REPORT ON TRANSPARENT AND PUBLICATION REQUIREMENTS OF INFORMATION

30 June 2023

According to the provisions:

- ✓ *Regulation of the National Bank of Romania No. 5/2013 on prudential requirements for credit institutions with subsequent amendments and additions.*

- ✓ *Regulation No 575/2013 of the European Parliament and of the Council on prudential requirements for credit institutions and investment companies and amending Regulation (EU) No 648/2012 (called CRR).*

- ✓ *COMMISSION IMPLEMENTING REGULATION (EU) 2021/637 of 15 March 2021 laying down implementing technical standards with regard to public disclosures by institutions of the information referred to in Titles II and III of Part Eight of Regulation (EU) No 575/2013 of the European Parliament and of the Council.*

- ✓ *Guide to the threshold of significance, property and confidentiality and on the frequency of reporting under Articles 432 paragraph (1), 432 paragraph (2) and 433 of Regulation (EU) No 575/2013 – EBA/GL/2014/14 of 23.12.2014; BNR Instructions of 28.10.2015 on the threshold of significance, property and confidentiality and on the frequency of publication, specified in Articles 432 paragraph(1), 432 paragraph (2) and 433 of Regulation (EU) No 575/2013.*

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Introduction

This report has been prepared to meet the transparency and publication requirements laid down, mainly by the *Regulation No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment companies and amending Regulation (EU) No 648/2012*, with subsequent amendments and additions, as well as the *Regulation of the National Bank of Romania No. 5/2013 on prudential requirements for credit institutions*.

Information presented is in accordance with the *Commission Implementing Regulation (EU) 2021/637 of 15 March 2021 laying down implementing technical standards with regard to public disclosures by institutions of the information referred to in Titles II and III of Part Eight of Regulation (EU) No 575/2013 of the European Parliament and of the Council.*

This report is prepared at the consolidated level in accordance with international Financial Reporting Standards and comprise the Bank and its subsidiaries (together referred to as the "Group"). The information submitted is on 30 June 2023 unless otherwise specified.

The frequency of publication of information is in accordance with the provisions of the Commission Implementing Regulation (EU) 2021/637 of 15 March 2021 laying down implementing technical standards with regard to public disclosures by institutions of the information referred to in Titles II and III of Part Eight of Regulation (EU) No 575/2013 of the European Parliament and of the Council.

Information published on the basis of publication requirements pursuant to Part Eight of Regulation 575/2013 are available on the Bank's website (www.raiffeisen.ro), in the Report on Transparency and Information Disclosure Requirements, in the Annual Corporate Responsibility Report, in the Annual Report and in The Financial Statements.

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1. Article 436 CRR Scope of application

The consolidated **group** is defined as all companies integrated in the consolidated financial statements.

There are no differences between consolidated group for legal/accounting purposes – IFRS 10 and consolidated group for prudential/regulatory purposes – Article 30 BWG, Article 18 CRR and Article 19 CRR.

(i) Subsidiaries

Subsidiaries are entities controlled by the Bank. An investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

The Bank holds:

- 99.99% (2022: 99.99%) interest in Raiffeisen Leasing IFN S.A.;
- 99.99% (2022: 99.99%) interest in Aedificium Banca Pentru Locuinte S.A.;
- 99.99% (2022: 99.99%) investment in Raiffeisen Asset Management S.A., an asset management company with the purpose of administrating fund.

The Bank has consolidated the financial statements of its subsidiaries in accordance with IFRS 10 "Consolidated Financial Statements".

Raiffeisen Leasing IFN S.A. has been representing the Raiffeisen Group on the Romanian Leasing Market since 2002. The company share capital is RON 14,935,400 and offers a wide range of products for SMEs, corporations and, in a small part, for individuals. The company provides customized financing solutions in RON or EUR, offering fixed or variable interest finance for various types of projects and assets, such as vehicles and equipment. Raiffeisen Leasing offer is also available in Raiffeisen Bank network units.

Aedificium Banca pentru Locuinte S.A. offers a product denominated in RON that is based on the combination of the saving and the lending phase (Bauspar) and offers to customers the financing of housing domain improvements by affordable RON denominated loans with fixed interest rates.

During 2022, ABL transferred most of the loan portfolio to Raiffeisen Bank SA. In accordance with its strategy, during 2023 ABL will further identify ways of gradually decreasing its activity, with the main objective to fulfil its existing contractual obligations, while adopting optimal solutions required to serve its clients. The management estimates that this process will extend over a horizon of more than 12 months. The Group will continue to provide support for fulfilment of the objectives proposed by the ABL.

S.A.I. Raiffeisen Asset Management S.A. (RAM) is the asset management specialized company for the investment funds of the Group in Romania. RAM's objective is to develop a large range of products to best serve our clients' financial purposes.

The accounting policy of the Bank regarding its subsidiaries is cost less impairment. The Bank is performing impairment analysis for all its subsidiaries at each reporting period.

(ii) Associates

The Bank holds:

- 33.33% (2022: 33.33%) interest in Fondul de Garantare a Creditului Rural IFN S.A.
- 33.33% (2022: 33.33%) interest in CIT One S.R.L.

Associates are those entities in which the Group has significant influence, but not control, over the financial and operating policies.

The Group accounts proportionately for the share of gain or loss from its associates in accordance with IFRS 11 "Investments in Associates". The consolidated financial statements include the Group's share of the total recognized gains and losses of associates and joint ventures on an equity accounting basis, from the date that significant influence commences until the date that significant influence ceases.

When the Group's share of losses exceeds its interest in an associate, the Group's carrying amount is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of an associate. After application of the equity method, including recognizing the associate's losses, the investor determines whether it is necessary to recognize any additional impairment loss with respect to the investor's net investment in the associate.

2. Article 437 CRR Own funds

Summary of the main features of regulatory capital items

Capital instruments
Common Equity Tier 1 capital (CET 1) include the components of Tier 1 capital, after the progressive application of rules, which are provided in the CRR in order to adapt the new regulations of the European Union and deductions from CET 1 after applying the exemptions according to article 48 CRR. All included instruments are eligible in accordance with Article 28 CRR. Changes in equity during the reporting period are available in the table "Statement of changes in equity" in the consolidated financial statements.

Tier 1 capital
Tier 1 capital comprise CET 1 capital plus Additional Tier 1 capital (AT 1), less deductions from AT1 capital. These are negative amounts resulting from the amount of expected losses and adjustments for depreciation on internal model rating (IRB approach).

As of 30 June 2023 at Group level the common equity tier 1 is in amount of RON 5,969,596 thousand (31 December 2022: RON 5,757,677 thousand).

Additional Tier 1

AT1 capital includes subordinated unsecured instruments notes issued by the Group. The instruments meet the criteria for inclusion in Group Tier 1 own funds, as they qualify as Additional Tier 1 instruments, as defined by Regulation (EU) No. 575/2013 (CRR), article 52. They are perpetual instruments, with no maturity, while the issuer's reimbursement is limited and subject to supervisory approval.

Although the notes include a coupon rate, this is fully discretionary and is paid out of the distributable profits. In case the Group's CET 1 Capital Ratio is below a certain threshold, this might trigger full or partial write-down of the notes. The write-down is temporary and can be followed by a write-up, which is at the sole discretion of the issuer and compliance with applicable supervisory regulations. The total issue of the notes amounts to EUR 125 million and have been purchased by Raiffeisen Bank International A.G.

As of 30 June 2023, the AT1 is in the amount of RON 609,298 thousand (31 december 2022: RON 609,416 thousands).

Tier 2 capital

As of 30 June 2023, at Group level the common equity Tier 2 after deductions is in amount of RON 876,988 thousand (31 December 2022: RON 863,164 thousand), consisting mainly of subordinated debt.

Moreover, any excess of loan loss provisions over the amount of calculated expected losses for portfolios included under the IRB approach, up to a maximum of 0.6 per cent of the Credit Risk-Weighted Assets covered by the IRB approach is considered.

At the individual level the common equity includes the difference between prudential adjustments and, adjustments for depreciation for exposures based on standard approach.

CC1 - Composition of regulatory own funds

Group RON thousands		30 June 2023	Reference to CC2
Common Equity Tier 1 (CET1) capital: instruments and reserves			
1	Capital instruments and the related share premium accounts	1,200,000	
	of which: Paid capital instruments	1,200,000	f
2	Retained earnings	3,865,147	h-i+j-l+n
3	Accumulated other comprehensive income (and other reserves)	106,527	h-i+j-l+n
EU-3a	Funds for general banking risk	-	
4	Amount of qualifying items referred to in Article 484 (3) CRR and the related share premium accounts subject to phase out from CET1	-	
5	Minority interests (amount allowed in consolidated CET1)	-	
EU-5a	Independently reviewed interim profits net of any foreseeable charge or dividend	372,765	h-i+j-l+n
6	**Common Equity Tier 1 (CET1) capital before regulatory adjustments**	**5,544,439**	
Common Equity Tier 1 (CET1) capital: regulatory adjustments			
7	Additional value adjustments (negative amount)	(12,747)	
8	Intangible assets (net of related tax liability) (negative amount)	(379,614)	b-a
9	Empty set in the EU	-	
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability where the conditions in Article 38 (3) CRR are met) (negative amount)	-	
11	Fair value reserves related to gains or losses on cash flow hedges of financial instruments that are not valued at fair value	-	
12	Negative amounts resulting from the calculation of expected loss amounts	-	
13	Any increase in equity that results from securitised assets (negative amount)	-	
14	Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	-	
15	Defined-benefit pension fund assets (negative amount)	-	
16	Direct, indirect and synthetic holdings by an institution of own CET1 instruments (negative amount)	-	
17	Direct, indirect and synthetic holdings of the CET 1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-	
18	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	
19	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	
20	Empty set in the EU	-	
EU-20a	Exposure amount of the following items which qualify for a RW of 1250%, where the institution opts for the deduction alternative	(13,538)	

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Group **RON thousands**		**30 June 2023**	**Reference to CC2**
EU-20b	of which: qualifying holdings outside the financial sector (negative amount)	-	
EU-20c	of which: securitisation positions (negative amount)	(13,538)	
EU-20d	of which: free deliveries (negative amount)	-	
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability where the conditions in Article 38 (3) CRR are met) (negative amount)	-	
22	Amount exceeding the 17,65% threshold (negative amount)	-	
23	of which: direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities	-	
24	Empty set in the EU	-	
25	of which: deferred tax assets arising from temporary differences	-	
EU-25a	Losses for the current financial year (negative amount)	-	
EU-25b	Foreseeable tax charges relating to CET1 items except where the institution suitably adjusts the amount of CET1 items insofar as such tax charges reduce the amount up to which those items may be used to cover risks or losses (negative amount)	-	
26	Empty set in the EU	-	
27	Qualifying AT1 deductions that exceed the AT1 items of the institution (negative amount)	-	
27a	Other regulatory adjustments to CET1 capital (including IFRS 9 transitional adjustments when relevant)	221,758	
28	**Total regulatory adjustments to Common Equity Tier 1 (CET1)**	**(184,141)**	
29	**Common Equity Tier 1 (CET1) capital**	**5,360,298**	
Additional Tier 1 (AT1) capital: instruments			
30	Capital instruments and the related share premium accounts	609,298	g
31	of which: classified as equity under applicable accounting standards	609,298	
32	of which: classified as liabilities under applicable accounting standards	-	
33	Amount of qualifying items referred to in Article 484 (4) CRR and the related share premium accounts subject to phase out from AT1 as described in Article 486(3) CRR	-	
EU-33a	Amount of qualifying items referred to in Article 494a(1) CRR subject to phase out from AT1	-	
EU-33b	Amount of qualifying items referred to in Article 494b(1) CRR subject to phase out from AT1	-	
34	Qualifying Tier 1 capital included in consolidated AT1 capital (including minority interests not included in row 5) issued by subsidiaries and held by third parties	-	
35	of which: instruments issued by subsidiaries subject to phase out	-	
36	**Additional Tier 1 (AT1) capital before regulatory adjustments**	**609,298**	
Additional Tier 1 (AT1) capital: regulatory adjustments			
37	Direct, indirect and synthetic holdings by an institution of own AT1 instruments (negative amount)	-	
38	Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-	

