bookkeeping of work-related accidents at the Territorial Labor Inspectorates and at the General Labor Inspectorate;
- ▣ prepares the documentation for complying with the legislation and norms regarding maternity protection;
- ▣ collaborates in the development of rules, procedures, regulations and instructions in the field of occupational health and safety and organizes first aid courses.

At the same time, the service analyzes and evaluates the risks of accidents and occupational diseases. This is a crucial step in the overall OH&S management process with regard to the strategy for selecting appropriate security measures, aiming at intrinsic prevention, choosing the optimal protection measures and providing information on risks. Access to information is done through the e-learning platform: Compulsory courses – OH&S training.

All employees are trained and have the obligation to carry out their activity in such a way as to not expose themselves or other people participating in the work process to risk of injury or occupational disease. When a hazard is observed, the employee is trained and informed to strictly follow the next steps:

- ① turn off the equipment and/or halt the activity;
- ② evacuate the personnel from the danger zone;
- ③ notify specialized services and their superiors.

Training is done every six months, on the e-learning platform. Also, the related materials regarding occupational health and safety are made available to employees on the Bank's Intranet: President Division – OH&S Team. In addition, each new employee who joins the Bank's team goes through an occupational health and safety training program. Within the company there is an Occupational Health and Safety Committee composed of 8 trade union representatives and 8 employer's representatives.

The company's risks are identified through the method developed by the National Research and Development Institute for Occupational Safety (INCDPM): The method of assessing the risks of occupational injury and illness. Risk is a dimension of danger characterized by two elements: probability and severity.

The method developed within INCDPM aims to quantitatively determine the risk/security level for a job, based on systemic analysis and risk assessment of occupational injury and illness. Following the implementation of the method, a summary document is drawn up (Job Evaluation Sheet), which includes the overall risk level per job. The job description thus prepared is the basis for substantiating the prevention program of work-related accidents and diseases for the analyzed workplace.

Risk assessment involves identifying all risk factors in the system under analysis and quantifying their size based on the combination of two parameters: severity and the maximum possible consequence frequency on the human body. This way, partial risk levels are obtained for each risk factor, respectively global risk levels for the entire analyzed system.

Regardless of the risk factor and the event it may generate, the consequences on the executor can be grouped according to the law defined categories: temporary incapacity for work, disability and death. Moreover, for each risk factor it can be stated with certainty what its maximum possible consequence is. For example, the maximum possible consequence of electric shock will always be death, while the maximum consequence of exceeding the normal noise level will be occupational deafness - disability. Knowing the types of injuries, as well as their potential location, in case of occupational accidents and diseases, as specified by the medical criteria for clinical, functional diagnosis and work capacity assessment developed by the Ministry of Health and the Ministry of Labor and Social Solidarity, it can be assessed for each risk factor in part which injury will lead to extreme, which organ will be affected and, finally, what type of consequence will produce: disability, invalidity or death. In turn, these consequences can be differentiated into several severity classes. For example, disability can be 1st, 2nd or 3rd degree,, and incapacity: less than 3 days (minimum limit set by law for the definition of work-related accidents), between 3 - 45 days and between 45 - 180 days.

As in the case of probability of accidents or illnesses, we can also determine several classes of consequences severity, as follows:

- ▣ **class 1:** negligible consequences (work incapacity of less than 3 days);
- ▣ **class 2:** minor consequences (incapacity between 3 - 45 days, requiring medical treatment);
- ▣ **class 3:** average consequences (incapacity for 45 - 180 days, requiring medical treatment and hospitalization);
- ▣ **class 4:** major consequences (3rd degree disability);
- ▣ **class 5:** severe consequences (2nd degree disability);
- ▣ **class 6:** very serious consequences (1st degree disability);
- ▣ **class 7:** maximum consequences (death).

The authors of the method developed within INCDPM Bucharest consider that for our country it would be appropriate that the maximum acceptable risk level corresponds to level 3.5.

For example, the overall risk level of employment - Banking staff at Raiffeisen Bank is 2.74, which puts it in the category of acceptable risk level.

The OS&H risk assessment is reviewed in the following situations:

- whenever changes occur in technology, work equipment and job/workstation set up;
- after an event has occurred;
- omission of risks or the emergence of new risks.

Workers can report any situations that pose a threat to their safety using the dedicated e-mail address: protectia.muncii@raiffeisen.ro.



Many accidents occur due to carelessness, impatience and speed or inability to make the right decisions under certain conditions. In the urban areas, there are large crowds of traffic participants of all types: drivers, cyclists, motorcyclists and pedestrians. To prevent such incidents, we organize regular trainings on work-related accidents and defensive driving courses.

i However, in 2020 the Bank recorded two work-related accidents. These took place on the pedestrian crossing, on the green color of the traffic light. From the statements of those involved, it results that the employees were on their usual route from home to the office. Both victims engaged in crossing the street at the pedestrian crossing and were hit by a car. The victims benefited from medical leave, according to the medical certificate issued by the authorities.

**Work related accidents
2020**

	No.	Rate
Deaths caused by work-related accidents	0	0
Incidents with a high probability of causing serious injury *	2	0.23
Injuries caused by work-related accidents	2	0.23

*car accidents

The information presented only includes data on the Bank's employees. Currently, the Bank does not monitor issues related to occupational health and safety at the level of contractors operating in the company's headquarters/agencies.

$$\text{Incident rate with high probability of causing serious injury} = \frac{\text{No. of incidents with high probability to cause serious injury}}{\text{Total number of hours worked}} \times 1,000,000 = \frac{2}{8,882,144} \times 1,000,000 = 0.23$$

$$\text{Rate of injuries caused by work-related accidents} = \frac{\text{No. of injuries caused by work-related accidents}}{\text{Total number of hours worked}} \times 1,000,000 = \frac{2}{8,882,144} \times 1,000,000 = 0.23$$

Beyond the measures we take to identify and prevent occupational health and safety risks, the Bank also facilitates employee access to medical and healthcare services.

Annual screening is important in diagnosing disease in its early stages, but also in preventing certain diseases (eg cardiovascular disease, diabetes, obesity). Prevention helps maintain health and reduces disease. Screening investigations and tests are recommended by the physician after prior consultation. Thus, the Bank provides various medical subscriptions available to all employees. They can choose one of the packages offered by our medical partners, Medlife and Regina Maria.

Monitoring employee health in relation to the particularities of working conditions and occupational risks to which workers are exposed includes:

- ▣ generaland clinical examinations, clinical, paraclinical and laboratory investigations according to the investigation plan prepared by the occupational physician in accordance to the legal requirements and, where appropriate, the individual parameters related to the particular health problems of the workers;
- ▣ on-demand advice to the employer and/or employees on working conditions, occupational risks, occupational health legislation and occupational health and safety measures aimed at improving the working environment and safeguarding the health and working capacity of employees;
- ▣ establishing the fit-for-work decisions and the medical and technical-organizational recommendations mentioned on the aptitude sheets;
- ▣ performing, upon request, other related medical services in order to promote the occupational health of workers.

Occupational medicine examinations performed

In 2020,

2,118

occupational medicine examinations were performed:

- 293 employment medical examinations
- 1,786 periodic medical examinations
- 39 medical examinations when resuming work

Remuneration and Benefits Policy

Remuneration System

The Raiffeisen Bank S.A. remuneration system promotes fair and efficient risk management and does not encourage assuming risks over the tolerated levels. This is in line with the Bank's and the Group's long-term business strategy, goals, values and interests and it incorporates measures to avoid conflict of interest.

The Raiffeisen Bank S.A. remuneration policies are approved by the Bank's Supervisory Board through the Remuneration Committee.

The Raiffeisen Bank S.A. compensation system is governed by the following principles:

- ① The compensation system supports the company's long-term business strategy and goals, its interests and values by using the set of key performance indicators (KPI) of RBI and the key cultural competences.
- ② The principles of compensation incorporate measures to avoid conflicts of interest.
- ③ The compensation policy and principles are in accordance with and promote solid and efficient risk management practices and avoid variable payment for assuming risks over the tolerant level for the institution through KPIs and process management (e.g., the process of Assessing Performance, risk committees).
- ④ Compensation is based on a functional structure and is linked to performance. Besides, special rules are applied to the personnel whose professional activity has a material impact on the risk profile.
- ⑤ Compensation is competitive, sustainable and reasonable, and it is defined in accordance with the relative value of work, market and practice.
- ⑥ Fixed compensation is defined, in principle, in accordance with the market conditions.
- ⑦ The compensation structure (the variable payment proportion relative to fixed compensation) is balanced, which allows each employee to have an adequate level of remuneration based on the fixed salary.
- ⑧ All variable payment programs include minimum levels of performance and a maximum payment threshold.
- ⑨ Individual performance is the product of the results obtained and of the competences based on both quantitative and qualitative measures, valued within the process of performance assessment and considering financial and non-financial criteria.
- ⑩ The personnel employed in controlling functions is compensated independently from the business unit they supervise, has appropriate authority and their remuneration is determined on the basis of achieving their own goals without taking into consideration the results of the area they monitor. The fixed and variable remuneration structure should be in favor of the fixed remuneration.

If an employee is paid a variable compensation, this is done for measured performance. Performance is translated into results and behavior: "what" and "how", according to the performance management system. Therefore, all variable compensation structures are linked to performance management or a comparative system of setting the targets.

Value of the average salary, compared to the salary at national level

	2018		2019		2020	
	Average employee salary compared to average salary (%)	Average employee salary compared to minimum salary (%)	Average employee salary compared to average salary (%)	Average employee salary compared to minimum salary (%)	Average employee salary compared to average salary (%)	Average employee salary compared to minimum salary (%)
Average employee salary	147	361	149	370	146	355
Average junior employee salary: Bucharest	204	500	123	304	111*	271*
Average junior employee salary: outside Bucharest	107	261	131	326	103*	250*

*Starting with 2020, the calculation methodology was updated for the indicator "The value of the average salary, compared to the salary at national level"; therefore, the differences from the previous year may seem significant, with the related indicators of 2019 in the table above calculated according to the old methodology. For a better overview of the real situation, we have recalculated the values for 2019 according to the new methodology, and these are:

- ⇒ Average junior employee salary: Bucharest 2019, average employee salaries compared to average salary: 115
- ⇒ Average junior employee salary: Bucharest 2019, average employee salaries compared to minimum salary: 286
- ⇒ Average junior employee salary outside Bucharest: Bucharest 2019, average employee salaries compared to average salary: 107
- ⇒ Average junior employee salary outside Bucharest: Bucharest 2019, average employee salaries compared to minimum salary: 265

Both full-time and part-time Raiffeisen Bank employees have access to the same benefits, regulated by the Remuneration Policy and the Collective Labor Agreement:

- ⇒ healthcare
- ⇒ insurance in case of disability or invalidity (resulting from work-related accidents)
- ⇒ parental leave
- ⇒ retirement benefits

i All employees of the Bank benefit from the provisions of the Collective Labor Agreement.

Value of the benefits package as % of salary

	2018	2019	2020
Specialists	6.3	6.3	6.3
Management	3.3	3.3	3.3
Top Management	1.1	1.1	1.1

Parental Leave

In 2020, 404 employees applied for and received parental leave (398 women and 6 men).

Parental leave	2018		2019		2020	
	Men	Women	Men	Women	Men	Women
Total number of days of leave*	3,236	22,853	430	22,085	762	22,670
No. of employees who were entitled to parental leave	10	616	48	586	16	511
No. of employees who benefited from parental leave	3	437	6	420	6	398
No. of employees who returned to work at the end of their parental leave**	4	136	0	158	3	153
No. of employees who returned to work after maternity/paternity leave and were still employed 12 months after their return	3	95	0	134	1	151
Return rate	100.00%	31.12%	0.00%	84.00%	0.00%	74.83%
Retention	75.00%	69.85%	0.00%	85.00%	33.00%	98.69%

*No. of days of parental leave taken in 2020 by those who started the leave that year.

**No. of employees who began their parental leave in 2020 and in prior years, and returned to work.



Professional Development

Employee training and education is an on-going concern for our organization and one of the strategic directions in human resources. Through the development programs offered to our employees, we aim to directly contribute to individual, team and therefore organizational performance.

At the beginning of 2020, employee training mainly took place in the classrooms, and starting with March, through online sessions - webinars. These were supported by both external suppliers and the Bank's internal trainers.