Group RON thousands		30 June 2023	Reference to CC2
39	Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	
40	Direct, indirect and synthetic holdings by the institution of the AT1 instruments of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)	-	
41	Empty set in the EU	-	
42	Qualifying T2 deductions that exceed the T2 items of the institution (negative amount)	-	
42a	Other regulatory adjustments to AT1 capital	-	
43	**Total regulatory adjustments to Additional Tier 1 (AT1) capital**	-	
44	**Additional Tier 1 (AT1) capital**	**609,298**	
45	**Tier 1 capital (T1 = CET1 + AT1)**	**5,969,596**	
Tier 2 (T2) capital: instruments			
46	Capital instruments and the related share premium accounts	726,444	c+d-e
47	Amount of qualifying items referred to in Article 484 (5) CRR and the related share premium accounts subject to phase out from T2 as described in Article 486(4) CRR	-	
EU-47a	Amount of qualifying items referred to in Article 494a (2) CRR subject to phase out from T2	-	
EU-47b	Amount of qualifying items referred to in Article 494b (2) CRR subject to phase out from T2	-	
48	Qualifying own funds instruments included in consolidated T2 capital (including minority interests and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties	-	
49	of which: instruments issued by subsidiaries subject to phase out	-	
50	Credit risk adjustments	157,706	
51	**Tier 2 (T2) capital before regulatory adjustments**	**884,150**	
Tier 2 (T2) capital: regulatory adjustments			
52	Direct, indirect and synthetic holdings by an institution of own T2 instruments and subordinated loans (negative amount)	-	
53	Direct, indirect and synthetic goldings of the T2 instruments and subordinated loans of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-	
54	Direct, indirect and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	
54a	Empty set in the EU	-	
55	Direct, indirect and synthetic holdings by the institution of the T2 instruments and subordinated loans of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)	-	
56	Empty set in the EU	-	
EU-56a	Qualifying eligible liabilities deductions that exceed the eligible liabilities items of the institution (negative amount)	-	
EU-56b	Other regulatory adjustments to T2 capital	(7,162)	

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Group **RON thousands**		**30 June 2023**	**Reference to CC2**
57	**Total regulatory adjustments to Tier 2 (T2) capital**	**(7,162)**	
58	**Tier 2 (T2) capital**	**876,988**	
59	**Total capital (TC = T1 + T2)**	**6,846,584**	
60	**Total Risk exposure amount**	**34,296,095**	
Capital ratios and buffers			
61	Common Equity Tier 1 (as a percentage of total risk exposure amount)	15.63%	
62	Tier 1 (as a percentage of total risk exposure amount)	17.41%	
63	Total capital (as a percentage of total risk exposure amount)	19.96%	
64	Institution CET1 overall capital requirement (CET1 requirement in accordance with Article 92 (1) CRR, plus additional CET1 requirement which the institution is required to hold in accordance with point (a) of Article 104(1) CRD, plus combined buffer requirement in accordance with Article 128(6) CRD) expressed as a percentage of risk exposure amount)	11.11%	
65	of which: capital conservation buffer requirement	2.5%	
66	of which: countercyclical buffer requirement	0.5%	
67	of which: systemic risk buffer requirement	0%	
EU-67a	of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer	1%	
EU-67b	of which: additional own funds requirements to address the risks other than the risk of excessive leverage	0%	
68	**Common Equity Tier 1 available to meet buffers (as a percentage of risk exposure amount)**	11.13%	

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EU CC2 - reconciliation of regulatory own funds to balance sheet in the audited financial statements

Group RON thousands	30 June 2023	Reference
Assets		
Cash and cash with Central Bank	7,412,280	
Loans and advances to banks at amortised cost	1,426,438	
Derivative assets held for risk management	34,055	
Trading assets	189,311	
Financial assets mandatorily at fair value through profit or loss	192,093	
Fair value changes of the hedged items-asset	6,008	
Investment securities at fair value through other comprehensive income	3,365,195	
Equity instruments at fair value through other comprehensive income	78,554	
Investment in subsidiaries, associates and joint ventures	36,714	
Loans and advances to customers at amortised cost	41,470,564	
Investment securities at amortised cost	11,271,024	
Income tax receivable	74,219	
Other assets	343,722	
Deferred tax assets	41,021	
of which: Deferred tax for intangible assets	*25,225*	a
Property, equipment, and right-of-use assets	435,445	
Intangible assets	404,839	b
Total assets	**66,781,482**	
Liabilities		
Trading liabilities	35,958	
Derivative liabilities held for risk management	4,959	
Deposits from banks	406,971	
Deposits from customers	52,770,120	
Loans from banks and other financial institutions	404,534	
Fair value changes of the hedged items-liability	7,818	
Current tax liabilities	99,372	
Other liabilities	1,180,762	
Debt securities issued	4,013,917	
of which: Subordonated debt securities	*480,000*	c
Subordinated liabilities	325,175	d
of which: Subordonated loans amortization and interest accrual	*78,731*	e
Provisions	160,799	
Deferred tax liabilities	113	
Total liabilities	**59,410,498**	
Equity		

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Group RON thousands	30 June 2023	Reference
Share capital	1,200,000	f
Other equity instruments	609,322	g
Retained earnings	5,445,150	h
*of which: Profit not eligible**	*1,179,017*	i
Other reserves	116,486	j
Of which:		
Legal Reserve	*242,128*	k
of which: income tax on legal reserve	38,206	l
Fair value changes of financial assets measured at fair value through other comprehensive income	*(125,642)*	m
Non controlling interest	26	n
Total equity	**7,370,984**	

**Includes dividend estimated to be paid and un-audited interim profit of the entities included in consolidation*

3. Article 438 CRR Capital Requirements

Maintaining an adequate level of capital is a core objective of the Group. As of 30 June 2023, the risk weighted assets determined based on prudential requirements - local standards (stop accruals are not applied) are as follows:

EU OV1 – Overview of risk weighted exposure amounts

Group RON thousands	RWA		Capital requirements
	30.06.2023	31.12.2022	30.06.2023
Credit risk (excluding CCR)	**28,339,228**	**25,199,735**	**2,267,138**
Of which the standardised approach	2,083,131	2,127,679	166,650
Of which the foundation IRB (FIRB) approach	15,000,017	12,543,488	1,200,001
Of which slotting approach	2,060,852	1,747,303	164,868
Of which equities under the simple risk-weighted approach	-	-	-
Of which the advanced IRB (AIRB) approach	11,102,046	10,405,048	888,164
Of which equity IRB under the simple risk-weighted approach or IMA	154,033	123,520	12,323
CCR	**28,273**	**19,817**	**2,262**
Of which the standardised approach	28,211	19,783	2,257
Of which internal model method (IMM)	-	-	-
Of which risk exposures amount for contributions to the default fund of a CCP	-	-	-
Of which credit valuation adjustments – CVA	62	34	5
Of which other CCR	-	-	-
Settlement risk	-	-	-
Securitization exposures in the banking book (after the cap)	233,105	258,568	18,648
Of which the SEC-IRBA approach	233,105	246,006	18,648

Group RON thousands	RWA		Capital requirements
	30.06.2023	31.12.2022	30.06.2023
Of which the SEC-ERBA (inclusiv IAA) approach	-	-	-
Of which the SEC-SA approach	-	12,562	-
Of which 1.250%/deduction	-	-	-
Market risk	223,032	89,627	17,843
Of which the standardised approach	223,032	89,627	17,843
Of which the IMA	-	-	-
Large exposures	-	-	-
Operational risk	5,472,457	5,472,457	437,797
Of which the basic approach	5,472,457	5,472,457	437,797
Of which the standardised approach	-	-	-
Of which the advanced measurement approach	-	-	-
Amounts below the thresholds for deduction (subject to 250% risk weight)	-	-	-
Total	**34,296,095**	**31,040,203**	**2,743,688**

EU CR8 – RWEA flow statements of credit risk exposures under the IRB approach

Group RON thousands		Risk weighted exposure amount
		30.06.2023
1	**Risk weighted exposure amount as at the end of the previous reporting period**	**23,091,839**
2	Asset size (±)	-3,192,469
3	Asset quality (±)	-
4	Model updates (±)	-
5	Methodology and policy (±)	-
6	Acquisitions and disposals (±)	-
7	Foreign exchange movements (±)	-
8	Other (±)	-
9	**Risk weighted exposure amount as at the end of the reporting period**	**26,284,308**

As of 30 June 2023, the project finance exposures, based on classification category, are as follows:

EU CR10.3 – Specialised lending and equity exposures under the simple riskweighted approach

Regulatory categories RON thousands	Remaining maturity	On-balance sheet exposure*	Off-balance sheet exposure	Risk weight	Exposure value	Risk weighted exposure amount	Expected loss amount
Category 1	Less than 2.5 years	120,776	38,791	50%	144,913	68,997	0
	Equal to or more than 2.5 years	2,014,943	182,216	70%	2,151,455	1,416,501	8,606
Category 2	Less than 2.5 years	145,011	5,584	70%	149,199	104,439	597
	Equal to or more than 2.5 years	281,480	57,074	90%	324,286	275,637	2,594
Category 3	Less than 2.5 years	169,806	-	115%	169,806	195,277	4,755
	Equal to or more than 2.5 years	-	-	115%	-	-	-
Category 4	Less than 2.5 years	-	-	250%	-	-	-
	Equal to or more than 2.5 years	-	-	250%	-	-	-
Category 5	Less than 2.5 years	-	2,400	0%	480	-	240
	Equal to or more than 2.5 years	8,507	-	0%	8,507	-	4,253
Total		**2,740,524**	**286,064**	**0**	**2,948,646**	**2,060,852**	**21,045**

** Gross exposure, determined based on local prudential requirements (stop accruals are not applied).*

EU CR10.5 – Specialised lending and equity exposures under the simple riskweighted approach

Category	On-balance sheet exposure	Off-balance sheet exposure	Risk weight	Exposure value	Risk weighted exposure amount	Expected loss amount
Private equity exposures	-	-	190 %	-	-	-
Exchange-traded equity exposures	-	-	290 %	-	-	-
Other equity exposures	-	-	370 %	-	-	-
Total	-	-		-	-	-

4. Article 439 CRR Exposure to counterparty credit risk

The Bank's exposure on counterparty credit risk, as it's defined by CRR, is strongly monitored in order to ensure compliance with the approved limits for customers and product concentrations.

In order to calculate capital requirements, the Bank sums up the exposures of derivative financial instruments, applying Market Branding method according to the provisions of the previously mentioned regulation.

Counterparty credit risk is measured using the mark-to-market approach for current exposure and a predefined method for estimating potential future changes in the exposure. For derivatives, the measurement methodology is based on the potential future exposure calculated using a full path dependent Monte Carlo simulation. The potential future exposure is then used as utilization of the limit.

As of 30 June 2023, Raiffeisen Bank S.A. did not have exposure for which a deterioration in credit quality could affect collateral level.

As of 30 June 2023, Raiffeisen Bank S.A. did not have credit derivate instruments.

As of 30 June 2023, the value exposed to risk measured with CRR methods usage, for the transactions under credit risk of counterparty, was as follows:

EU CCR1 – Analysis of CCR exposure by approach

		Replacement cost (RC)	Potential future exposure (PFE)	EEPE	Alpha used for computing regulatory exposure value	Exposure value pre-CRM	Exposure value post-CRM	Exposure value	RWEA
EU-1	EU - Original Exposure Method (for derivatives)	-	-	-	-	-	-	-	-
EU-2	EU - Simplified SA-CCR (for derivatives)	-	-	-	-	-	-	-	-
1	SA-CCR (for derivatives)	6,461	29,409	-	1.4	132,495	50,218	50,218	27,462
2	IMM (for derivatives and SFTs)	-	-	-	-	-	-	-	-
2a	*Of which securities financing transactions netting sets*	-	-	-	-	-	-	-	-
2b	*Of which derivatives and long settlement transactions netting sets*	-	-	-	-	-	-	-	-
2c	*Of which from contractual cross-product netting sets*	-	-	-	-	-	-	-	-
3	Financial collateral simple method (for SFTs)	-	-	-	-	816,491	3,654	3,654	749
4	Financial collateral comprehensive method (for SFTs)	-	-	-	-	-	-	-	-
5	VaR for SFTs	-	-	-	-	-	-	-	-
6	**Total**	**6,461**	**29,409**	**-**	**-**	**948,986**	**53,871**	**53,871**	**28,211**

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EU CCR2 – Transactions subject to own funds requirements for CVA risk

Group RON thousands		Exposure value	RWEA
1	Total transactions subject to the Advanced method	-	-
2	(i) VaR component (including the 3× multiplier)	-	-
3	(ii) stressed VaR component (including the 3× multiplier)	-	-
4	Transactions subject to the Standardised method	250	62
EU-4	Transactions subject to the Alternative approach (Based on the Original Exposure Method)	-	-
5	**Total transactions subject to own funds requirements for CVA risk**	**250**	**62**

EU CCR5 – Composition of collateral for CCR exposures

RON thousands		Collateral used in derivative transactions				Collateral used in SFTs			
	Collateral type	Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received		Fair value of posted collateral	
		Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated
1	Cash – domestic currency	-	140	-	2,647	-	-	-	-
2	Cash – other currencies	-	41,266	-	199	-	-	-	-
3	Domestic sovereign debt	-	-	-	-	-	838,327	-	-
4	Other sovereign debt	-	-	-	-	-	-	-	-
5	Government agency debt	-	-	-	-	-	-	-	-
6	Corporate bonds	-	-	-	-	-	-	-	-
7	Equity securities	-	-	-	-	-	-	-	-
8	Other collateral	-	-	-	-	-	-	-	-
9	**Total**	**-**	**41,406**	**-**	**2,846**	**-**	**838,327**	**-**	**-**

EU CCR3 – Standardised approach – CCR exposures by regulatory exposure class and risk weights

	Exposure classes	Risk weight											
		0 %	**2 %**	**4 %**	**10 %**	**20 %**	**50 %**	**70 %**	**75 %**	**100 %**	**150 %**	**Others**	**Total exposure value**
1	Central governments or central banks	-	-	-	-	-	-	-	-	-	-	-	-
2	Regional government or local authorities	-	-	-	-	-	-	-	-	-	-	-	-
3	Public sector entities	-	-	-	-	-	-	-	-	-	-	-	-
4	Multilateral development banks	-	-	-	-	-	-	-	-	-	-	-	-
5	International organisations	-	-	-	-	-	-	-	-	-	-	-	-
6	Institutions	-	-	-	-	-	-	-	-	-	-	-	-
7	Corporates	-	-	-	-	-	-	-	-	-	-	-	-
8	Retail	-	-	-	-	-	-	-	-	-	-	-	-
9	Institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-
10	Other items	-	-	-	-	-	-	-	-	-	-	-	-
11	**Total exposure value**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

EU CCR4 – IRB approach – CCR exposures by exposure class and PD scale

F-IRB approach total

RON thousands	PD scale	Exposure value	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	RWEA	Density of risk weighted exposure amounts
1	0.00 to <0.15	877,609	-	15.00	0.45	-	13,566	0.02
2	0.15 to <0.25	2,116	-	3.00	0.45	-	896	0.42
3	0.25 to <0.50	29	-	1.00	0.45	-	19	0.67
4	0.50 to <0.75	651	0.01	3.00	0.45	-	457	0.70
5	0.75 to <2.50	11,016	0.02	9.00	0.45	-	12,268	1.11
6	2.50 to <10.00	779	0.03	2.00	0.45	-	1,004	1.29
7	10.00 to <100.00	-	-	-	-	-	-	-
8	100.00 (Default)	-	-	-	-	-	-	-
Total (all CCR relevant exposure classes)		**892,199**	**-**	**33.00**	**0.45**	**-**	**28,211**	**0.03**

Corporate-Other

RON thousands	PD scale	Exposure value	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	RWEA	Density of risk weighted exposure amounts
1	0.00 to <0.15	860,967	-	5.00	0.01	-	8,964	0.01
2	0.15 to <0.25	-	-	-	-	-	-	-
3	0.25 to <0.50	-	-	-	-	-	-	-
4	0.50 to <0.75	-	-	-	-	-	-	-
5	0.75 to <2.50	-	-	-	-	-	-	-
6	2.50 to <10.00	-	-	-	-	-	-	-
7	10.00 to <100.00	-	-	-	-	-	-	-
8	100.00 (Default)	-	-	-	-	-	-	-
Total (all CCR relevant exposure classes)		**860,967**	**-**	**5.00**	**0.01**	**-**	**8,964**	**0.01**

Institutions

RON thousands	PD scale	Exposure value	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	RWEA	Density of risk weighted exposure amounts
1	0.00 to <0.15	-	-	-	-	-	-	-
2	0.15 to <0.25	-	-	-	-	-	-	-
3	0.25 to <0.50	-	-	-	-	-	-	-
4	0.50 to <0.75	348	0.01	1.00	0.45	-	192	0.55
5	0.75 to <2.50	1,062	0.02	4.00	0.45	-	744	0.70
6	2.50 to <10.00	13	0.03	1.00	0.45	-	10	0.78
7	10.00 to <100.00	-	-	-	-	-	-	-
8	100.00 (Default)	-	-	-	-	-	-	-
Total (all CCR relevant exposure classes)		**1,424**	**0.02**	**6.00**	**0.45**	**-**	**947**	**0.66**

Specialised lending - corporate finance

RON thousands	PD scale	Exposure value	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	RWEA	Density of risk weighted exposure amounts
1	0.00 to <0.15	1	-	2.00	-	-	-	0.50
2	0.15 to <0.25	-	-	-	-	-	-	-
3	0.25 to <0.50	-	-	-	-	-	-	-
4	0.50 to <0.75	-	-	-	-	-	-	-
5	0.75 to <2.50	-	-	-	-	-	-	-
6	2.50 to <10.00	-	-	-	-	-	-	-
7	10.00 to <100.00	-	-	-	-	-	-	-
8	100.00 (Default)	-	-	-	-	-	-	-
Total (all CCR relevant exposure classes)		**1**	**-**	**2.00**	-	-	**-**	**0.50**

Corporate SME

RON thousands	PD scale	Exposure value	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	RWEA	Density of risk weighted exposure amounts
1	0.00 to <0.15	16,641	0.00	8.00	0.37	-	4,602	0.28
2	0.15 to <0.25	2,116	0.00	3.00	0.45	-	896	0.42
3	0.25 to <0.50	29	0.00	1.00	0.45	-	19	0.67
4	0.50 to <0.75	303	0.01	2.00	0.45	-	265	0.88
5	0.75 to <2.50	9,953	0.02	5.00	0.45	-	11,523	1.16
6	2.50 to <10.00	766	0.03	1.00	0.45	-	994	1.30
7	10.00 to <100.00	-	-	-	-	-	-	-
8	100.00 (Default)	-	-	-	-	-	-	-
Total (all CCR relevant exposure classes)		**29,808**	**0.01**	**20.00**	**0.40**	**-**	**18,300**	**0.61**

Correlation risk

As of 30 June 2023, for capital charge calculation, the bank did not recognize the collaterals (subject to correlation risk).

5. Article 440 CRR countercyclical capital buffer

Bank does not have credit exposures relevant for application of the countercyclical capital buffer.

EU CCyB2 - Amount of institution-specific countercyclical capital buffer		30.06.2023
1	Total risk exposure amount	34,296,095
2	Institution specific countercyclical capital buffer rate	0.5%
3	Institution specific countercyclical capital requirement	171,480

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6. Article 442 CRR Credit risk adjustments

CQ1: Credit quality of forborne exposures

	Group RON thousands	Gross carrying amount/nominal amount of exposures with forbearance measures*				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collateral received and financial guarantees received on forborne exposures	
		Performing forborne	Non-performing forborne			On performing forborne exposures	On non-performing forborne exposures		Of which collateral and financial guarantees received on non-performing exposures with forbearance measures
				Of which defaulted	Of which impaired				
1	Loans and advances	417,688	258,079	258,079	238,926	(12,936)	(176,279)	396,547	46,707
2	*Central banks*	-	-	-	-	-	-	-	-
3	*General governments*	-	-	-	-	-	-	-	-
4	*Credit institutions*	-	-	-	-	-	-	-	-
5	*Other financial corporations*	-	-	-	-	-	-	-	-
6	*Non-financial corporations*	364,552	45,838	45,838	45,838	(11,337)	(30,178)	331,166	9,427
7	*Households*	53,136	212,241	212,241	193,088	(1,599)	(146,101)	65,381	37,280
8	Debt Securities	-	-	-	-	-	-	-	-
9	Loan commitments given	3,821	4,981	4,981	4,981	20	2,845	8,801	8,801
10	***Total***	421,509	263,060	263,060	243,907	(12,916)	(173,434)	405,348	55,508

*includes Loans and advances mandatorily at fair value through profit or loss

CQ4: Quality of non-performing exposures by geography

CQ4 tamplate is not applicable because the non-domestic original exposures in all non-domestic countries in all exposure classes are less than 10 % of the total (domestic and non-domestic) original exposures.