In 2020, we launched development programs inspired by the organizational strategy and aligned with the organizational culture, aiming to strengthen employees' functional and leadership skills, as well as increase their level of engagement. The programs offered addressed all employees in the business segment and support areas, in order to improve the professional abilities of the entire Raiffeisen Bank team.

The learning and development tools and channels available to our employees are diverse: technical training, skills development transversal programs, certifications, conferences and workshops. Starting March, they were exclusively organized online.

A challenge for 2020 was to adapt courses developed for in-person training to being delivered online by the Bank's internal consultants, in order to ensure the continuity of the learning process. We adapted all the materials and the delivery method in a very short time, ensuring a quick shift to the different needs of the learning process in the context of the pandemic. In developing and delivering the programs, we aimed to contribute to the employees' learning and education process, providing quality content and approaching modern methods. We also continued to optimize support methods and technologies: experiential learning, interactive platforms and gamification.

In 2020, we also launched a new section on the Bank's e-Learning platform, **EasyClass**, an online library, which includes over 500 courses divided into 12 topics. The platform also offers a catalog with the description of each course, giving our colleagues the opportunity to choose and browse any topic of interest to them.

The EasyClass e-Learning platform also hosts the **Academia Digitală** program, consisting of online courses for our colleagues in the agencies, a learning source to help them advise the Bank's clients in using the digital tools provided by Raiffeisen Bank.

Regarding the agencies network, the **Raiffeisen School** training program that addresses new employees continued online starting March, and was adapted to the specifics of the activity in the agencies. It includes introductory courses in the company's activity, understanding of products, operations, lending, customer relations and involves the use of multiple learning methods, adapted to the current business context and in line with new trends and technologies. The course syllabus for colleagues in the agency network is configured according to the specifics of each role in the agency. In 2020, 240 sessions were organized within this program.

For the employees in head offices, we continued the professional skills and leadership development programs. In 2020, we continued organizing **Leadershift** - the leadership program addressed to all managers, both new and existing, who have not previously attended a leadership module.

The program provides managers with the right tools to support, in this role, the development of the people they work with and the teams they coordinate.

Another program launched in 2020 is **Transform the Present**, which aimed to identify and develop leadership behaviors that are the strengths of our organizational culture.

In 2020, we also developed the **Lead the future** program, a program that aims to identify and develop the leadership skills of colleagues in non-managerial positions.

Raiffeisen Banking University

We continued the Banking University program through webinars. Our fellow experts in various fields related to banking have held online webinars for other colleagues interested in growing professionally, thus sharing highly applicable practical knowledge. Among the sessions held at the Banking University were new topics, such as the Agile Basics, Part of Diversity webinars, etc.

In 2020, 23 lecturers actively participated in the Banking University online program, and 997 colleagues participated in one or more of the 106 sessions held during the year.

RStyle

At the same time, Raiffeisen Bank continued the RStyle well-being program, in order to encourage employees to maintain an optimal work-life balance. The program has been running for 7 years, and in 2020 focused on two pillars: RBody and EmotionR. The online events had various topics: sports, nutrition, health, personal development and parenting. In the online version, the events received the same appreciation as in previous years.

In the new context, when face-to-face interaction and physical presence, traditional features of RStyle events, were replaced by online interaction, in 2020 we organized 107 RStyle events, with 1,353 unique participants.

iGrow

In 2020, the iGrow platform was relaunched, with a new design and new functionalities, with the role of presenting possible career developments for all positions in the Bank.

Average number of training hours/employee, by category

	2018		2019		2020	
	Men	Women	Men	Women	Men	Women
B-1*	63.56	76.36	35.82	61.62	59.91	55.55
B-2**	68.08	68.91	42.00	37.67	39.97	39.96
Other management positions	33.58	30.60	28.24	27.15	23.34	27.98
Specialists	39.82	36.75	32.89	33.30	33.94	53.54
Total	40.28	36.87	32.70	32.97	33.37	50.95

*B-1 (Board-1) represents the first level of management, after top-management/Management Board.

**B-2 (Board-2) represents the second level of management, after top-management/Management Board.

Examples of training sessions, by topic (hours)

	2020
Sales Skills	8,020
Basic Operations	2,064
Agile Basics	1,588
Induction	892
Basic Credits - Mortgage	1,812
Easy Mortgage	1,300
Total no. of hours	15,676

Professional development = the totality of classroom or online training sessions for employees, both supported by external suppliers or RBRO internal trainers, and those conducted through the internal e-Learning platform.

Classroom or online training sessions = technical courses, cross-cutting skills development programs, certifications, conferences or workshops.

Human Resources- Business Partnership. Performance Management

The performance partnership was also carried out in 2020, with the organization of on-site feedback sessions at the beginning of the year for the previous year, while the objectives setting was organized through online sessions. In 2020 we changed our benchmark on values, and will include in the evaluation: Collaboration, Learning, Responsibility, Proactivity.

Performance evaluation and career development plan

	Men		Women	
	No.	%	No.	%
B-1*	22	100%	20	100%
B-2**	53	100%	77	100%
Other management positions	158	100%	342	100%
Specialists	988	100%	3,305	100%
Total	1,221	100%	3,744	100%

*B-1 (Board-1) represents the first level of management, after top-management/Management Board.

**B-2 (Board-2) represents the second level of management, after top-management/Management Board.

Recruitment

In 2020, the recruitment team completed over 1,000 recruitments and selections, by identifying the right candidates, both inside and outside the organization.

Where possible, our recruitment efforts for management positions focus on attracting candidates and young talent from local communities. This contributes to the increase of human capital, benefits Romanian society and improves the Bank's ability to understand the local context and the needs of the community which we are part of.

	No.	%
Employees in senior management positions recruited from local communities	42	100

Senior management = positions in the Board-1 category, reporting directly to the members of the Management Board (top management)

Local community = Romania (individuals born in Romania or with Romanian citizenship)

Location of significant operations = all the Bank's operations in Romania





Programs for New Hires

In 2020, the management trainee program called **Banker2Be**, aimed at acquiring talent and skills training, took place as follows: 14 young people were trained for a period of 3 months, learning the activity in agencies, with an emphasis on sales responsibilities. After completing the training period, the young people were employed in Raiffeisen agencies.

At the same time, at the beginning of the year, 7 young future specialists in enterprise technologies within the IT Division started their careers as part of the **Raiffeisen Siebel CRM Academy** program. The young people were selected from about 100 candidates who participated in the recruitment and selection process. Their training process consisted both in being allocated a dedicated buddy, trainings (from service providers) and in a team project, through which the young people had the opportunity to apply the notions accumulated in the program (learning by doing).

During 2020, we employed a number of 19 young people who took part in **Management Trainee** programs addressing key areas of the Bank, such as the Business Intelligence team, the Compliance Department and the Audit Department.

Towards the end of the year, we responded to business needs in areas such as Banking Security, IT Audit and Accounting-Reporting by organizing the **Raiffeisen BeTech Academy** program. By selecting 7 candidates from the over 190 applications, the recruitment process took place in parallel, each candidate having the opportunity to opt for a specific business area, depending on their knowledge and profile.

The **internships** within Central Administration were carried out complying with social distancing norms, according to regulations in force and using the online communication channels. The internships are addressed only to college or master students who want to get acquainted with the spirit and culture of a multinational organization. During an internship, young people are presented with the activity flows within a bank.

Change of Approach in IT Experts Recruiting

In July 2020, we launched the first recruitment campaign dedicated to future employees to only work from home. Because the current context showed us that working from home can be a very valuable alternative for the company, especially for employees in the IT area, we chose to change our approach in terms of recruiting. New colleagues were able to work from anywhere in the country, provided they had a stable internet connection and availability to work with colleagues remotely, using the video conferencing, chat and email channels provided by the company.

Our Suppliers

Since the start of the pandemic, we decided to support our partners, suppliers and government during this difficult period by expediting all our due payments. For suppliers and partners we made payments of about approximately 85 million lei in March 2020 (12% higher than in March 2019). Of these, 33 million lei (almost 40%) represent payments before due date. Most of the companies to which these payments were made are local companies with operations in Romania.



The procurement process of Raiffeisen Bank Romania is regulated by the company's procurement policy. In 2020, despite the coronavirus pandemic, there were no significant changes in the location of the supply chain or the Bank's relationship with them.

The Bank's suppliers are divided into 3 categories: IT, Non IT and Space Rentals.

For the first two categories (IT and Non-IT), the selection of goods and services suppliers is made in accordance with the Bank's Procurement Procedure, complying with the Group Policy (Procurement Policy). The selection of space rental providers is made in accordance with rentals and utilities procurement procedure.

Currently, the Bank is implementing a supplier evaluation system using environmental criteria. Regarding the social impact, all the Bank's suppliers must strictly comply with the Bank's Code of Conduct, which includes fundamental human rights provisions.

96%
of the Bank's acquisitions were made with local suppliers.

Proportion of spending on local suppliers	
	2020
Local suppliers and service providers (RON/EUR)	739,065,080/ 152,790,945
Other suppliers and service providers (RON/EUR)	33,058,268/ 6,834,316
Total (RON/EUR)	772,123,348/ 159,625,261
Average exchange rate: 1 EUR = 4.8371 RON	

Suppliers	
	2020
Local suppliers and service providers	1,335
Other suppliers and service providers	119
Total (RON/EUR)	1,454

4 We Are a Committed Corporate Citizen

Safe Together:
for Our Community

Measures Taken by
Raiffeisen Bank Romania in
the Context of COVID - 19

Community Investments

Environmental Protection



Safe Together: for Our Community



Corina Vasile

Public Relations and
Communications Manager

We knew we could overcome the pandemic crisis only through a joint effort of all - authorities, companies, civil society and ordinary people. We quickly adapted the bank's CSR strategy, as well as many other areas of our business, to the pandemic context, and we developed initiatives and programs that we didn't plan at the beginning of the year. It was important for us stay close to our civil society partners, customers and suppliers and continue to support them.



Measures Taken by Raiffeisen Bank Romania in the Context of COVID-19

At the end of March 2020, we paid

>27 million lei

in taxes, even though the legislation in force allowed these payments to be deferred up to 30 days after the end of the state of emergency.

As the crisis created by the COVID-19 pandemic became more and more widespread, many of the municipal and county hospitals in Romania faced protective equipment and disinfectant shortages. The bank received several requests for cash sponsorship from hospitals in the country for the direct purchase of materials, given that the procedures enabling hospitals to receive protective materials were difficult and time consuming.

Although healthcare is not one of the Bank's strategic community investments areas, the urgency of the situation led us to get involved in fighting the spread of the virus. We knew that only if we joined forces could we overcome this challenge. That collaboration between authorities, companies and the civil society is needed, as we are aware that we all play a role in minimizing the negative impacts of the pandemic.

We directed

1,589,967 lei

through sponsorships to 199 hospitals, ambulance services and emergency inspectorates throughout the country.

Raiffeisen Art Proiect

In addition to tourism and HoReCa, the cultural and creative sectors also suffered significant losses. We understood, more than ever, how important culture is for the well-being of a community.

That is why, in June, we launched the **Raiffeisen Art Proiect - Stagiune Virtuală** platform, aiming to create an online cultural hub, where the connection between artists and the public can continue. The platform broadcasts and promotes the cultural products of partner theaters and cultural events organizers.

Using the facilities offered by the digital environment, **Raiffeisen Art Proiect** extends public access from anywhere in Romania and abroad to valuable artistic creations and also promotes artists during this period, providing a solution to continue their work in the context created by the health crisis.



In 2020,

70

cultural projects could be watched on the Raiffeisen Art Proiect platform in the four sections.

>100,000

views were recorded from virtual spectators in Romania, but also other countries, such as USA, Germany, Holland, Denmark, Finland, Austria, France, etc.

Stagiune Virtuală is structured in four sections:



Community Investments

From the beginning of the COVID-19 pandemic, we knew that 2020 would be nowhere near what we planned before it started. We quickly understood that we need to be there for the community and all our stakeholders - from employees, customers, suppliers and partners to the vulnerable social groups we support every year, to strategic community involvement programs and the national health system - and that only together we can overcome a situation for which no one was prepared.

Education continued to play an important role in our portfolio of community projects and the largest share of the community investment budget (30%).

Supporting **Romanian arts and culture** is one of Raiffeisen Bank's strategic community investments directions. Therefore, we kept our promise and supported artists who experienced extremely uncertain times.

We all understood that sports can play an essential role in maintaining our emotional and physical balance. We continued supporting **sports events** in 2020, even if some of them had to adapt, for the safety of the participants. The 2020 edition of the Raiffeisen Bank Bucharest International Marathon could not fill the streets of the Capital with color. However, over 3,000 runners from all over the country gathered virtually and ran independently for a two weeks period.

Our **urban ecology** programs continued in 2020 - I'velo Urban and I'velo Relax bike rental centers helped respect social distancing norms and provided a safe and environmentally friendly alternative to traditional urban mobility.

Looking back, this year has undoubtedly been a turning point. A difficult year, but one that offered us the opportunity to directly see and feel how valuable generosity and solidarity are. This year has given us the opportunity to reposition ourselves, as a society, on values such as solidarity, empathy and responsibility.



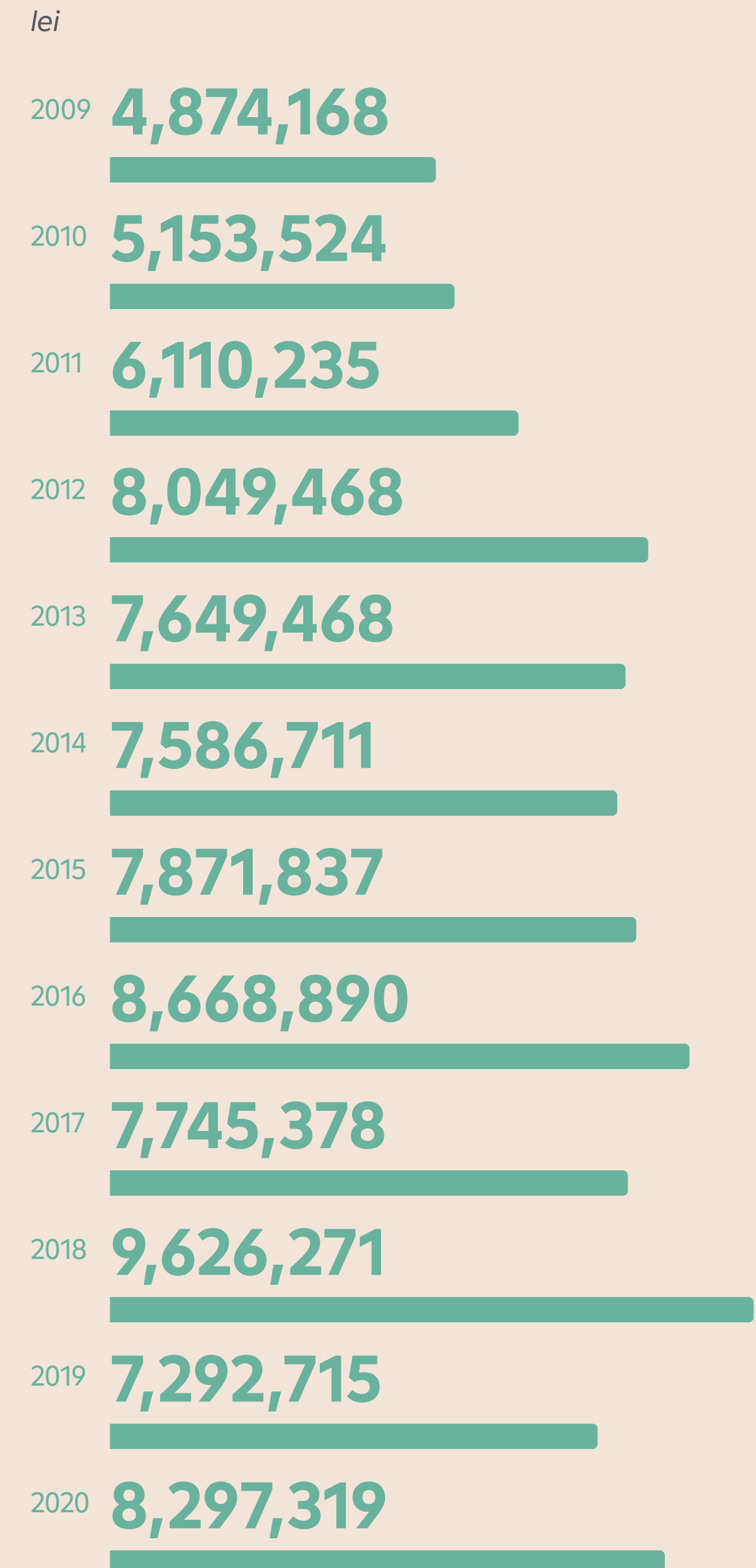
The main results of 2020 are:

- 🔊 The total value of investments reported using the LBG methodology exceeded **1.7 million EUR**, reaching an average of **400 EUR per employee**.
- 🔊 Just as in previous years, **NGOs** were our main community partners, but we also came to the aid of **public institutions** such as hospitals or educational institutions.
- 🔊 The 10th edition of the **Raiffeisen Communities** grants program attracted 149 applicants, out of which we chose 11 winning projects, instead of the usual 10 projects. These were subsequently financed with **50,000 lei** each to meet local needs in different areas of education.
- 🔊 518 colleagues chose to **volunteer** this year, dedicating 766 hours to the programs organized by the **Leaders Foundation, United Way** and the **Hercules Association** or to judging the projects in the Raiffeisen Communities grant competition.
- 🔊 We continued to support projects in areas like **culture and sports**, projects that bring art and culture closer to people and encourage them to embrace a healthier lifestyle. We continued the partnerships dedicated to the **Sibiu Theater Festival**, the **Bucharest International Marathon** and others.

Community investments key figures:



Investment value:



Approaching community investments strategically is important for Raiffeisen Bank, just as we approach business. Over the years, we have directed our investments into four strategic areas, without ignoring other urgent initiatives or needs of society.

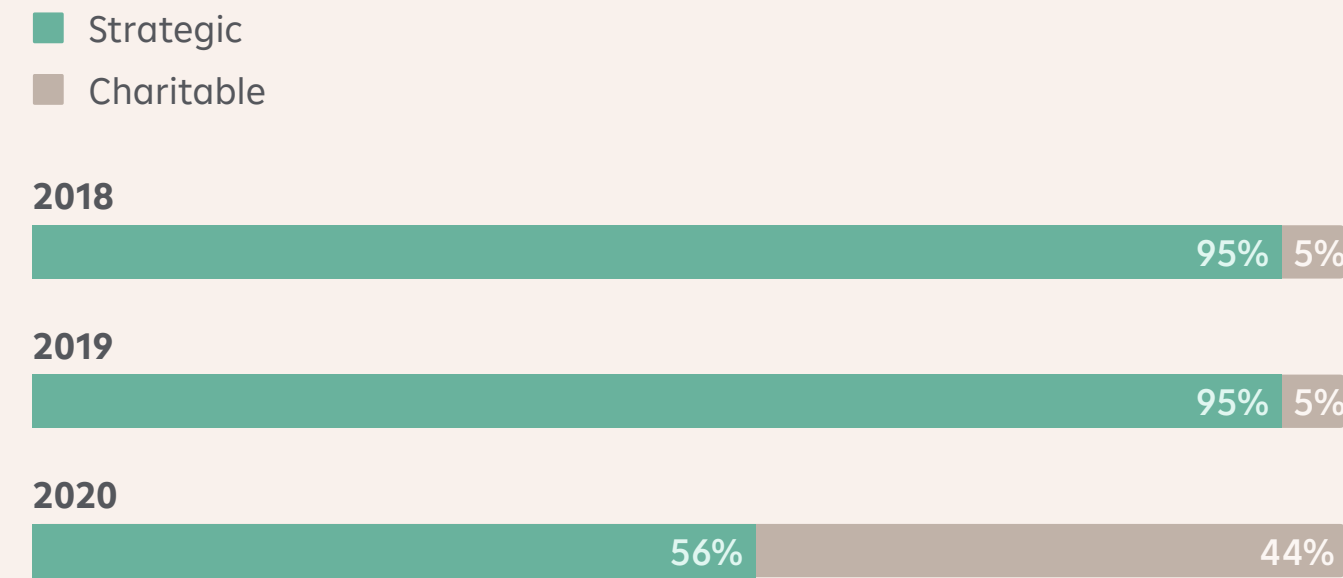
In 2020, the total value of sponsorships was 8,297,319 lei, 14% higher than the previous year's investments.

In 2020, the Bank diversified its community investments portfolio with sponsorships that targeted hospitals in particular, but also other institutions that offer medical services in the COVID-19 context - county ambulance services or senior centers. We knew from the beginning of the pandemic and then during the emergency period that only together with our colleagues, partners, clients and communities, will we be able to return to normal. In short, our initiatives aimed at preventing the spread of the COVID-19 pandemic consisted of:

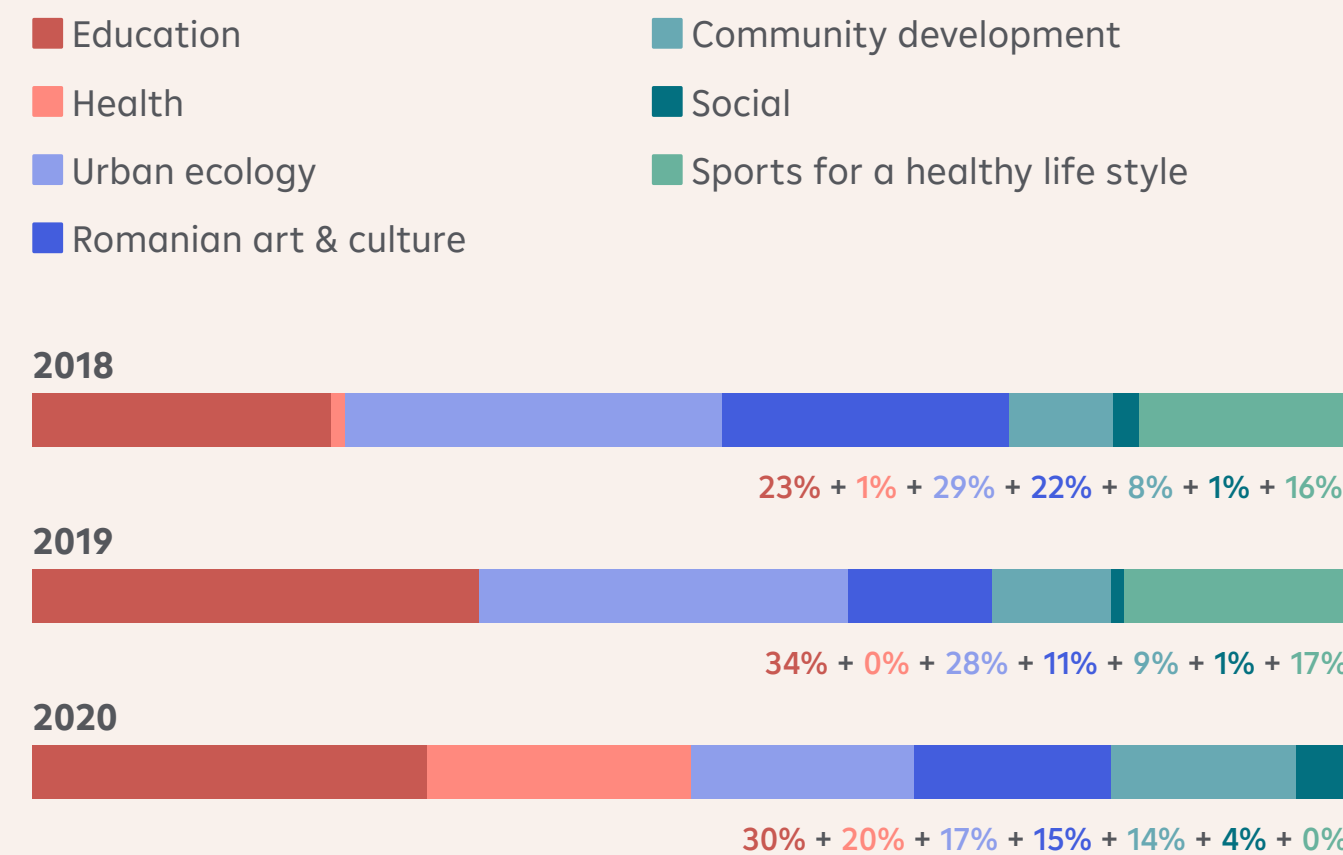
- ☆ Supporting the Romanian medical system through sponsorships of 1,589,967 lei to county and municipal hospitals and ambulance services that urgently needed funds for protective materials for medical staff.