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CQ5: Credit quality of loans and advances to non-financial corporations by industry

Group RON thousands		Gross carrying amount				Accumulated impairment	Accumulated negative changes in fair value due to credit risk on non-performing exposures
			Of which non-performing		Of which loans and advances subject to impairment		
				Of which defaulted			
010	Agriculture, forestry and fishing	1,344,959	17,291	17,290	1,344,959	(22,869)	-
020	Mining and quarrying	878,206	430	430	878,206	(1,794)	-
030	Manufacturing	3,157,339	64,767	64,764	3,157,275	(98,034)	-
040	Electricity, gas, steam and air conditioning supply	1,728,162	7,058	7,058	1,728,162	(10,991)	-
050	Water supply	348,630	870	869	348,630	(5,649)	-
060	Construction	1,533,749	42,927	42,925	1,533,749	(67,953)	-
070	Wholesale and retail trade	6,130,405	72,403	72,389	6,128,896	(74,672)	-
080	Transport and storage	1,714,174	55,748	55,745	1,714,174	(49,482)	-
090	Accommodation and food service activities	573,453	16,946	16,946	573,453	(17,923)	-
100	Information and communication	219,120	37,042	37,042	219,120	(36,277)	-
110	Financial and insurance actvities	715,011	25	21	715,011	(3,055)	-
120	Real estate activities	2,463,271	268	268	2,463,271	(46,715)	-
130	Professional, scientific and technical activities	431,514	7,480	7,480	431,514	(7,147)	-
140	Administrative and support service activities	219,813	5,528	5,527	219,813	(5,370)	-
150	Public administration and defense, compulsory social security	970	1	1	970	(39)	-
160	Education	37,550	484	484	37,550	(409)	-
170	Human health services and social work activities	589,176	905	905	589,176	(10,779)	-
180	Arts, entertainment and recreation	66,319	2,468	2,468	66,319	(4,674)	-
190	Other services	95,567	1,000	1,000	95,567	(1,089)	-
200	***Total***	**22,247,388**	**333,641**	**333,612**	**22,245,815**	**(464,921)**	**-**

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CQ7: Collateral obtained by taking possession and execution processes

Group RON thousands		Collateral obtained by taking possession	
		Value at initial recognition	Accumulated negative changes
1	Property, plant and equipment (PP&E)	-	-
2	Other than PP&E	23,503	(13,643)
3	*Residential immovable property*	2,217	(397)
4	*Commercial Immovable property*	21,286	(13,246)
5	*Movable property*	-	-
6	*Equity and debt instruments*	-	-
7	*Other collateralr*	-	-
8	**Total**	**23,503**	**(13,643)**

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CR1: Performing and non-performing exposures and related provisions.

Gorup RON thousands		Gross carrying amount/nominal amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions						Accumulated partial write-off	Collateral and financial guarantees received	
		Performing exposures			Non-performing exposures			Performing exposures – accumulated impairment and provisions			Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions				On performing exposures	On non-performing exposures
			Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3		Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3			
1	***Loans and advances***	**43,021,550**	**38,040,619**	**4,714,515**	**1,072,968**	**-**	**939,305**	**(537,282)**	**(243,642)**	**(292,614)**	**(697,548)**	**-**	**(612,071)**	**-**	**17,659,750**	**182,563**
2	*Central banks*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	*General governments*	1,007,923	962,235	45,688	-	-	-	(1,401)	(1,090)	(311)	-	-	-		-	-
4	*Credit institutions*	1,243,024	1,231,162	11,862	-	-	-	(160)	(86)	(75)	-	-	-		-	-
5	*Other financial corporations*	586,484	576,475	10,009	-	-	-	(2,486)	(543)	(1,943)	-	-	-		87,388	-
6	*Non-financial corporations*	21,913,749	19,553,481	2,358,296	333,641	-	286,794	(273,445)	(150,055)	(123,390)	(191,475)	-	(154,081)		9,796,151	72,662
7	*Of which SMEs*	13,233,668	11,186,023	2,045,673	275,454	-	234,257	(197,613)	(85,972)	(111,641)	(164,311)	-	(131,072)		8,087,202	67,812
8	*Households*	18,270,370	15,717,266	2,288,660	739,327	-	652,511	(259,790)	(91,868)	(166,895)	(506,073)	-	(457,990)		7,776,211	109,901
9	*Debt securities*	14,674,307	14,444,306	195,738	-	-	-	(3,825)	(3,420)	(403)	-	-	-	-	-	-
10	*Central banks*	-	-	-	-	-	-	-	-	-	-	-	-		-	-
11	*General governments*	14,054,908	14,048,453	6,455	-	-	-	(3,344)	(3,333)	(10)	-	-	-		-	-
12	*Credit institutions*	585,136	395,853	189,283	-	-	-	(481)	(87)	(393)	-	-	-		-	-
13	*Other financial corporations*	34,263	-	-	-	-	-	-	-	-	-	-	-		-	-
14	*Non-financial corporations*	-	-	-	-	-	-	-	-	-	-	-	-		-	-
15	***Off-balance-sheet xposures***	**21,392,812**	**19,153,589**	**2,176,765**	**116,733**	**-**	**114,367**	**16,778**	**12,231**	**4,541**	**37,787**	**-**	**36,352**		**1,746,077**	**8,971**
16	*Central banks*	-	-	-	-	-	-	-	-	-	-	-	-		-	-
17	*General governments*	661,924	661,923	1	-	-	-	292	292	-	-	-	-		-	-
18	*Credit institutions*	2,452,246	1,920,123	532,123	-	-	-	203	11	192	-	-	-		-	-
19	*Other financial corporations*	104,442	102,324	2,118	-	-	-	277	237	40	-	-	-		16,202	-
20	*Non-financial corporations*	14,710,990	14,201,699	449,395	103,751	-	103,572	12,251	9,706	2,544	29,513	-	29,478		1,729,875	8,971
21	*Households*	3,463,210	2,267,520	1,193,128	12,982	-	10,795	3,755	1,985	1,765	8,274	-	6,874		-	-
22	***Total***	**79,088,669**	**71,638,514**	**7,087,018**	**1,189,701**	**-l**	**1,053,672**	**(524,329)**	**(234,831)**	**(288,476)**	**(659,761)**	**-**	**(575,719)**	**-**	**19,405,827**	**191,534**

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CR1-A: Maturity of exposures

Group RON thousands		Net exposure value					
		On demand	<= 1 year	> 1 year <= 5 years	> 5 years	No stated maturity	Total
1	Loans and advances	161,820	12,652,068	19,026,003	11,019,799	-	42,859,690
2	Debt securities	-	3,968,593	6,487,270	4,365,797	17,241	14,838,901
3	***Total***	**161,820**	**16,620,661**	**25,513,273**	**15,385,596**	**17,241**	**57,698,591**

CR2: Changes in the stock of non-performing loans and advances

Group **RON thousands**	**Gross carrying value defaulted exposures June 30, 2023**
Initial stock of non-performing loans and advances	**1,091,246**
Inflows to non-performing portfolios	298,501
Outflows from non-performing portfolios	(63,420)
Outflows due to write-offs	(16,154)
Outflow due to other situations	(237,205)
Final stock of non-performing loans and advances	**1,072,968**

7. Article 444 CRR Use of ECAIs (External Credit Assessment Institution)

The Group utilises the external sovereign ratings from Standard and Poor's, Moody's and Fitch Ratings for the calculation under the standardised approach. For all other exposure classes, if available, the ratings of Standard and Poor's are applied.
The external ratings applied are mapped to the credit quality steps (rating notches) defined in the standardised approach for credit risk in accordance with standard mapping pursuant to CRR.
This mapping is the regulatory one provided by ECB.

Exposure breakdown

The table below shows the CCR exposures post conversion factor and post risk mitigation techniques by type of counterparties and by risk weight.

EU CR5 – standardised approach: the table below shows the CCR exposures post conversion factor and post risk mitigation techniques by type of counterparties and by risk weight

Group	**Risk weight ***						**Total**	**Of which unrated**
RON thousands	**0%**	**20%**	**35%**	**75%**	**100%**	**150%**		
Standardised approach (SA) exposure classes	**20,470,310**	**1,733,272**	**422**	**432,797**	**1,602,262**	**3,631**	**24,242,704**	**24,242,704**
Central governments or central banks	19,959,044	-	-	-	-	-	19,959,044	19,959,044
Regional government or local authorities	-	1,649,444	-	-	-	-	1,649,444	1,649,444
Public sector entities	-	1	-	-	-	-	1	1
Multilateral development banks	511,251	-	-	-	-	-	511,251	511,251
International organisations	-	-	-	-	-	-	-	-
Institutions	-	83,828	-	-	3,140	-	86,978	86,978
Corporates	-	-	-	-	765,842	-	765,842	765,842
Retail	-	-	-	432,797	-	-	432,797	432,797
Secured by mortgages on immovable property	-	-	422	-	13,019	-	13,440	13,440
Exposures in default	-	-	-	-	7,268	3,631	10,898	10,898
Exposures associated with particularly high risk	-	-	-	-	-	-	-	-
Covered bonds	-	-	-	-	-	-	-	-
Institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-
Collective investment undertakings	-	-	-	-	-	-	-	-
Equity	-	-	-	-	-	-	-	-
Other items	15	-	-	-	812,993	-	813,008	813,008

** Risk weights 2%,4%,10%,50%,70%,250%,370%,1250%, Other and Deducted are not presented in the table above since the bank does not have qualified exposures for the respective risk weights.*

8. Article 445 Market risk

The Bank calculates the capital requirement for market risk using the standardized methodology described in the EU Regulation 575 /213 on prudential requirements for credit institutions and investment companies.

EU MR1– Market risk according to the standardized approach (consolidated level) as at 30 June 2023

RON thousands		RWEA	Capital requirement
	Outright products		
1	Interest rate risk (general and specific)	144,155	11,532
2	Equity risk (general și specific)	-	-
3	Foreign exchange risk	78,988	6,319
4	Commodity risk	-	-
	Options	-	-
5	Simplified approach	-	-
6	Delta-plus approach	-	-
7	Stress test approach	-	-
8	Securitization (specific risk)	-	-
9	**Total**	223,143	17,851

9. Article 448 Exposures to interest rate risk in banking book

In line with the European Banking Authority recommendations, the quantification and monitoring of the interest risk in banking book is carried out both from the economic value perspective and from the perspective of the volatility of the net interest income.

In the table below is presented the potential impact on the economic value and on the volatility of the net interest income from the application of the interest scenarios.