- ☆ Donations of protection materials worth over 100,000 lei for 15 senior centers in the country.
- ☆ Computer donations to children from vulnerable communities who could not attend online classes.
- ☆ In the case of some of our education projects, redirecting funds towards the purchase of tablets for students from disadvantaged areas.
- ☆ Launching the option of donating right from the Raiffeisen Smart Mobile app, through which our customers were able to support three non-governmental organizations involved in the fight against COVID-19: the Association for Community Relations, the Regina Maria Foundation and the SMURD Foundation.

Why does Raiffeisen Bank get involved in community projects? (motivation %)



Community programs and projects structured on strategic directions (% of total amount)



Together for the Society

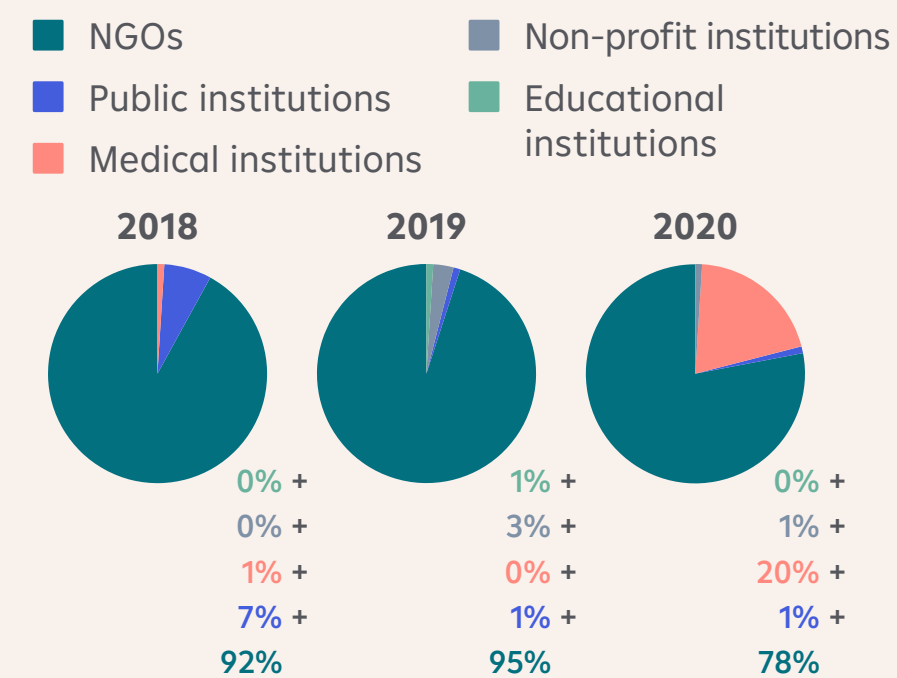
2020 has shown us more than ever that we cannot have real change unless we all get involved. Therefore, we encourage our employees to volunteer or donate for the social causes we support, and we also offer our clients the option to make their own contribution. We have thus created the Direct Debit recurring donation system, through which our clients can quickly and easily become recurrent donors for the social projects in which they want to get involved.

In the last year we had 8,466 active donors, compared to 7,526 in the previous year, who donated over 373,000 EUR. Alongside our clients, we also supported the clients of other banks in managing donations through this mechanism. Thus, in 2020 we supported 9,043 users of the mechanism, who donated over 420,700 EUR to community projects.

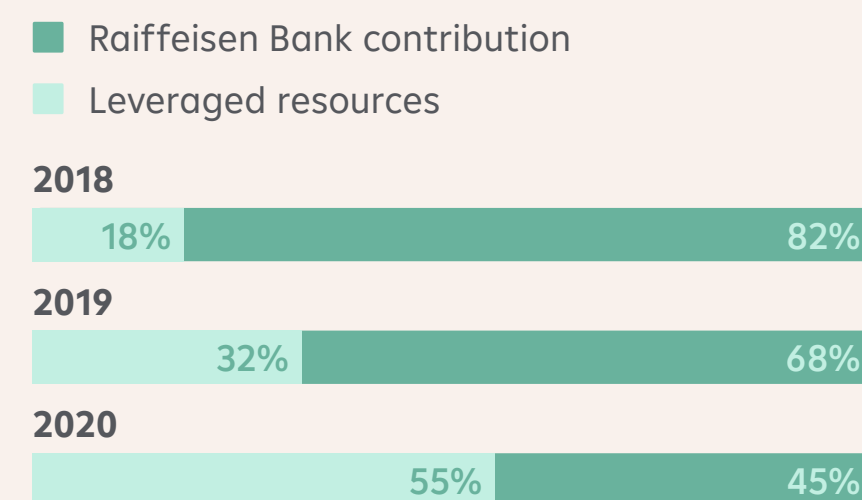
Community Partners

As expected, in 2020 we supported medical institutions, even if healthcare is not one of Raiffeisen Bank's community investments directions. NGOs continue to be the main partners in implementing community programs, as they are closely aware of the needs of the local communities in which we implement projects and the approaches needed to meet them.

Type of community partners



Raiffeisen Bank contributions and leveraged resources

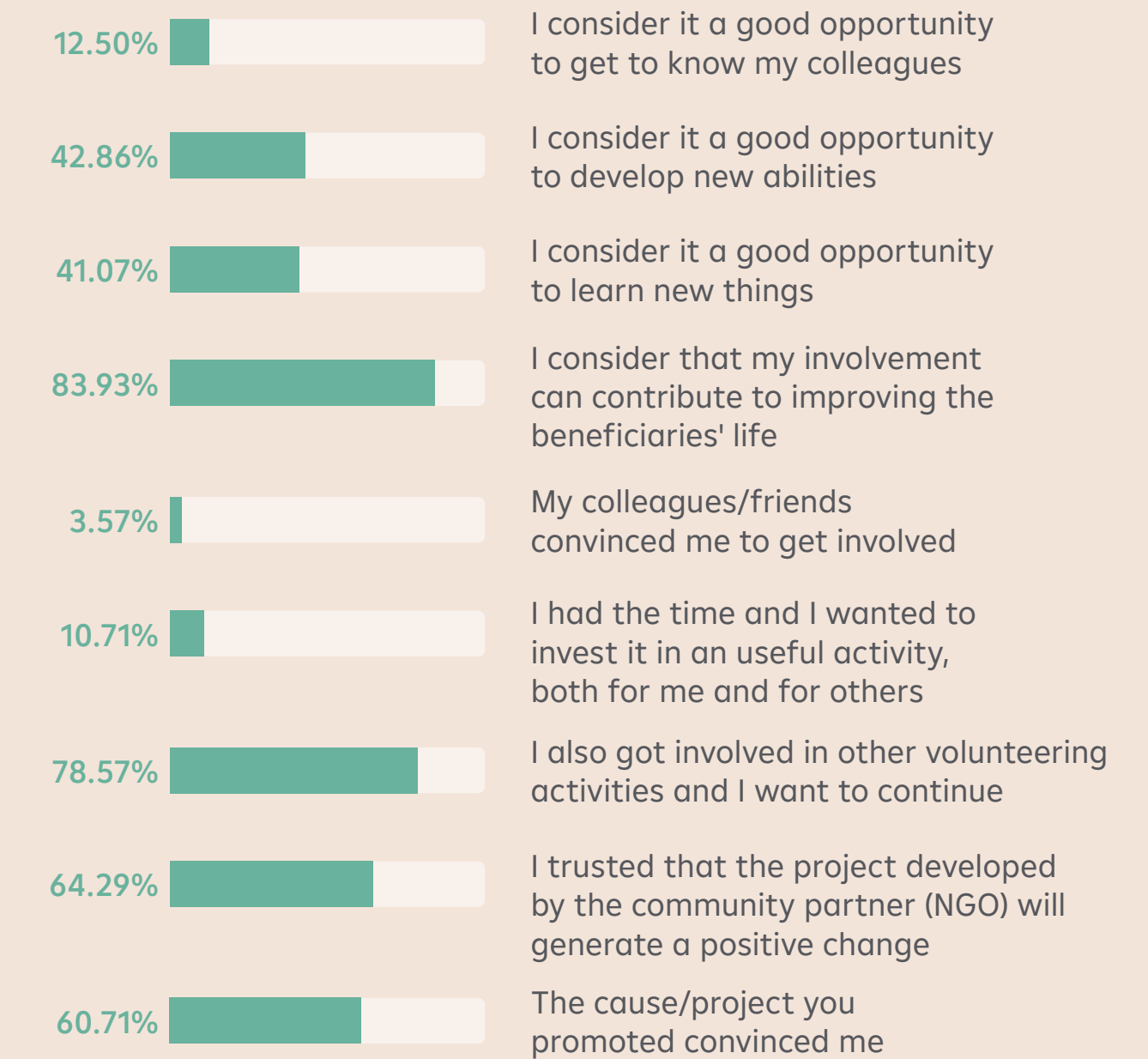


Volunteering at Raiffeisen Bank

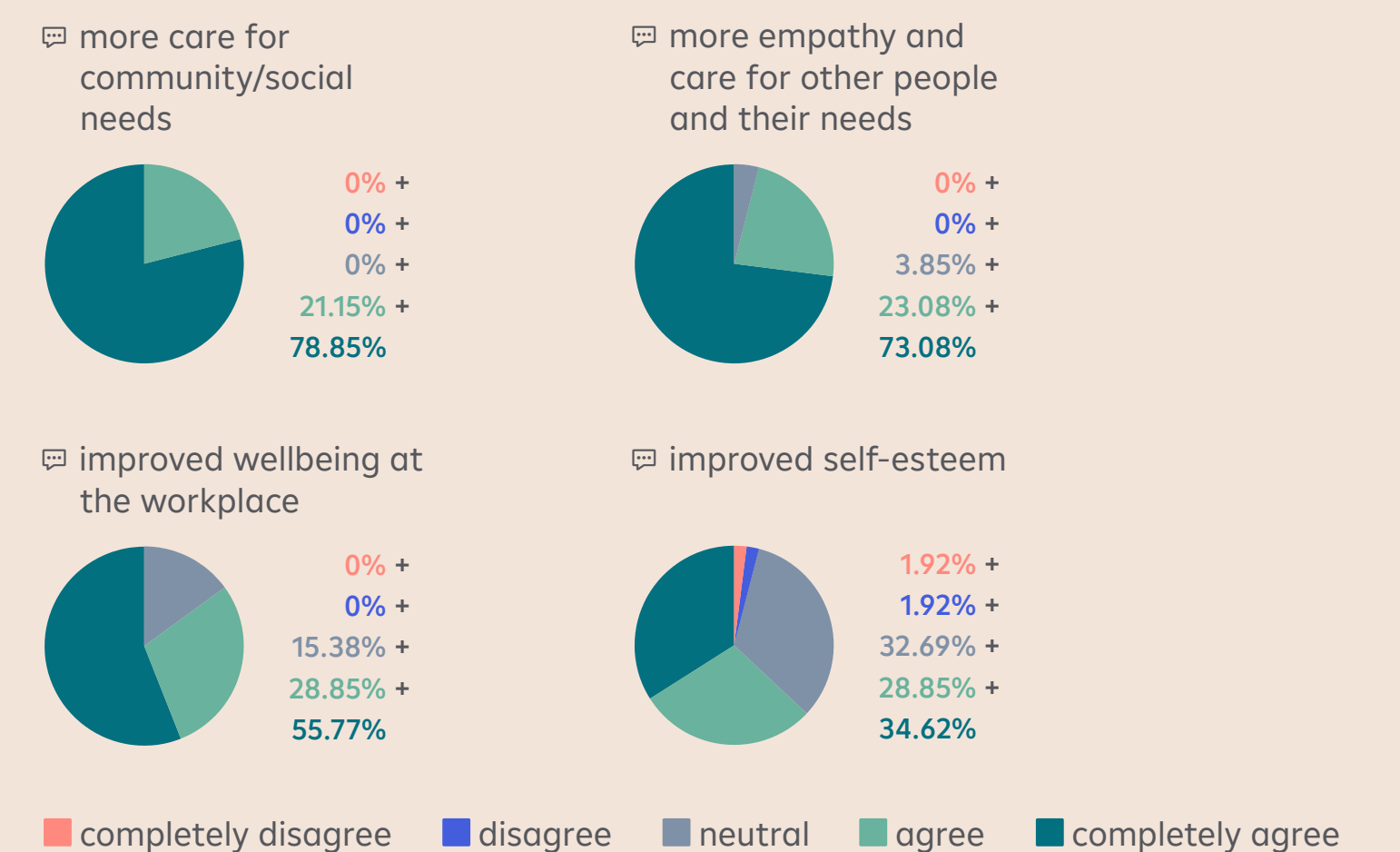
At first glance, we could say that 2020 was a year that did not offer volunteering opportunities given that restrictions were imposed in all communities. However, people understood how acute social needs are and how important simple gestures of generosity are to some people. Volunteering plays a crucial role, and Raiffeisen Bank employees have proven that we can adapt and that nothing can stop us when we want to be close to each other.

In 2020, 518 colleagues volunteered during working hours, especially in projects dedicated to education, but not only. Volunteer opportunities have also moved online, but the motivation remained just as strong. The main reason why Raiffeisen Bank employees have chosen to get involved is the belief that volunteering can help improve the lives of beneficiaries. In addition, volunteers see these activities as a vector of connection to the needs of the community and the needs of those around them, and in this context, trust in the organization for which they volunteer occupies an important place.

Why the Bank employees participate in volunteering activities?



Volunteering activities contibuted to...



The People We Help through our Community Projects

Our partners have supported

>373,000 people

by implementing their projects, generating in-depth changes in their lives – behavioral changes, improvements in knowledge and quality of life, whether we are talking about students in vulnerable communities who needed computers or help for online school, students who have continued to take online financial education courses, or even cultural events that have moved to the virtual stage.



The project helped small companies that benefited from the tourism brought to **Via Transilvanica**, small entrepreneurs or family businesses. By offering accommodation/ meals or other local products and selling them, the quality of life in local communities has increased and will continue to increase due to the large number of tourists on the route.

--
Tășuleasa Social Association



By far the most significant change in the behavior of direct beneficiaries is the commitment to register as independent observers in the presidential, local and parliamentary elections, as a result of the deep understanding of the role they play in strengthening democracy and society.

--
Francophone Students Association from Iași,
winner of Raiffeisen Communities grant in 2019



Children who last year failed to write their name correctly are now reading, they know how to find information in a text, they know how to write correctly.

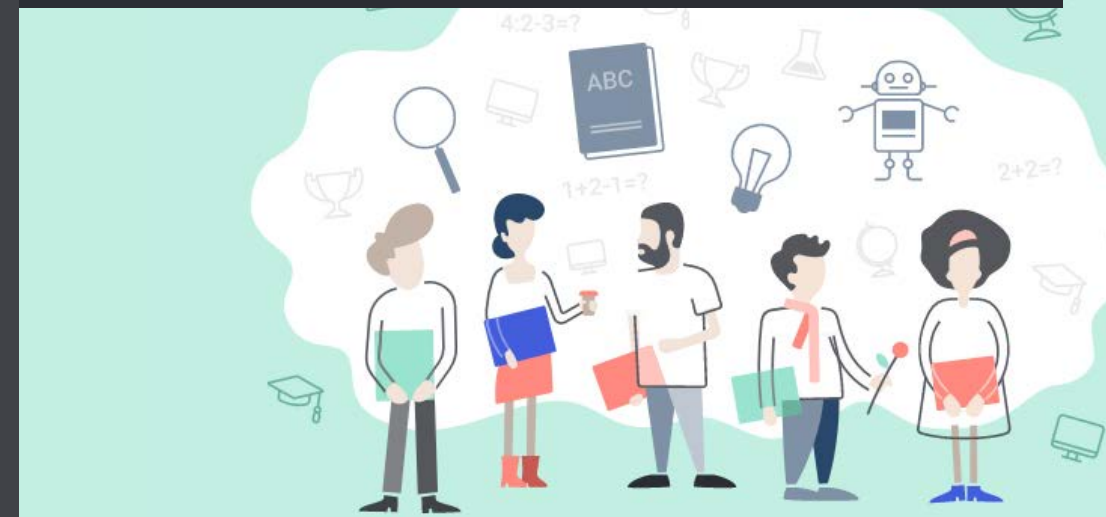
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Teach for Romania Association

Our projects

Beyond the visible effects, the COVID-19 pandemic also had negative effects for the civil society. With much of the effort directed at supporting the medical system so tried during this time, non-governmental organizations have had to adapt and develop their projects so as to cope with the measures imposed by the authorities. We remained true to our promise to be a long-term partner and thus, in 2020, we continued to invest in the impact projects we have supported over time.

Education

Raiffeisen Communities



Urban Ecology

i'Velo



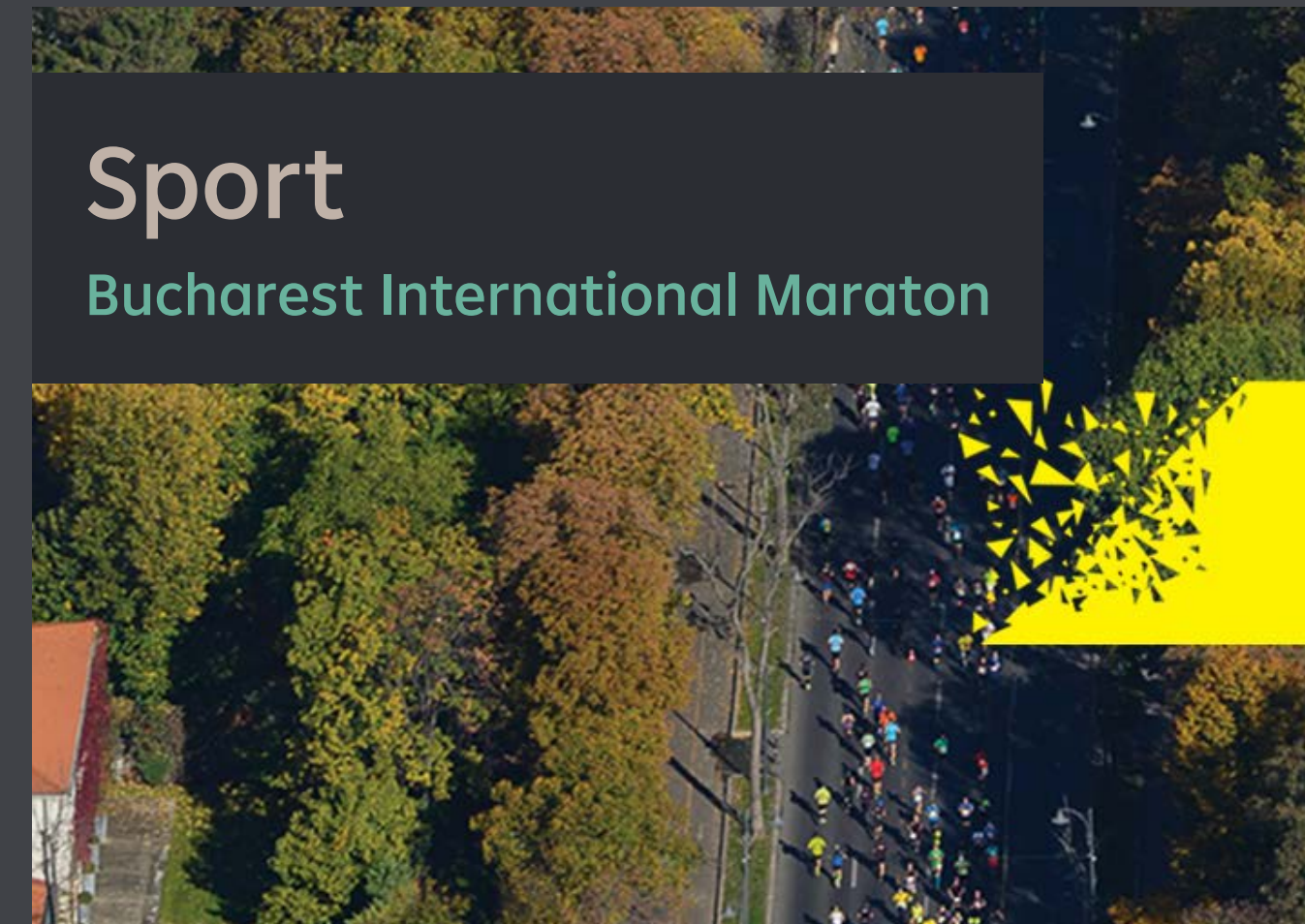
Arts & Culture

Via Transilvanica



Sport

Bucharest International Maraton



Environment

Environmental protection is an important part of the Bank's responsibility to Romanian communities and society. Although our direct environmental impact is low, as a financial partner, we play an important role in reducing the indirect impact on the Bank's portfolio, through sustainable financing policies that support our efforts to make the transition to an economy incorporating principles of sustainable development.

The main environmental risks we face in our day-to-day activity derive from the negative impact that the climate crisis has on the entire economic sector: reliance on natural resources, adopting insufficient or incorrectly sized measures, relative to the speed at which changes in environmental factors occur, but also the refusal of the economic environment to adapt to the current context and to implement action plans to fight the negative effects and impact of climate change. Moreover, an extremely important risk at national level is also given by the frequent legislative changes in this direction.

Risk management is based on a combined bottom-up and top-down approach, in which all employees play a significant role in minimizing risks, in accordance with their field of activity and responsibilities.

At Raiffeisen Bank Romania, the Compliance Department assesses the risks regarding compliance with environmental protection legislation and recommends the necessary measures to the Risk Committee, in order to minimize the risk of non-compliance with legislative regulations.

i In 2020, the Bank did not receive fines or sanctions for non-compliance with environmental regulations.

The Human Resources Department is responsible for informing and training the Bank's employees on the environmental protection policy, and the Logistics and Real Estate Management Department annually monitors and reports on the Bank's resource consumption and provides all necessary infrastructure for selective waste collection and disposal.

At the same time, in order to take effective measures to address the main risks we face, the Bank carefully monitors the evolution of the main environmental indicators relevant to our activity, reporting their progress, both integrated, at RBI level and by publishing the annual sustainability report.

In addition to complying with national regulations, as part of Raiffeisen Bank International, we adopted and strictly comply with existing environmental policy and internal regulations at Group level. Thus, our commitments in this direction address issues such as energy efficiency, renewable energy consumption, sustainable transport and mobility and responsible procurement practices.

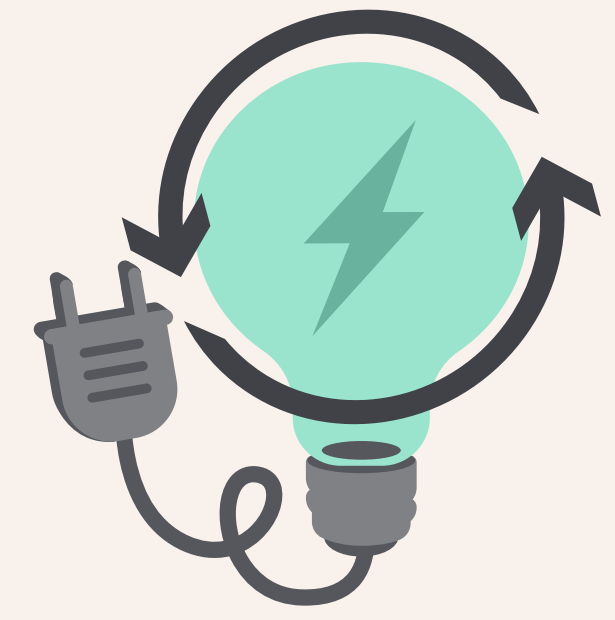
Type of resource	2018	2019	2020
Paper* kg	300,488	311,975	217,400
Printer cartridges and toners units	6,568	2,204	623
Printed materials (forms, out of total paper consumption)	-	257,721.00	160,919.54

*virgin paper

Waste

Recycled waste kg	2018	2019	2020
Packaging materials (paper)	86,194	64,338	37,275
Glass	8	14,168	0
Lighting fixtures	2,072	220	0
Batteries	0	4,334	4,662
Plastic	14,605	3,258	1,852
WEEE	96,488	75,957	78,675
Generated waste kg	2018	2019	2020
Domestic waste	593,642	2,721,200	2,361,453

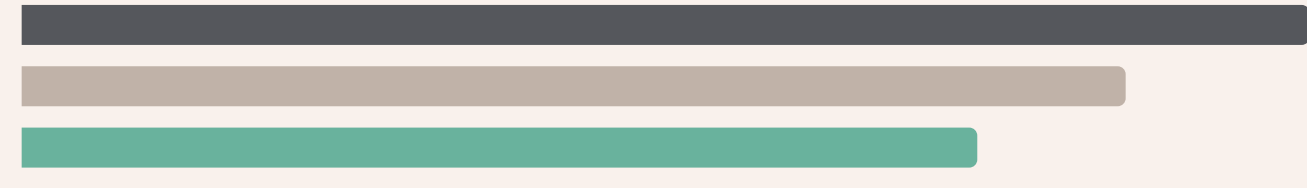
Out of the total amount of waste, **83,337 kg** of hazardous waste (lighting fixtures, batteries, WEEE) and **39,127 kg** of non-hazardous waste were recycled.