EU IRRBB1 Form – Interest rate risk in banking book

Interest rate shock scenarios RON thousands		Economic value changes		Net interest income changes	
		June 2023	December 2022	June 2023	December 2022
1	Parallel shock up +200 bp	275,350	404,702	104,286	151,875
2	Parallel shock down - 200bp	280,782	451,929	-296,959	-376,967
3	Steepener shock (short rates down and long rates up), max + 200 bp at 5 years	174,886	358,275	59,875	39,518
4	Flattener shock (short rates up and long rates down), max - 200 bp at 5 years	172,335	401,623	-65,751	-46,074
5	Short rates up, shock applied to short tenors up to 1 year starting with +200 bp at overnight	103,191	47,772	44,161	113,414
6	Short rates down, shock applied to short tenors up to 1 year starting with -200 bp at overnight	105,491	48,839	-230,239	-328,561

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10. Article 447 and article 438 (b) CRR Key metrics overview

Group RON thousands		30-Jun-23	31-Dec-22	30-Jun-22
	Available own funds (amounts)			
1	Common Equity Tier 1 (CET1) capital	5,360,299	5,148,261	4,792,036
2	Tier 1 capital	5,969,597	5,757,677	5,401,516
3	Total capital	6,846,585	6,620,840	6,277,127
	Risk-weighted exposure amounts			
4	Total risk-weighted exposure amount	34,296,095	31,040,203	30,064,271
	Capital ratios (as a percentage of risk-weighted exposure amount)			
5	Common Equity Tier 1 ratio (%)	15.63%	16.59%	15.94%
6	Tier 1 ratio (%)	17.41%	18.55%	17.97%
7	Total capital ratio (%)	19.96%	21.33%	20.88%
	Additional own funds requirements based on SREP (as a percentage of risk-weighted exposure amount)			
EU 7a	Additional CET1 SREP requirements (%)	4.69%	4.88%	4.88%
EU 7b	Additional AT1 SREP requirements (%)	2.61%	2.75%	2.75%
EU 7c	Additional T2 SREP requirements (%)	3.52%	3.66%	3.66%
EU 7d	Total SREP own funds requirements (%)	12.69%	12.88%	12.88%
	Combined buffer requirement (as a percentage of risk-weighted exposure amount)			
8	Capital conservation buffer (%)	2.50%	2.50%	2.50%
EU 8a	Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)	0.00%	0.00%	0.00%
9	Institution specific countercyclical capital buffer (%)	0.50%	0.50%	0.00%
EU 9a	Systemic risk buffer (%)	0.00%	0.00%	0.00%
10	Global Systemically Important Institution buffer (%)	0.00%	0.00%	0.00%
EU 10a	Other Systemically Important Institution buffer	1.00%	1.00%	1.00%
11	Combined buffer requirement (%)	4.00%	4.00%	3.50%
EU 11a	Overall capital requirements (%)	16.69%	16.88%	16.38%
12	CET1 available after meeting the total SREP own funds requirements (%)	13.02%	13.84%	13.19%
	Leverage ratio			
13	Leverage ratio total exposure measure	71,188,775	66,629,390	64,308,841
14	Leverage ratio	8.39%	8.64%	8.40%

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Group RON thousands		30-Jun-23	31-Dec-22	30-Jun-22
	Additional own funds requirements to address risks of excessive leverage (as a percentage of leverage ratio total exposure amount)			
EU 14a	Additional CET1 leverage ratio requirements (%)	0.0%	0.0%	0.0%
EU 14b	Additional AT1 leverage ratio requirements (%)	0.0%	0.0%	0.0%
EU 14c	Additional T2 leverage ratio requirements (%)	0.0%	0.0%	0.0%
EU 14d	Total SREP leverage ratio requirements (%)	0.0%	0.0%	0.0%
EU 14e	Applicable leverage buffer	0.0%	0.0%	0.0%
EU 14f	Overall leverage ratio requirements (%)	0.0%	0.0%	0.0%
	Liquidity Coverage Ratio			
15	Total high-quality liquid assets (HQLA) (Weighted value -average)	15,554,979	16,219,538	17,065,588
EU 16a	Cash outflows - Total weighted value	10,368,713	10,425,956	9,682,713
EU 16b	Cash inflows - Total weighted value	1,320,164	2,025,200	3,093,710
16	Total net cash outflows (adjusted value)	9,048,549	8,400,757	6,589,004
17	Liquidity coverage ratio (%)	172.56%	201.95%	275.81%
	Net Stable Funding Ratio			
18	Total available stable funding	52,247,381	50,404,428	48,783,416
19	Total required stable funding	36,328,430	35,062,106	32,716,026
20	NSFR ratio (%)	143.82%	143.76%	149.11%

	Impact of transitional and temporary treatments on capital ratio	30.06.2023	31.03.2023	31.12.2022	30.06.2022
Available capital (Group, RON thousands)					
1	Common Equity Tier 1 (CET1)	5,360,299	5,108,893	5,148,261	4,792,036
	Common Equity Tier 1 (CET1) capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	5,360,299	5,108,893	4,993,758	4,662,884
	Common Equity Tier 1 (CET1) capital as if temporary treatment of the unrealised gains and losses measured at fair value through other comprehensive income (art 468 of CRR) had not been applied	5,360,299	5,108,893	4,993,758	4,662,884
2	Tier 1 capital	5,969,597	5,718,192	5,757,677	5,401,516
	Tier 1 capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	5,969,597	5,718,192	5,603,174	5,272,364
	Tier 1 capital as if temporary treatment of the unrealised gains and losses measured at fair value through other comprehensive income(art 468 of CRR) had not been applied	5,969,597	5,718,192	5,603,174	5,272,364
3	Total capital	6,846,585	6,592,199	6,620,840	6,277,127
	Total capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	6,846,585	6,592,199	6,466,338	6,147,976
	Total capital as if temporary treatment of the unrealised gains and losses measured at fair value through other comprehensive income (art 468 of CRR) had not been applied	6,846,585	6,592,199	6,466,338	6,147,976
Risk-weighted assets (Group, RON thousands)					
4	Total risk-weighted assets	34,296,095	33,999,035	31,040,203	30,064,271
	Total risk-weighted assets as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	34,296,095	33,999,035	31,037,210	30,061,278
Capital ratios					
5	Common Equity Tier 1 (as a percentage of risk exposure amount)	15.63%	15.03%	16.59%	15.94%
	Common Equity Tier 1 (as a percentage of risk exposure amount) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	15.63%	15.03%	16.09%	15.51%
	Common Equity Tier 1 (as a percentage of risk exposure amount) as if temporary treatment of the unrealised gains and losses measured at fair value through other comprehensive income (art 468 of CRR) had not been applied	15.63%	15.03%	16.09%	15.51%
6	Tier 1 (as a percentage of risk exposure amount)	17.41%	16.82%	18.55%	17.97%
	Tier 1 (as a percentage of risk exposure amount) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	17.41%	16.82%	18.05%	17.54%
	Tier 1 (as a percentage of risk exposure amount) as if temporary treatment of the unrealised gains and losses measured at fair value through other comprehensive income (art 468 of CRR) had not been applied	17.41%	16.82%	18.05%	17.54%
7	Total capital (as a percentage of risk exposure amount)	19.96%	19.39%	21.33%	20.88%
	Total capital (as a percentage of risk exposure amount) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	19.96%	19.39%	20.83%	20.45%
	Total capital (as a percentage of risk exposure amount) as if temporary treatment of the unrealised gains and losses measured at fair value through other comprehensive income (art 468 of CRR) had not been applied.	19.96%	19.39%	20.83%	20.45%
Leverage ratio					
8	Leverage ratio total exposure measure	71,188,775	69,431,541	66,629,390	64,308,841
9	Leverage ratio	8.39%	8.24%	8.64%	8.40%
	Leverage ratio as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	8.39%	8.24%	8.41%	8.20%
	Leverage ratio as if temporary treatment of the unrealised gains and losses measured at fair value through other comprehensive income (art 468 of CRR) had not been applied	8.39%	8.24%	8.41%	8.20%

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11. Article 449 CRR Exposure to securitization positions

Bank's securtization position is represented by a synthetic securitization and it's originated due to Bank's participation in JEREMIE initiative.

JEREMIE, COSME and EASI initiatives represents a set of action having the goal to increase the medium- and small-enterprises (SME) acces to financing funds. These initiatives are organized in Romania throught **European Investment Fund (EIF)**, which is part of European Investment Bank and represents the main instrument for promoting European Commission financing (Structural Funds - Increase of Economical Competitivity). EIF offer risk capital for SME and guarantee for financial instituation to cover the loans granted to SME.

The goals which the bank pursues with respect to its securitization activities

In December 2010, Raiffeisen Bank concluded a synthetic securitization transaction under the JEREMIE initiative, through which the European Investment Fund (EIF) offers credit risk protection for a portfolio of loans granted by the Bank to medium- and small-enterprises (SME). Cosme program was concluded in 2017, EASI in 2020 and Roof syntetic securitization of existing portfolio in december 2022. The financial instrument used in this transaction is a first loss portfolio guarantee and mezzanine guarantee for Roof transation. By joining this program, the Bank's objective is to improve the utilization of capital, the benefit being passed to the end-customer, in the form of a lower price of loan and diminished collateral requirements.

Raiffeisen Bank as originator

Under JEREMIE program, by contract, EIF guarantees 80% of each eligible loan included in the portfolio, covering losses up to a maximum cap of 25% of the total portfolio volume.

Under COSME program, by contract, EIF guarantees 50% or 80% of each eligible loan included in the portfolio, covering losses up to a maximum cap of 9.7% of the total portfolio volume.
Under EASI program, by contract, EIF guarantees 90% of each eligible loan included in the portfolio, covering losses up to a maximum cap of 15% of the total portfolio volume.

Under Roof program, by contract, EIF guarantees 95% of each eligible loan included in the portfolio, covering losses up to a maximum cap of 12% of the total portfolio volume after the first loss retained by the Bank is exceed (app 4%).

As of 30 June 2023, the volume of loans portfolio included in securitization was as follows:

Group - RON thousands					
Total amount of securitisation exposures originated	**Credit protection to the securitised exposures**	**Securitisation positions: original exposure**			**Risk-weighted exposure amount**
		Total, of which:	**Deducted from own funds**	**Subject to risk weights***	
1,847,417	(259,732)	1,567,514	13,481	1,554,032	218,818

**Based on SUPERVISORY FORMULA METHOD*

EU-SEC1 - Securitisation exposures in the non-trading book

RON thousands		**Institution acts as originator**							**Institution acts as sponsor**				**Institution acts as investor**			
		Traditional				**Synthetic**		**Sub-total**	**Traditional**		**Synthetic**	**Sub-total**	**Traditional**		**Synthetic**	**Subtotal**
		STS		**Non-STS**			**of which SRT**		**STS**	**Non-STS**			**STS**	**Non-STS**		
			of which SRT		**of which SRT**											
1	**Total exposures**	**-**	**-**	**-**	**-**	**1,554,032**	**1,554,032**	**1,554,032**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
2	Retail (total)	-	-	-	-	199,581	199,581	199,581	-	-	-	-	-	-	-	-
3	residential mortgage	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	credit card	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	other retail exposures	-	-	-	-	199,581	199,581	199,581	-	-	-	-	-	-	-	-
6	re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Wholesale (total)	-	-	-	-	1,354,451	1,354,451	1,354,451	-	-	-	-	-	-	-	-
8	loans to corporates	-	-	-	-	1,354,451	1,354,451	1,354,451	-	-	-	-	-	-	-	-
9	commercial mortgage	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	lease and receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	other wholesale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

EU-SEC3 - Securitisation exposures in the non-trading book and associated regulatory capital requirements - institution acting as originator or as sponsor

RON thousands		Exposure values (by RW bands/deductions)					Exposure values (by regulatory approach)			RWEA (by regulatory approach)			Capital charge after cap		
		≤20% RW	>20% to 50% RW	>50% to 100% RW	>100% to <1250% RW	1250% RW/ deductions	SEC-IRBA	SEC-SA	1250% / deductions	SEC-IRBA	SEC-SA	1250% / deductions	SEC-IRBA	SEC-SA	1250%/ deductions
1	**Total exposures**	**1,540,551**	**-**	**-**	**-**	**13,481**	**1,554,032**	**-**	**13,481**	**233,105**	**-**	**-**	**18,648**	**-**	**13,481**
2	Traditional transactions	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Retail underlying	199,581	-	-	-	-	199,581	-	-	29,937	-	-	2,395	-	-
5	Of which STS	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Wholesale	1,340,970	-	-	-	13,481	1,340,970	-	13,481	203,168	-	13,481	16,253	-	13,481
7	Of which STS	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Synthetic transactions	1,540,551	-	-	-	13,481	1,554,032	-	-	233,105	-	-	18,648	-	-
10	Securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Retail underlying	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Wholesale	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Re-securitisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-

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EU-SEC5 - Exposures securitised by the institution - Exposures in default and specific credit risk adjustments

RON thousands		Exposures securitised by the institution - Institution acts as originator or as sponsor		
		Total outstanding nominal amount		Total amount of specific credit risk adjustments made during the period
			Of which exposures in default	
1	**Total exposures**	**1,554,032**	**11,319**	**-30,337**
2	Retail (total)	199,581	5,044	-8,061
3	residential mortgage	-	-	-
4	credit card	-	-	-
5	other retail exposures	-	-	-
6	re-securitisation	-	-	-
7	Wholesale (total)	1,340,970	6,275	-22,275
8	loans to corporates	-	-	-
9	commercial mortgage	-	-	-
10	lease and receivables	-	-	-
11	other wholesale	-	-	-
12	re-securitisation	-	-	-

**Capital charge is determined Based on Supervisory Formula Method*

In December 2014, Jeremie financing program was closed.