Energy

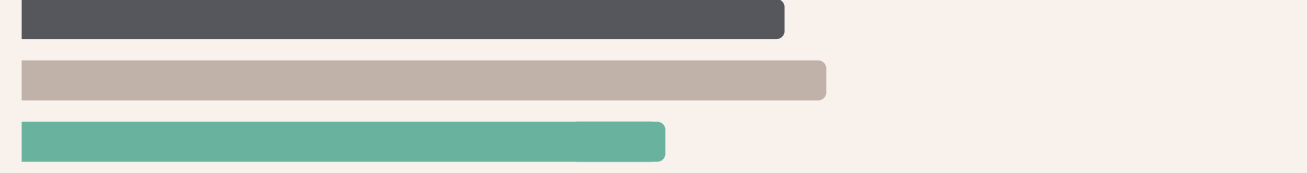
Energy		MWh	toe	GJ
Electricity and energy for cooling	2018	21,721.7	1,868.1	78,198.0
	2019	18,673.6	1,605.9	67,224.9
	2020	16,135.1	1,387.6	58,086.4

MWh



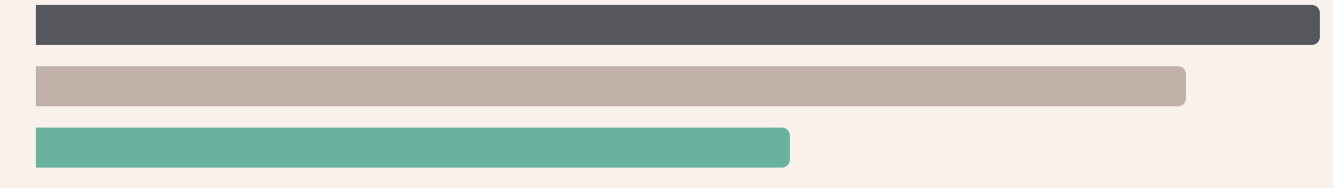
Energy for heating (gas)	2018	12,856.8	1,105.7	46,284.5
	2019	13,525.4	1,163.2	48,691.3
	2020	10,835.8	931.9	39,008.8

MWh



Fuel		t	toe	GJ
Diesel	2018	470.00	477.05	20,022.00
	2019	421.22	427.50	17,943.97
	2020	276.10	280.30	11,763.10

t



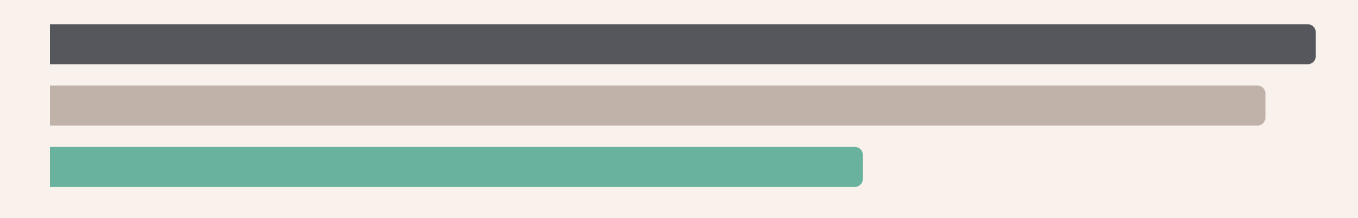
Petrol	2018	51.00	53.55	2,218.5
	2019	22.41	23.50	974.84
	2020	18.60	19.50	809.10

t



Fuel consumption from renewable sources	2018	2019	2020
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Biodiesel	32,708.13	31,489.00	21,044.44
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Bioethanol	-	2,270.00	1,990.51
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Toe conversion factors	Energy	Gas	Diesel	Petrol
	1 MWh = 0.086 toe	1 MWh = 0.086 toe	1 t = 1.05 toe	1 t = 1.015 toe

1 t diesel = 42.6 GJ
1 t petrol = 43.5 GJ

1 KWh = 3.6 * 10⁶ J
1 GJ = 10⁹ J

41.51%
of the total electricity consumption came from renewable sources in 2020.

Note: in 2021, the Bank revised its internal electricity, natural gas and water consumption monitoring and collecting systems. Following the revision, the values presented in previous years have been updated and differences were registered compared to the data presented in the 2018 and 2019 sustainability reports and non-financial statements. Thus, the total energy consumption of the entire company was 3,220.1 toe (134,835 GJ) in 2019, and 3,504.4 (146,723 GJ) in 2018. Consequently, the energy intensity value was 10.73 * 10⁻⁴ toe/thousand lei in 2019, and 12.26 * 10⁻⁴ toe/thousand lei in 2018.

Energy intensity (EI)

Total energy consumption =
Energy +
Gas +
Fuel consumption (diesel+petrol)

Total energy consumption = 109,667.8 GJ
Total energy consumption = 2,619.3 toe

$$EI = \frac{\text{Total energy consumption}}{\text{Total value of annual production}} = \frac{2,619.3}{2,872,946} = 9.12 \cdot 10^{-4} \text{ toe/thousand lei}$$

Emissions

Scope	Scope includes	2019*	2020**
Scope 2	Electricity consumption of Raiffeisen Bank Romania	4,630.68	4,001.18

*In the 2019 non-financial statement, total emissions were calculated using an emission factor inaccurately extracted from the energy supplier invoices.

**In the process of calculating the total emissions generated in 2020, the emission factor for 2019 was used (247.98 g CO₂/KWh of energy produced - according to the statement of the electricity supplier), the one corresponding to the year 2020 not being available at the time of publication of the statement. The electricity supplier annually submits the electricity label related to the previous year by July 31st of the current year, according to ANRE Order no. 61/2016 - Electricity Labeling Regulation.

Currently, at local level, the Bank has not implemented a formal system for inventorying greenhouse gas emissions. However, we annually report to Raiffeisen Bank International the data on energy consumption, fuel and employee transportation, which are considered in the calculation of emissions generated at Group level.

Transport

Transportation for employees	2018	2019	2020
Distance traveled by employees using their personal vehicles for business purposes <i>km</i>	966,016	1,022,950	426,300
Distance traveled by employees by taxi for business purposes <i>km</i>	832,443	1,193,554	685,193
Distance traveled with company cars <i>km</i>	7,239,047	7,325,747	4,980,600
Distance traveled by plane for business purposes <i>km</i>	-	3,131,462	368,273
Number of cars in company fleet	524	525	540
Diesel	470	502	527
Electric/Hybrid	3	3	3
Petrol	51	20	10

Water consumption

Water consumption	2018	2019	2020
Water used <i>m³</i>	61,544	60,109	48,207

Measures to Reduce our Environmental Impact

Optimization of cash collection transport routes

In Romania, banks and companies specializing in cash collection services offer collection services for customers who work with large sums of cash: retailers, distribution companies, courier companies, companies in the agricultural industry. The services cover cash transport, from the customer's premises, to the processing center, followed by the processing of money, ie counting and sorting.

In recent years, our efforts to reduce cash volumes have been addressed both to payers, through financial education actions and promoting the use of digital channels, and to beneficiaries, guiding them to reduce transport frequency.



Thus, the measures we took contributed to a decrease of 200,000 collections in 2020, the equivalent of 2.4 million km, reducing fuel consumption by 300,000 litres and consequently reducing the amount of greenhouse gases generated in the atmosphere.

In the future, **Smart Dropbox** devices, solutions offered together with our partner CIT ONE, will help increase collection optimization, giving customers the opportunity to store larger volumes of cash for longer periods of time.

The reduction in the number of kilometers traveled and fuel consumption was estimated taking into account the average distance between two collection points and the average fuel consumption, according to the information provided by our partner CIT ONE.

Additional measures to reduce environmental impact included: replacement of classic neon tubes from 7 illuminated signs and 294 lighting fixtures with LED tubes; replacement of 91 lighting fixtures during agency relocations; implementation of the electronic signature in relation to suppliers (DocuSign).

The implementation of the electronic signature contributed to the saving of:



We estimated the reduction of the environmental impact, following the implementation of the electronic signature by calculating the number of sheets of paper saved based on three factors: the number of envelopes sent, the number of pages per envelope and the number of recipients. The calculation methodology entailed that each recipient will print the documents on average only once, and that the paper used contains 10% recycled materials.

Independent Limited Assurance Report



Independent limited assurance report in relation to the selected performance indicators presented in the Bank's 2020 Sustainability Report

To the Management Board of Raiffeisen Bank S.A.

Introduction

We have been engaged by the Management of Raiffeisen Bank S.A. (the "Bank") on the basis of an agreement to conduct a limited assurance engagement on verification of compliance with the applicable requirements of the selected performance indicators presented in the Bank's 2020 Sustainability Report (the "Selected performance indicators").

Description of the subject matter and applicable criteria

The Selected performance indicators consist of performance indicators as at 31 December 2020 and for the year then ended, as presented in the Bank's 2020 Sustainability Report ("2020 Sustainability Report") and summarised in Appendix 1 to this report.

The Selected performance indicators have been prepared in accordance with the requirements of the related Global Reporting Initiatives Standards issued by the Global Sustainability Standards Board (the "GRI") and presented in the Bank's 2020 Sustainability Report within the "GRI Content Index" heading on page 99-107; or/and in accordance with Bank's own definitions for each of the selected performance indicators as presented in the "Glossary and definitions for performance indicators selected for external verification and included in the 2020 Sustainability Report", on pages 96-97 of the 2020 Sustainability Report (together the "Basis of preparation") The Basis of preparation are summarised in Appendix 1 to this report.

The requirements described in the preceding paragraph determine the basis for application of the Selected performance indicators and, in our view, constitute appropriate criteria to form a limited assurance conclusion.

Responsibility of the Management

The Bank's management is responsible for:

- preparation of the Selected performance indicators in accordance with the Basis of preparation;
- designing, implementing and maintaining internal controls over the preparation of the Selected performance indicators that are free from material misstatement, whether due to fraud or error;
- establishing and publishing the Bank's own objective definitions for the Selected performance indicators;
- ensuring that the Selected performance indicators are accurate, complete and fairly presented.

Our responsibility

Our responsibility is to form an independent conclusion in respect of the Selected performance indicators presented in the Bank's 2020 Sustainability Report. We chose and performed procedures based on our professional judgement and taking into consideration our assessment of the risk of material misstatement of the Selected performance indicators and general assessment of presentation of the Selected performance indicators.

We conducted our engagement in accordance with the International Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements Other than Audits or Reviews of Historical Financial Information" issued by the International Auditing and Assurance Standards Board. This Standard requires us to plan and perform procedures in order to obtain limited assurance whether the Selected performance indicators have been prepared, in all material respects, in accordance with the Basis of preparation.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal controls, and the procedures performed in response to the assessed risks.



Quality Control requirements

We apply the provisions of the International Standard on Quality Control 1 (IAASB) and accordingly maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We comply with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Summary of the work performed

Our planned and performed procedures were aimed at obtaining limited assurance whether the Selected performance indicators were prepared, in all material aspects, in accordance with the applicable requirements. Our procedures included, in particular:

- inquiries of the persons responsible for the Selected performance indicators;
- obtaining an understanding of the process for measuring and reporting the Selected performance indicators;
- reconciliation the Selected performance indicators to the underlying data sources;
- performance of limited substantive testing on a selective basis of the Selected performance indicators to verify that indicators had been appropriately measured, recorded and collated in accordance with the Basis of preparation;
- testing the arithmetic accuracy of calculations of the Selected performance indicators;
- consideration of the disclosure and presentation of the Selected performance indicators in accordance with the Basis of preparation.

We have not performed any audit or limited review procedures on the sources based on which the Selected performance indicators were calculated. We have not performed any procedures in respect of any other data or information, including comparatives to the Selected performance indicators that are contained in the Bank's 2020 Sustainability Report and we do not express an audit or review opinion or provide a conclusion on the Bank's 2020 Sustainability Report as a whole.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our limited assurance conclusion.

Limited assurance conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Selected performance indicators as at 31 December 2020 and for the year then ended, as presented in the Raiffeisen Bank 2020 Sustainability Report, have not been prepared, in all material respects, in accordance with the Basis of preparation.

Restrictions on use

This report has been prepared by PricewaterhouseCoopers Audit SRL for the Management Board of the Bank to assist the Bank's management in reporting on their sustainable development performance. We permit the disclosure of this report within the Bank's 2020 Sustainability Report¹, to enable the management to demonstrate they have responded to their governance responsibilities by commissioning an independent assurance report in connection with the Selected performance indicators included in Bank's 2020 Sustainability Report.

In connection with this report, PricewaterhouseCoopers Audit SRL does not accept any liability (including for negligence) to anyone other than the Bank, whether in contract or howsoever otherwise arising in the context of this report. The above does not relieve PricewaterhouseCoopers Audit SRL of liability where such release is excluded by law.

On behalf of PricewaterhouseCoopers Audit SRL
Audit firm
registered in the Electronic Public Registers of financial auditors and audit firms with no FA6

Ana-Maria Butucaru
Financial Auditor
registered in the Electronic Public Registers of financial auditors and audit firms with no AF3378

Bucharest, 14 May 2021

¹ The management of Raiffeisen Bank is responsible for uploading the information on the Bank's website, and for the accuracy of this information. Our commitment does not imply a review of these matters, and as a result, we assume no liability for any changes to the selected Performance Indicators on the basis of which we have prepared the Independent Limited Assurance Report, or any differences between our report and the information presented on the Bank's website.



Appendix 1

The Selected performance indicators as at 31 December 2020 and for the year then ended as presented in the Raiffeisen Bank 2020 Sustainability Report and the related basis of preparation are summarised below:

No.	Selected performance indicators	Topic	GRI/ Non-GRI indicator ²	Basis of preparation	Selected performance indicators - description	Page in the Raiffeisen Bank 2020 Sustainability Report
1	Entities included in the consolidated financial statements	Reporting practice	GRI	GRI 102-45 Bank's own definitions for each of the selected performance indicators, contained in the "Glossary and definitions of the selected performance indicators" and published together with Bank's 2020 Sustainability report	A list of all entities included in the Bank's consolidated and audited IFRS financial statements as of December 31, 2020 and whether there are entities included in the Bank's consolidated and audited IFRS financial statements as of December 31, 2020 that are not covered by the Bank's 2020 Sustainability Report.	4
2	List of stakeholder groups	Corporate Governance	GRI	GRI 102-40 Bank's own definitions for each of the selected performance indicators, contained in the "Glossary and definitions" section in the Bank's 2020 Sustainability Report	The list of stakeholders groups engaged by the Bank.	24
3	Identifying and selecting stakeholders	Stakeholder engagement	GRI	GRI 102-42 Bank's own definitions for each of the selected performance indicators, contained in the "Glossary and definitions" section in the Bank's 2020 Sustainability Report	The basis for identification and selection of the stakeholders with whom to engage for the preparation of the sustainability report	24
4	List of material topics	Reporting practice	GRI	GRI 102-47 Bank's own definitions for each of the selected performance indicators, contained in the "Glossary and definitions" section in the Bank's 2020 Sustainability Report	List of material topics resulted from the survey conducted with the stakeholders	25
5	Membership of associations	Organizational profile	GRI	GRI 102-13 Bank's own definitions for each of the selected performance indicators, contained in the "Glossary and definitions" section in the Bank's 2020 Sustainability Report	List of Bank's membership to industry or other associations	32-33

² GRI Standards (Global Reporting Initiative) are developed by the Global Sustainability Standards Board ("GSSB").



No.	Selected performance indicators	Topic	GRI/ Non-GRI indicator ²	Basis of preparation	Selected performance indicators - description	Page in the Raiffeisen Bank 2020 Sustainability Report
6	Percentage of green buildings loans out of total corporate loans	Sustainable financing	Non-GRI	Bank's own definitions for each of the selected performance indicators, contained in the "Glossary and definitions" section in the Bank's 2020 Sustainability Report	Percentage of green building loans out of corporate loans expressed on the basis of gross outstanding exposure as defined in the Bank's Consolidated IFRS Financial statements as at 31 December 2020	46
7	No. of financial education projects	Financial education	Non-GRI	Bank's own definitions for each of the selected performance indicators, contained in the "Glossary and definitions" section in the Bank's 2020 Sustainability Report	Number of financial education projects financed by the Bank during financial year 2020	54
8	New employee hires and employee turnover	Employment	GRI	GRI 401-1 Bank's own definitions for each of the selected performance indicators, contained in the "Glossary and definitions" section in the Bank's 2020 Sustainability Report	a. Total number and proportion of new employee hires during financial year 2020, by age group, gender and region. b. Total number and proportion of employee turnover during financial year 2020, by age group, gender and region.	61
9	Information on employees and other workers	Organizational profile	GRI	GRI 102-8 a)-c) Bank's own definitions for each of the selected performance indicators, contained in the "Glossary and definitions" section in the Bank's 2020 Sustainability Report	a. Total number of employees of the Bank as at 31 December 2020 by: i. employment contract: permanent or temporary; and ii. by gender. b. Total number of employees by employment contract (permanent and temporary), by region. c. Total number of employees by employment type (full-time and part-time), by gender as of 31 December 2020	61
10	Average hours of training per year per employee	Training and education	GRI	GRI 404-1 Bank's own definitions for each of the selected performance indicators, contained in the "Glossary and definitions" section in the Bank's 2020 Sustainability Report	Average hours of training per employee that the Bank's employees have undertaken during the financial year 2020, split by: i. gender; and ii. employee category	71



No.	Selected performance indicators	Topic	GRI/ Non-GRI indicator ²	Basis of preparation	Selected performance indicators - description	Page in the Raiffeisen Bank 2020 Sustainability Report
11	Diversity of governance bodies and employees	Diversity and equal opportunity	GRI	GRI 405-1 Bank's own definitions for each of the selected performance indicators, contained in the "Glossary and definitions" section in the Bank's 2020 Sustainability Report	a. Percentage of individuals within the Bank's governance bodies as of 31 Dec 2020 in each of the following diversity categories: i. Gender; and ii. Age group: under 30 years old, 30-50 years old, over 50 years old. b. Percentage of employees per employee category as of 31 Dec 2020 in each of the following diversity categories: i. Gender; and ii. Age group: under 30 years old, 30-50 years old, over 50 years old.	13-14, 62
12	Proportion of senior management hired from the local community	Market presence	GRI	GRI 202-2 Bank's own definitions for each of the selected performance indicators, contained in the "Glossary and definitions" section in the Bank's 2020 Sustainability Report	Percentage of senior management at head-office of the Bank that are hired from the local community as at 31 December 2020	72
13	Proportion of spending on local suppliers	Procurement practices	GRI	GRI 204-1 Bank's own definitions for each of the selected performance indicators, contained in the "Glossary and definitions" section in the Bank's 2020 Sustainability Report	Percentage of total spending on local suppliers, based on paid invoices during financial year 2020	74
14	Supply chain	Organizational profile	GRI	GRI 102-9 Bank's own definitions for each of the selected performance indicators, contained in the "Glossary and definitions" section in the Bank's 2020 Sustainability Report	Number of local suppliers during financial year 2020	74
15	Value of COVID-19 related community investments for the health system	Volunteering and community investments	Non-GRI	Bank's own definitions for each of the selected performance indicators, contained in the "Glossary and definitions" section in the Bank's 2020 Sustainability Report	Value of COVID-19 related community sponsorship made by the Bank during financial year 2020	77

Glossary and Definitions

for the performance indicators selected for external assurance and included in the 2020 Sustainability Report

Top management	Board-1 category, people reporting directly members of the Management Board.
Local community	Romania (individuals born in Romania or with citizenship Romanian).
Significant locations	All Bank's operations in Romania.
Procurement	Total invoices from suppliers paid during the reporting year.
Supplier	Individual or legal entity who supplies RBRO a good/product or provides a service, registered in iProcurement as a supplier.
Local supplier	Supplier based or registered in Romania (data identification - CUI for legal entities and CNP for Romanian private individuals).
iProcurement	Application used in RBRO for: (i) initiation of procurement requests, (ii) preliminary expenditure approval related to requests, (iii) conducting bid selections or tenders in relation to suppliers, or (iv) issuing orders to suppliers, as well as (v) confirmation receipt of goods/products/services delivered.
Employees	All employees of the Bank covered by the employment contract (except members of the Management Board and the Supervisory Board).
Employee turnover	Number & percentage of new employees, respectively employees who left out of total category, grouped by gender, age groups, region regarding operations in Romania.

Average number of training hours per employee	Total number of training hours / total employees according to employee category (B-1 *, B-2 **, other management positions, specialists) and broken down by gender category *B-1 (Board-1) represents the first level of management, after top-management/Management Board. **B-2 (Board-2) represents the second level of management, after top-management/Management Board.
Training	Total classroom or online training sessions for employees, supported by both external suppliers or internal RBRO trainers, as well as those conducted through the internal e-Learning platform.
Classroom or online training session	Technical courses, cross-sectoral skills development programs, certifications, conferences or workshops.
e-Learning platform	The e-Learning platform used by the Bank, EasyClass, is an online library, including over 500 courses divided into 12 topics.
The value of sponsorships granted by the Bank for the health system in the context of COVID-19	Value of sponsorship contracts for hospitals in urgent need of medical equipment for doctors and nurses, in the context of COVID-19
Number of active Smart Mobile users	Number of active customers of the Bank who signed a contract for digital services, with login in the Smart Mobile application in the month for which the data are reported.



Percentage of corporate loans granted for financing green buildings from the total corporate loan portfolio	Percentage of corporate loans granted for projects on sustainable real estate, related to the total loans related to corporate clients according to gross exposure, according to the consolidated IFRS financial statements and audited on December 31, 2020
Corporate segment	Non-retail customers, excluding small and medium-sized enterprises (SMEs) and non-banking financial institutions.
Sustainable real estate projects	Construction of energy efficient buildings, renovation of buildings that consume a small amount of resources (especially energy); certified buildings (LEED, BREEAM, OGNI).
Number of financial education projects	Financial education projects, designed and implemented by Raiffeisen Bank or with the help of partners (NGOs). Beneficiaries of financial education projects have both students (primary and high school), as well as the adult population and the general public providing them access to practical information and financial principles for: compiling the personal budget and planning the financial future; conducting transactions and using modern payment instruments; contracting a loan and its informed and responsible management.
Stakeholders	Entities or individuals that may be affected by the organization / on which the organization has an impact through the products and services it places on the market or whose activities may affect the organization's ability to implement its strategies and achieve its objectives.



Material themes	Issues that reflect the significant economic, social and environmental impact of the Bank or that substantially influence stakeholder assessment and decisions.
Member of the association	RBRO is a member and / or holds positions on the Board of Directors of professional / business associations or employers' organizations.
Permanent employment contract	Individual employment contract of indefinite duration.
Temporary employment contract	Individual fixed-term employment contract, which may not exceed 36 months.
Region	In terms of location, RBRO operates in its headquarters, respectively in the network of agencies in Romania.





GRI Content Index

GRI Content Index

The report was developed in accordance to the **GRI Standards: Core option**.