The roles of the bank in the securitization process

Raiffeisen Bank does not invest in securitization/re-securitization positions.

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12. Article 451 CRR Leverage

Within the framework of CRR and in addition to the Total Capital requirements the leverage ratio was implemented as a new instrument to limit the risk of excessive indebtedness. According to Article 429 CRR, the leverage ratio is the ratio of capital to the leverage exposure. This means Tier 1 capital in relation to unweighted exposure on and off the statement of financial position.

Processes used to manage the risk of excessive leverage.

As part of the recurring internal risk reporting, Raiffeisen Bank SA monitors the development and value of the leverage ratio according to CRR, as part of ICAAP process.

Factors with impact on the leverage ratio during the reference period

As of 30 June 2023 the leverage ratio of Raiffeisen Bank SA amounted to app 8.4%, as follows (values in RON thousands):

EU LR1 - LRSum: Summary reconciliation of accounting assets and leverage ratio exposures

Summary of accounting assets and exposures reconciliation for calculation of the leverage ratio indicator **RON thousands**	**Group**
Total assets as per published financial statements	66,781,482
Adjustment for entities which are consolidated for accounting purposes but are outside the scope of regulatory consolidation	-
(Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference)	-
(Adjustment for temporary exemption of exposures to central bank (if applicable))	-
(Adjustment for fiduciary assets recognised on the balance sheet pursuant to the applicable accounting framework but excluded from the leverage ratio total exposure measure in accordance with point (i) of point (i) of Article 429 a(13) CRR)	-
Adjustment for regular-way purchases and sales of financial assets subject to trade date accounting	-
Adjustment for eligible cash pooling transactions	-
Adjustments for derivative financial instruments	6,461
Adjustment for securities financing transactions (SFTs)	-
Adjustment for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	4,584,972
(Adjustment for exposures excluded from the leverage ratio total exposure measure in accordance with point (c) of Article 429a(1) CRR)	-
(Adjustment for exposures excluded from the leverage ratio total exposure measure in accordance with point (j) of Article 429a(1) CRR)	-
Other adjustments	(184,140)
Leverage ratio total exposure measure	**71,188,775**

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EU LR2 - LRCom: Leverage ratio common disclosure

Presentation of common information regarding leverage effect indicator **RON thousands**	**Group**
On-balance sheet items (excluding derivatives, SFTs, but including collateral)	66,169,817
Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the applicable accounting framework	-
(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	-
(Adjustment for securities received under securities financing transactions that are recognised as an asset)	-
(General credit risk adjustments to on-balance sheet items)	-
(Asset amounts deducted in determining Tier 1 capital)	(184,140)
Total on-balance sheet exposures (excluding derivatives and SFTs)	**65,985,677**
Replacement cost associated with SA-CCR derivatives transactions (ie net of eligible cash variation margin)	45,183
Derogation for derivatives: replacement costs contribution under the simplified standardised approach	-
Add-on amounts for potential future exposure associated with SA-CCR derivatives transactions	5,035
Derogation for derivatives: Potential future exposure contribution under the simplified standardised approach	-
Exposure determined under Original Exposure Method	-
(Exempted CCP leg of client-cleared trade exposures) (SA-CCR)	-
(Exempted CCP leg of client-cleared trade exposures) (simplified standardised approach)	-
(Exempted CCP leg of client-cleared trade exposures) (Original exposure method)	-
Adjusted effective notional amount of written credit derivatives	-
(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	-
Total derivatives exposures	**50,218**
Gross SFT assets (with no recognition of netting), after adjustment for sales accounting transactions	841,982
(Netted amounts of cash payables and cash receivables of gross SFT assets)	-
Counterparty credit risk exposure for SFT assets	-
Derogation for SFTs: Counterparty credit risk exposure in accordance with Articles 429e(5) and 222 CRR	-
Agent transaction exposures	-
(Exempted CCP leg of client-cleared SFT exposure)	-
Total securities financing transaction exposures	**841,982**
Off-balance sheet exposures at gross notional amount	21,504,144
(Adjustments for conversion to credit equivalent amounts)	(17,193,245)
(General provisions associated with off-balance sheet exposures deducted in determining Tier 1 capital)	-
Off-balance sheet exposures	**4,310,899**

Presentation of common information regarding leverage effect indicator **RON thousands**	**Group**
(Exposures excluded from the leverage ratio total exposure measure in accordance with point (c) of Article 429a(1) CRR)	-
(Exposures exempted in accordance with point (j) of Article 429a (1) CRR (on and off balance sheet))	-
(Excluded exposures of public development banks - Public sector investments)	-
(Excluded promotional loans of public development banks: - Promotional loans)	-
(Excluded passing-through promotional loan exposures by non-public development banks (or units)	-
(Excluded guaranteed parts of exposures arising from export credits)	-
(Excluded excess collateral deposited at triparty agents)	-
(Excluded CSD related services of CSD/institutions in accordance with point (o) of Article 429a(1) CRR)	-
(Excluded CSD related services of designated institutions in accordance with point (p) of Article 429a(1) CRR)	-
(Reduction of the exposure value of pre-financing or intermediate loans)	-
(Total exempted xposures)	-
Tier 1 capital	**5,969,597**
Leverage ratio total exposure measure	**71,188,775**
Leverage ratio	**8.39%**
Leverage ratio (without the adjustment due to excluded exposures of public development banks - Public sector investments) (%)	8.39%
Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves)	8.39%
Regulatory minimum leverage ratio requirement (%)	3.00%
Additional leverage ratio requirements (%)	0.00%
out of which: CET1	0.00%
Required leverage buffer (%)	0.00%
Global requirement for Leverage ratio	3.00%
Choice on transitional arrangements and relevant exposures	
Choice on transitional arrangements for the definition of the capital measure	yes

Description of the factors that had an impact on the leverage ratio during the period to which the disclosed leverage ratio refers.

As of 30 June 2023, the leverage ratio amounted to 8.4% as compared to 8.6% at year-end 2022. The annual evolution was mainly driven by a growth in leverage exposure, linked to business increase.

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EU LR3 - LRSpl: Split-up of on balance sheet exposures (excluding derivatives, SFTs and exempted exposures)

Split-up of on balance sheet exposures (excluding derivatives, SFTs and exempted exposures) **RON thousands**	**Group**
Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:	66,169,817
Trading book exposures	168,418
Banking book exposures, of which:	66,001,399
Covered bonds	-
Exposures treated as sovereigns	19,439,457
Exposures to regional governments, MDB, international organisations and PSE not treated as sovereigns	1,466,685
Institutions	1,437,621
Secured by mortgages of immovable properties	345,174
Retail exposures	19,669,985
Corporate	18,057,815
Exposures in default	677,333
Other exposures (eg equity, securitisations, and other non-credit obligation assets)	4,907,328

Quantitative information on LCR – EU LIQ1 form

Group- RON thousands

		Total unweighted value (average)				Total weighted value (average)			
EU 1a	**Quarter ending on**	**Jun-23**	**Mar-23**	**Dec-22**	**Sep-22**	**Jun-23**	**Mar-23**	**Dec-22**	**Sep-22**
EU 1b	**Number of data points used in the calculation of averages**	**12**	**12**	**12**	**12**	**12**	**12**	**12**	**12**
HIGH-QUALITY LIQUID ASSETS									
1	Total high-quality liquid assets (HQLA)					15,554,978	15,450,342	16,219,538	17,133,328
CASH – OUTFLOWS									
2	Retail deposits and deposits from small business customers, of which:	36,382,963	36,233,322	36,338,936	36,305,406	2,644,005	2,662,313	2,680,381	2,678,870
3	*Stable deposits*	24,722,927	24,137,853	23,875,191	23,690,173	1,236,146	1,206,893	1,193,760	1,184,509
4	*Less stable deposits*	11,660,037	12,095,469	12,463,745	12,615,233	1,407,858	1,455,420	1,486,621	1,494,361
5	Unsecured wholesale funding	13,020,700	12,720,782	12,592,399	12,502,221	5,652,865	5,531,697	5,482,154	5,442,683
6	*Operational deposits (all counterparties) and deposits in networks of cooperative banks*	2,461,282	2,477,774	2,472,795	2,407,951	641,796	646,893	648,164	622,762
7	*Non-operational deposits (all counterparties)*	10,559,417	10,243,007	10,119,604	10,094,270	5,011,068	4,884,804	4,833,990	4,819,921
8	*Unsecured debt*	-	-	-	-	-	-	-	-
9	*Secured wholesale funding*					-	-	-	-
10	Additional requirements	6,086,400	5,881,078	5,637,114	5,295,532	532,855	518,612	497,691	456,228
11	*Outflows related to derivative exposures and other collateral requirements*	55,222	58,399	60,050	61,569	55,222	58,399	60,050	61,569
12	*Outflows related to loss of funding on debt products*	-	-	-	-	-	-	-	-
13	*Credit and liquidity facilities*	6,031,178	5,822,679	5,577,064	5,233,963	477,633	460,213	437,641	394,659
14	Other contractual funding obligations	-	-	-	-	-	-	-	-
15	Other contingent funding obligations	14,090,488	13,559,514	12,982,687	12,288,086	422,715	406,785	389,481	368,643

		Total unweighted value (average)				Total weighted value (average)			
EU 1a	**Quarter ending on**	**Jun-23**	**Mar-23**	**Dec-22**	**Sep-22**	**Jun-23**	**Mar-23**	**Dec-22**	**Sep-22**
EU 1b	**Number of data points used in the calculation of averages**	**12**	**12**	**12**	**12**	**12**	**12**	**12**	**12**
16	TOTAL CASH OUTFLOWS					10,368,713	10,410,412	10,425,956	10,346,442
CASH - INFLOWS									
17	Secured lending (e.g. reverse repos)	866,367	886,525	1,225,271	1,527,290	-	-	-	-
18	Inflows from fully performing exposures	1,804,710	2,200,262	2,545,449	2,920,748	1,265,038	1,634,284	1,978,021	2,392,740
19	Other cash inflows	55,126	50,885	47,179	12,549	55,126	50,885	47,179	12,549
EU-19a	(Difference between total weighted inflows and total weighted outflows arising from transactions in third countries where there are transfer restrictions or which are denominated in non-convertible currencies)								
EU-19b	(Excess inflows from a related specialised credit institution)								
20	TOTAL CASH INFLOWS	2,726,203	3,137,671	3,817,899	4,460,587	1,320,164	1,685,169	2,025,200	2,405,289
EU-20a	*Fully exempt inflows*	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-
EU-20b	*Inflows subject to 90% cap*	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-
EU-20c	*Inflows subject to 75% cap*	2,726,203	3,137,671	3,817,899	4,460,587	1,320,164	1,685,169	2,025,200	2,405,289
		-	-	-	-	-	-	-	-
TOTAL ADJUSTED VALUE									
EU-21	**LIQUIDITY BUFFER**					**15,554,979**	**15,450,342**	**16,219,538**	**17,133,328**
22	**TOTAL NET CASH OUTFLOWS**					**9,048,549**	**8,725,244**	**8,400,757**	**7,941,153**
23	**LIQUIDITY COVERAGE RATIO**					**173%**	**180%**	**202%**	**231%**

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The evolution of the LCR over time and the main determining factors for the evolution of the LCR

As it results from the table above, the LCR indicator recorded a a slightly downward evolution during 2022 and in the first semester of 2023, registering comfortable levels, well above the regulatory limit of 100%. The high level of LCR is the result of the good liquidity position held by the Bank and the stock of high-quality liquid assets. The evolution of LCR annual average values during the analyzed period is due to the slight increase in total net cash outflows correlated with a slight downward trend of high-quality assets in the fourth quarter 2022 and in the first quarter of 2023.

Description with a high level of detail of the composition of the liquidity reserve of the institution
The stock of high-quality liquid assets is represented by cash in hand and cash in vaults and ATMs, amounts held at the Central Bank (the mandatory minimum reserve surplus), placements at the NBR deposit facility and eligible bonds for accessing liquidity facilities at the Central Bank. Compared to Q4 of 2022, in Q2 of 2023 the stock of high-quality assets increased by RON 2,178,985 thousand from RON 15,075,702 thousand to RON 17,254,688 thousand.

In the Q2 of 2023, the stock of assets with a high level of liquidity was represented by: cash in hand and cash in vaults and ATMs (RON 1,555,394 thousand), amounts held in account with the Central Bank (RON 1,911,233 thousand) and holdings of securities in the amount of RON 13,787,962 thousand.

Concentration of liquidity funding sources

In LCR calculation, the potential cash outflows over a 30-day horizon are taken into account. The Bank's main sources of financing were represented by retail deposits and deposits of small enterprise clients which, as it results from the LCR values in the table, recorded an average value of RON 36,382,963 thousand at June 2023, of which RON 2,644,005 thousand represents potential outflows in the next 30 days, as well as unsecured wholesale financing with an average value of RON 13,020,700 thousand at June 2023, of which RON 5,652,865 thousand represents potential outflows in the next 30 days.

The LCR calculation regulation does not contain explicit provisions on the concentration of funding sources and liquidity, but internally, the Bank monitors clients who could represent a high degree of concentration and takes them into account in the internal risk models it uses for liquidity management.

Exposures from derivatives operations and possible margin calls

Exposures from derivatives operations shall be presented in the LCR according with Article 21 of the Delegated Regulation. Any margin calls are presented in the LCR in accordance with Article 30, paragraph 3 of the Delegated Regulation. The credit institution adds additional outflows corresponding to the collateral needs, which would result from the impact of a negative market scenario on derivative transactions, financing transactions and other contracts of the credit institution, if they are significant.

For the evaluation of potential margin calls for derivatives, the look back historical approach is used. The average value of potential outflows in Q2 of 2023 was approx. RON 55,221 thousand, representing approx. 0.61% of the average value of the total net cash outflows included in the LCR calculation in Q2 of 2023.

Currency mismatch in LCR report

The LCR is calculated and reported consolidated in RON equivalent, as well as individually for the significant currencies. The denomination on foreign currencies of high-quality liquid assets held by the Bank is consistent with the distribution of net liquidity outflows on foreign currencies. The Bank tracks inconsistencies between inflows and outflows of liquidity at the level of currency in order to limit the accumulation of risks. Currency mismatches are limited internally by setting limits at currency level for the results of liquidity crisis simulations and for the maximum open foreign exchange position at currency level and for the total.

Article 451a (3) CRR Quantitative information Net Stable Funding Ratio- Template EU LIQ2

RON thousands		Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
Available stable funding (ASF) Items						
1	Capital items and instruments	-	-	-	6,880,181	6,880,181
2	*Own funds*	-	-	-	6,880,181	6,880,181
3	*Other capital instruments*		-	-	-	-
4	Retail deposits		37,470,109	111	277	35,038,342
5	*Stable deposits*		26,297,228	111	277	24,982,749
6	*Less stable deposits*		11,172,881	-	-	10,055,593
7	Wholesale funding:		15,103,204	317,855	492,929	6,773,081
8	*Operational deposits*		1,862,803	-	-	-
9	*Other wholesale funding*		13,240,401	317,855	492,929	6,773,081
10	Interdependent liabilities					
11	Other liabilities:	-	2,936,249	-	3,532,841	3,532,841
12	*NSFR derivative liabilities*	-				
13	*All other liabilities and capital instruments not included in the above categories*		2,936,249	-	3,532,841	3,532,841
14	**Total available stable funding (ASF)**					52,247,381
Required stable funding (RSF) Items						
15	Total high-quality liquid assets (HQLA)					3,460
EU-15a	Assets encumbered for more than 12m in cover pool					
16	Deposits held at other financial institutions for operational purposes					
17	Performing loans and securities:		6,529,835	3,015,664	28,061,472	26,860,245
18	*Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut*		839,527	-	-	-

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RON thousands		Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
19	*Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions*		-	-	-	-
20	*Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:*		4,525,075	2,670,057	21,062,160	21,500,402
21	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		-	-	-	-
22	*Performing residential mortgages, of which:*		127,530	110,560	5,664,721	3,801,114
23	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		127,530	110,560	5,664,721	3,801,114
24	*Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products*		1,037,703	235,046	1,334,592	1,558,729
25	Interdependent assets					
26	Other assets:		153,823	79,044	8,581,261	8,814,128
27	*Physical traded commodities*				-	-
28	*Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs*					
29	*NSFR derivative assets*		43,329	-	-	43,329
30	*NSFR derivative liabilities before deduction of variation margin posted*			-	-	0
31	*All other assets not included in the above categories*		110,494	79,044	8,581,261	8,770,799
32	Off-balance sheet items		11,512,000	-	-	650,598
33	**Total RSF**					36,328,430
34	**Net Stable Funding Ratio (%)**					144%

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13. Article 452 CRR Use of the IRB approach to credit risk

A. Approaches or transition arrangements approved by the competent authorities

A.1. Internal Ratings Based Approach (IRB)

Raiffeisen Bank S.A. calculate risk-weighted exposure amounts using the Internal Ratings Based Approach IRB, except the following type of exposure for which an approval was received to apply Permanent or Temporary Standardazed Approach:

A.2. STD Permanent Partial Use (STD-PPU)

According to art. 150 CRR, for the following exposure classes, the Bank meets the criteria to used STD-PPU:

- Exposures to central governments or central banks, expressed in the currency of the state (EU member state);
- Exposure to International Organisations;
- Exposures to multilateral development banks;
- Exposures rated by the Local and Regional Governments (LRG) rating model;
- Exposure to subsidiary Raiffeisen Leasing IFN SA;
- Exposures to public sector entities, including churches and religious communities;
- Retail exposures related to non-retail clients, car purchase loans, those who benefit from exposures in the form of guarantee letters, or personal needs loans from the portfolio acquired from Citibank in 2013.

The application of the Permanent Standard Approach for these exposure classes is due to the limited number of counterparts and the implementation of a rating system for those counterparties constitutes an excessive effort for the Bank, or due to membership in small operational units, exposure classes or exposure types that are not significant in terms of size and risk profile.

A.3. STD Temporary Partial Use (STD-TPU)

In 2023, the Bank no longer applies this treatment.

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B. Credit exposure breakdown

In the following tables, as of 30 June 2023 total exposures value, value of exposures as a result of risk mitigation techniques and prior conversion factors, as well as the used average risk share and value adjustment of volume and provisions related to exposures for which the capital requirement is determined by applying the Approach based on rating internal models:

Group **RON thousands**	**Risk exposure***	**Exposure after CRM**	**Average RWA**	**Capital charge**	**Credit value adjustments***
IRB Approach	**66,665,358**	**62,360,979**	**55%**	**2,087,176**	**1,493,716**
F-IRB Approach	***40,492,519***	***37,822,412***	***59%***	***1,168,042***	***502,822***
Exposure to central governments and central banks	2,906,038	2,990,313	40%	96,416	1,084
Exposure to institutions	4,181,532	4,188,103	31%	59,468	450
Exposure to corporates -IMM	8,635,867	6,244,088	64%	191,035	137,902
Exposure to corporates - specialised lending	3,026,588	3,026,588	70%	164,868	85,471
Exposure to corporates - Others	21,742,494	21,373,319	66%	656,254	277,915
A-IRB Approach	***24,214,641***	***22,840,100***	***52%***	***888,164***	***960,557***
Retail Exposure - SME secured by immovable property	128,393	128,393	0%	7,093	3,330
Retail Exposure - secured by immovable property	7,871,336	7,871,336	31%	197,071	234,631
Retail Exposure- qualifying revolving	5,331,410	5,331,410	46%	140,392	52,423
Retail Exposure -SME	1,583,940	1,247,778	47%	46,057	97,812
Retail Exposure - other	9,299,562	8,261,183	75%	497,550	572,361
Equity	***110,782***	***110,782***	***139%***	***12,323***	-
Securitization	***1,847,417***	***1,587,685***	***15%***	***18,648***	***30,337***
here of: resecuritization	-	-	0%	-	-
Others	***1,983,096***	***1,983,096***	***0%***	***12,323***	-

** EAD (gross exposures) and credit value adjustments determined based on locanl prudential requirements (stop accruals are not applied).*