GRI Standard	Description	Sustainable Development Goal	Page/ pages no. or direct response	Omission	External assurance
GRI 101: General disclosures 2016					
General disclosures					
GRI 102: General disclosures 2016	Organizational profile				
	102-1 Name of the organization		4		
	102-2 Activities, brands, products, and services		8, 44-47, 50-53		
	102-3 Location of headquarters		4		
	102-4 Location of operations		4		
	102-5 Ownership and legal form		4, 11		
	102-6 Markets served		4		
	102-7 Scale of the organization		6-8, 10, 11		
	102-8 Information on employees and other workers	 8.5	61		<input checked="" type="checkbox"/>
		 10.3			
	102-9 Supply chain		74		<input checked="" type="checkbox"/>

102-10 Significant changes to the organization and its supply chain			6, 74		
102-11 Precautionary Principle or approach			20, 46, 48		
102-12 External initiatives			33, 62		
102-13 Membership of associations		17.3	32, 33		<input checked="" type="checkbox"/>
Strategy					
102-14 Statement from senior decision-maker			3		
Ethics and integrity					
102-16 Values, principles, standards, and norms of behavior		16.3	9, 12, 33		
102-17 Mechanisms for advice and concerns about ethics		16.3	15		
Governance					
102-18 Governance structure			12-14		
102-22 Composition of the highest governance body and its committees		5.5	13, 14		
		16.7			

102-23 Chair of the highest governance body		16.6	14	
102-25 Conflicts of interest		16.6	15	
102-29 Identifying and managing economic, environmental, and social impacts		16.6	20, 23, 26	
102-35 Remuneration policies			67	
Stakeholder engagement				
102-40 List of stakeholder groups			24	<input checked="" type="checkbox"/>
102-41 Collective bargaining agreements		8.8	61, 68	
102-42 Identifying and selecting stakeholders			24	<input checked="" type="checkbox"/>
102-43 Approach to stakeholder engagement			24	
102-44 Key topics and concerns raised			25-27	
Reporting practice				
102-45 Entities included in the consolidated financial statements			4	<input checked="" type="checkbox"/>
102-46 Defining report content and topic Boundaries			23, 24	
102-47 List of material topics			25	<input checked="" type="checkbox"/>
102-48 Restatements of information			87, 88	
102-49 Changes in reporting			No changes in the reporting process.	
102-50 Reporting period			1.01.2020 – 31.12.2020	



102-51 Date of most recent report	Published in June, 2020, for the 2019 financial year.
102-52 Reporting cycle	Annual.
102-53 Contact point for questions regarding the report	4
102-54 Claims of reporting in accordance with the GRI Standards	4
102-55 GRI content index	99-107
102-56 External assurance	91-95

Material topics

ECONOMIC

Anti-corruption

GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	16, 26
	103-2 The management approach and its components	16, 26
	103-3 Evaluation of the management approach	15, 26

GRI 205: Anti-corruption 2016	205-2 Communication and training about anticorruption policies and procedures		16.5	16
	205-3 Confirmed incidents of corruption and actions taken		16.5	16

Management and Leadership


GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	26
	103-2 The management approach and its components	12, 15, 24
	103-3 Evaluation of the management approach	15

Innovation		
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	26, 49, 50
	103-2 The management approach and its components	49-53
	103-3 Evaluation of the management approach	49
	Number of active users of the Smart Mobile application	50

Public Policy		
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	15, 26
	103-2 The management approach and its components	15
	103-3 Evaluation of the management approach	15

GRI 415: Public Policy 2016	415-1 Political contributions	 16.5	16
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Anti-competitive Behavior		
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	19, 26
	103-2 The management approach and its components	19
	103-3 Evaluation of the management approach	15, 19

GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	 16.3	19
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Economic Performance		
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	26
	103-2 The management approach and its components	10, 11
	103-3 Evaluation of the management approach	10, 11

GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	 1.2	10
		 5.1	
		 8.5	
	201-4 Financial assistance received from government		10

Market Presence		
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	26
	103-2 The management approach and its components	68, 72
	103-3 Evaluation of the management approach	15, 68

GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	 1.2	68
		 5.1	
		 8.5	
	202-2 Proportion of senior management hired from the local community	 8.5	72

Indirect Economic Impacts		
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	26, 54
	103-2 The management approach and its components	52-55, 77
	103-3 Evaluation of the management approach	15, 52-55


GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported		5.4	77, 78	
			9.1 9.4		
			11.1		
	203-2 Significant indirect economic impacts		1.2 1.4	53, 54, 80-84	
			3.8		
		8.2 8.3 8.5			

Procurement Practices

GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary		26, 74		
	103-2 The management approach and its components		74		
	103-3 Evaluation of the management approach		15, 74		
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers		8.3	74	<input checked="" type="checkbox"/>

SOCIAL

Customer Privacy



GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary		17, 26	
	103-2 The management approach and its components		17	
	103-3 Evaluation of the management approach		15, 17	
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data		16.3 16.10	17

Sustainable financing

GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary		26, 46	
	103-2 The management approach and its components		46, 48	
	103-3 Evaluation of the management approach		15, 46, 48	
	Percentage of green buildings loans out of total corporate loans		46	<input checked="" type="checkbox"/>
	Programs to facilitate access to financial products and services		44, 46, 47, 52, 53	









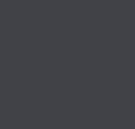
Marketing and Labeling/Transparent information regarding products and services

GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary		18, 26	
	103-2 The management approach and its components		18	
	103-3 Evaluation of the management approach		15, 18	

GRI 417: Marketing and Labeling 2016	417-2 Incidents of non-compliance concerning product and service information and labeling		16.3	18	
	417-3 Incidents of non-compliance concerning marketing communications		16.3	18	

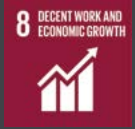













Employment

GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary			26, 57	
	103-2 The management approach and its components			57-60, 67	
	103-3 Evaluation of the management approach			15, 63	



GRI 401: Employment 2016	401-1 New employee hires and employee turnover		5.1	61	<input checked="" type="checkbox"/>
			8.5	8.6	
			10.3		
			3.2	68	
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees		5.4		
			8.5		
			5.1	69	
	401-3 Parental leave		5.4		
			8.5		

Occupational Health and Safety

GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary			26, 64
	103-2 The management approach and its components			64-66
	103-3 Evaluation of the management approach			15, 64, 65


GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system		8.8	64
			8.8	65
			8.8	66
	403-2 Hazard identification, risk assessment, and incident investigation		8.8	64
			16.7	
	403-3 Occupational health services		8.8	64
			8.8	64
			8.8	64
	403-4 Worker participation, consultation, and communication on occupational health and safety		8.8	64
		3.3	66, 71	
		3.5	3.7	
403-5 Worker training on occupational health and safety		8.8	64	
		8.8	64	
403-6 Promotion of worker health		3.6	66	
		3.9		
403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		8.8	66	
		8.8		
403-8 Workers covered by an occupational health and safety management system		8.8	66	
		16.1		
403-9 Work-related injuries		3.6	66	
		3.9		

Diversity and Equal Opportunity


GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary			26, 62	
	103-2 The management approach and its components			62, 63	
	103-3 Evaluation of the management approach			15, 63	
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees		5.1	13, 14, 62	<input checked="" type="checkbox"/>
			8.5		

Training and Education



GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary			26, 70	
	103-2 The management approach and its components			70-73	
	103-3 Evaluation of the management approach			15, 63	
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee		4.3	71	<input checked="" type="checkbox"/>
			4.4		
			4.5		
			5.1		
			8.2		
			8.5		
		10.3			
	404-2 Programs for upgrading employee skills and transition assistance programs		8.2	70-73	
			8.5		

404-3 Percentage of employees receiving regular performance and career development reviews		5.1	72
		8.5	
		10.3	

Labor/Management Relations

GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary		26
	103-2 The management approach and its components		57, 59, 61
	103-3 Evaluation of the management approach		15, 63
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes		8.8 61

Non-discrimination

GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary		26, 63
	103-2 The management approach and its components		62, 63
	103-3 Evaluation of the management approach		15, 63
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken		5.1 63
			8.8

Human Rights Assessment

GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	19, 26	
	103-2 The management approach and its components	19	
	103-3 Evaluation of the management approach	15	
GRI 412: Human Rights Assessment 2016	412-2 Employee training on human rights policies or procedures	62	

Volunteering and Community Investments

GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	26, 79	
	103-2 The management approach and its components	79, 80, 81	
	103-3 Evaluation of the management approach	15, 80-83	
	Value of COVID-19 related community investments for the health system	77	☑
	Total community investment value	80	

Socioeconomic Compliance

GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	18, 26	
	103-2 The management approach and its components	18	
	103-3 Evaluation of the management approach	15, 18	
GRI 419: Socioeconomic Compliance 2016	419-1 Non-compliance with laws and regulations in the social and economic area	16.3	18



Stakeholder and Community Engagement

GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	26
	103-2 The management approach and its components	28-31
	103-3 Evaluation of the management approach	30, 31







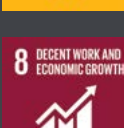


Financial Education

GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	26, 54	
	103-2 The management approach and its components	54	
	103-3 Evaluation of the management approach	15, 55	
	Number of financial education projects	54	☑
	Number of financial education projects beneficiaries	55	




Security Practices

GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary	18, 26	
	103-2 The management approach and its components	18	
	103-3 Evaluation of the management approach	15	
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	16.1	The Bank does not directly employ security personnel.








ENVIRONMENT					
Energy					
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary			26, 85	
	103-2 The management approach and its components			85	
	103-3 Evaluation of the management approach			85, 87	
GRI 302: Energy 2016	302-1 Energy consumption within the organization	 7 AFFORDABLE AND CLEAN ENERGY	7.2	87	
		 8 DECENT WORK AND ECONOMIC GROWTH	8.4		
		 12 RESPONSIBLE CONSUMPTION AND PRODUCTION	12.2		
		 13 CLIMATE ACTION	13.1		
	302-3 Energy intensity	 7 AFFORDABLE AND CLEAN ENERGY	7.3	87	
		 8 DECENT WORK AND ECONOMIC GROWTH	8.4		
		 12 RESPONSIBLE CONSUMPTION AND PRODUCTION	12.2		
		 13 CLIMATE ACTION	13.1		
	302-4 Reduction of energy consumption	 7 AFFORDABLE AND CLEAN ENERGY	7.3	89	
		 8 DECENT WORK AND ECONOMIC GROWTH	8.4		
		 12 RESPONSIBLE CONSUMPTION AND PRODUCTION	12.2		
		 13 CLIMATE ACTION	13.1		

Waste					
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary			26	
	103-2 The management approach and its components			85, 86	
	103-3 Evaluation of the management approach			85, 86	
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	 3 GOOD HEALTH AND WELL-BEING	3.9	86	
		 6 CLEAN WATER AND SANITATION	6.3		
		 12 RESPONSIBLE CONSUMPTION AND PRODUCTION	12.4		
		 14 LIFE BELOW WATER	14.1		
	306-2 Management of significant waste-related impacts	 3 GOOD HEALTH AND WELL-BEING	3.9	86	
		 6 CLEAN WATER AND SANITATION	6.3		
		 11 SUSTAINABLE CITIES AND COMMUNITIES	11.6		
		 12 RESPONSIBLE CONSUMPTION AND PRODUCTION	12.4 12.5		
	306-3 Waste generated	 3 GOOD HEALTH AND WELL-BEING	3.9	86	
		 11 SUSTAINABLE CITIES AND COMMUNITIES	11.6		
		 12 RESPONSIBLE CONSUMPTION AND PRODUCTION	12.4 12.5		

306-4 Waste diverted from disposal		3.9	86
		11.6	
		12.4 12.5	
306-5 Waste directed to disposal		3.9	86
		11.6	
		12.4 12.5	

Emissions

GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary		26	
	103-2 The management approach and its components		85, 88	
	103-3 Evaluation of the management approach		85	
GRI 305: Emissions 2016	305-2 Energy indirect (Scope 2) GHG emissions		3.9	88
			12.4	
			13.1	
			14.3	
			15.2	

Materials

GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary		26	
	103-2 The management approach and its components		85	
	103-3 Evaluation of the management approach		85, 86	
GRI 301: Materials 2016	301-1 Materials used by weight or volume		8.4	85
			12.2	

More than banking:

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Sustainability Report
2020