EU CR6 – IRB approach – Credit risk exposures by exposure class and PD range

Group Ron thousands	Gross exposure		Average CCF	EAD post CRM & CCF	No of obligors	Average PD	Average LGD	RWA*	RWA Density	EL	Value adjustments and provisions
	On-Balance Sheet exposure	Off-Balance Sheet exposure									
F-IRB Approach	**23,893,533**	**17,669,889**		**23,655,157**	**6,656**			**14,572,301**	**62%**	**233,172**	**503,115**
0.00 to <0.15	2,137,202	4,369,591	10%	2,320,209	667	0.1%	48%	857,400	37%	1,080	2,751
0.15 to <0.25	7,781,557	3,210,544	12%	8,058,416	414	0.2%	45%	3,498,855	43%	6,233	4,658
0.25 to <0.50	759,407	2,709,801	30%	1,333,893	446	0.4%	43%	722,981	54%	1,988	2,975
0.50 to <0.75	3,204,319	2,503,462	25%	3,399,856	631	0.7%	45%	2,601,729	77%	9,895	35,961
0.75 to <2.50	5,545,267	3,791,218	24%	4,111,070	1,232	1.4%	44%	3,623,941	88%	24,410	53,885
2.50 to <10.00	1,352,233	680,153	20%	1,096,018	615	3.1%	43%	1,150,168	105%	14,624	29,075
10.00 to <100.00	38,371	17,453	19%	40,967	2,164	11.0%	45%	54,710	134%	1,999	2,746
100.00 (Default)	334,655	101,603	32%	346,082	432	98.8%	44%	1,666	0%	151,898	285,594
Project finance	2,740,523	286,064	0%	2,948,646	55	0.0%	0%	2,060,852	70%	21,045	85,471
A-IRB Approach	**20,395,587**	**2,837,502**		**21,298,343**	**1,159,897**			**11,102,046**	**52%**	**830,513**	**960,557**
0.00 to <0.15	1,383,835	54,734	64%	1,000,859	13,184	0.1%	19%	51,941	5%	225	147
0.15 to <0.25	6,486	22,221	69%	21,856	3,097	0.2%	46%	1,679	8%	16	7
0.25 to <0.50	1,168,194	321,444	61%	1,097,064	51,881	0.3%	30%	145,596	13%	995	815
0.50 to <0.75	2,535,082	651,418	69%	2,716,675	101,884	0.6%	27%	486,037	18%	4,380	1,446
0.75 to <2.50	7,178,127	913,981	72%	7,553,038	311,547	1.4%	36%	3,028,927	40%	37,102	22,710
2.50 to <10.00	5,616,383	770,406	103%	6,324,699	343,232	4.5%	49%	4,655,932	74%	139,501	129,393
10.00 to <100.00	1,656,070	94,539	116%	1,733,325	302,614	24.3%	49%	2,241,616	129%	205,294	139,072
100.00 (Default)	851,411	8,760	200%	850,828	32,458	100.0%	57%	490,319	58%	442,999	666,967

** a regulatory maturity of 2.5 years (913 days) is used*

Exposure to central governments and central banks

Bank Ron thousands	Gross exposure		Average CCF	EAD post CRM & CCF	No of obligors	Average PD	Average LGD	RWA*	RWA Density	EL	Value adjustments and provisions
	On-Balance Sheet exposure	Off-Balance Sheet exposure									
F-IRB Approach	**2,906,038**	**-**		**2,990,293**	**4**			**1,205,194**	**40%**	**2,096**	**1,084**
0.00 to <0.15	161,929	-	0%	161,929	1	0.1%	45%	39,106	0%	47	-
0.15 to <0.25	2,744,109	-	0%	2,744,109	2	0.2%	45%	1,132,675	41%	1,988	-
0.25 to <0.50	-	-	-	-	-	-	-	-	-	-	-
0.50 to <0.75	-	-	0%	747	-	0.2%	45%	262	0%	1	-
0.75 to <2.50	-	-	0%	57,425	-	0.2%	45%	23,133	40%	42	3
2.50 to <10.00	-	-	0%	10,824	-	0.2%	45%	4,416	41%	8	-
10.00 to <100.00	-	-	0%	11,404	1	0.2%	45%	4,010	35%	8	-
100.00 (Default)	-	-	0%	3,855	-	0.2%	45%	1,591	41%	3	1,082
Project finance	-	-	0%	-	-	0.0%	0%	-	0%	-	-
A-IRB Approach	**-**	**-**		**-**	**-**	**0.0%**		**-**	**0%**	**-**	**-**
0.00 to <0.15	-	-	0%	-	-	0.0%		-	0%	-	-
0.15 to <0.25	-	-	0%	-	-	0.0%		-	0%	-	-
0.25 to <0.50	-	-	0%	-	-	0.0%		-	0%	-	-
0.50 to <0.75	-	-	0%	-	-	0.0%		-	0%	-	-
0.75 to <2.50	-	-	0%	-	-	0.0%		-	0%	-	-
2.50 to <10.00	-	-	0%	-	-	0.0%		-	0%	-	-
10.00 to <100.00	-	-	0%	-	-	0.0%		-	0%	-	-
100.00 (Default)	-	-	0%	-	-	0.0%		-	0%	-	-

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Institution

Bank Ron thousands	Gross exposure		Average CCF	EAD post CRM & CCF	No of obligors	Average PD	Average LGD	RWA*	RWA Density	EL	Value adjustments and provisions
	On-Balance Sheet exposure	Off-Balance Sheet exposure									
F-IRB Approach	**1,459,641**	**1,860,923**		**1,575,955**	**133**			**734,386**	**47%**	**898**	**450**
0.00 to <0.15	756,148	1,631,021	6%	862,136	70	0.1%	52%	414,842	48%	425	139
0.15 to <0.25	683,031	229,136	5%	688,617	26	0.1%	46%	304,535	44%	428	309
0.25 to <0.50	20,460	-	0%	20,460	4	0.3%	45%	12,907	63%	27	-
0.50 to <0.75	-	-	-	-	2	-	-	-	-	-	-
0.75 to <2.50	-	-	-	4,091	1	0.1%	45%	1,564	0%	2	1
2.50 to <10.00	-	437	20%	584	2	1.4%	45%	330	57%	4	-
10.00 to <100.00	2	329	20%	67	28	39.3%	45%	207	307%	12	-
100.00 (Default)	-	-	-	-	-	-	-	-	-	-	-
Project finance	-	-	-	-	-	-	-	-	-	-	-
A-IRB Approach	-	-	-	-	-	-		-	-	-	-
0.00 to <0.15	-	-	-	-	-	-		-	-	-	-
0.15 to <0.25	-	-	-	-	-	-		-	-	-	-
0.25 to <0.50	-	-	-	-	-	-		-	-	-	-
0.50 to <0.75	-	-	-	-	-	-		-	-	-	-
0.75 to <2.50	-	-	-	-	-	-		-	-	-	-
2.50 to <10.00	-	-	-	-	-	-		-	-	-	-
10.00 to <100.00	-	-	-	-	-	-		-	-	-	-
100.00 (Default)	-	-	-	-	-	-		-	-	-	-

Corporate

Bank Ron thousands	Gross exposure		Average CCF	EAD post CRM & CCF	No of obligors	Average PD	Average LGD	RWA*	RWA Density	EL	Value adjustments and provisions
	On-Balance Sheet exposure	Off-Balance Sheet exposure									
F-IRB Approach	**11,628,092**	**12,047,697**		**12,382,925**	**1,887**			**8,184,881**	**66%**	**135,582**	**277,915**
0.00 to <0.15	889,319	2,448,196	10%	1,139,984	48	0.1%	45%	379,824	33%	557	432
0.15 to <0.25	4,202,086	2,773,536	12%	4,538,066	70	0.2%	45%	2,037,884	45%	3,741	2,448
0.25 to <0.50	303,714	2,308,460	31%	1,012,742	43	0.3%	42%	586,493	58%	1,479	916
0.50 to <0.75	2,362,274	1,836,405	26%	2,757,195	110	0.7%	45%	2,261,840	82%	8,046	29,361
0.75 to <2.50	3,170,520	2,327,967	18%	2,243,122	197	1.3%	44%	2,321,539	103%	12,939	34,419
2.50 to <10.00	489,122	283,664	15%	457,181	69	3.0%	43%	586,342	128%	6,036	11,551
10.00 to <100.00	5,048	-	0%	5,048	1,049	12.2%	45%	10,885	216%	278	3
100.00 (Default)	206,009	69,470	44%	229,587	301	99.9%	45%	74	0%	102,507	198,784
Project finance	-	-	-	-	-	-	-	-	-	-	-
A-IRB Approach	-	-	-	-	-	-	-	-	-	-	-
0.00 to <0.15	-	-	-	-	-	-	-	-	-	-	-
0.15 to <0.25	-	-	-	-	-	-	-	-	-	-	-
0.25 to <0.50	-	-	-	-	-	-	-	-	-	-	-
0.50 to <0.75	-	-	-	-	-	-	-	-	-	-	-
0.75 to <2.50	-	-	-	-	-	-	-	-	-	-	-
2.50 to <10.00	-	-	-	-	-	-	-	-	-	-	-
10.00 to <100.00	-	-	-	-	-	-	-	-	-	-	-
100.00 (Default)	-	-	-	-	-	-	-	-	-	-	-

Project finance

Bank Ron thousands	Gross exposure		Average CCF	EAD post CRM & CCF	No of obligors	Average PD	Average LGD	RWA*	RWA Density	EL	Value adjustments and provisions
	On-Balance Sheet exposure	Off-Balance Sheet exposure									
F-IRB Approach	**2,740,523**	**286,064**		**2,948,646**	**55**			**2,060,852**	**70%**	**21,045**	**85,471**
0.00 to <0.15	-	-	-	-	-	-	-	-	-	-	-
0.15 to <0.25	-	-	-	-	-	-	-	-	-	-	-
0.25 to <0.50	-	-	-	-	-	-	-	-	-	-	-
0.50 to <0.75	-	-	-	-	-	-	-	-	-	-	-
0.75 to <2.50	-	-	-	-	-	-	-	-	-	-	-
2.50 to <10.00	-	-	-	-	-	-	-	-	-	-	-
10.00 to <100.00	-	-	-	-	-	-	-	-	-	-	-
100.00 (Default)	-	-	-	-	-	-	-	-	-	-	-
Project finance	2,740,523	286,064	0%	2,948,646	55	0%	0%	2,060,852	70%	21,045	85,471
A-IRB Approach	**-**	**-**		**-**	**-**			**-**		**-**	**-**
0.00 to <0.15	-	-	-	-	-	-	-	-	-	-	-
0.15 to <0.25	-	-	-	-	-	-	-	-	-	-	-
0.25 to <0.50	-	-	-	-	-	-	-	-	-	-	-
0.50 to <0.75	-	-	-	-	-	-	-	-	-	-	-
0.75 to <2.50	-	-	-	-	-	-	-	-	-	-	-
2.50 to <10.00	-	-	-	-	-	-	-	-	-	-	-
10.00 to <100.00	-	-	-	-	-	-	-	-	-	-	-
100.00 (Default)	-	-	-	-	-	-	-	-	-	-	-

Corporate SME

Bank Ron thousands	Gross exposure		Average CCF	EAD post CRM & CCF	No of obligors	Average PD	Average LGD	RWA*	RWA Density	EL	Value adjustments and provisions
	On-Balance Sheet exposure	Off-Balance Sheet exposure									
F-IRB Approach	**5,159,239**	**3,475,204**		**3,757,338**	**4,577**			**2,386,987**	**64%**	**73,551**	**137,902**
0.00 to <0.15	329,806	290,374	30%	156,160	548	0.1%	44%	23,627	15%	51	2,180
0.15 to <0.25	152,331	207,871	16%	87,625	316	0.2%	44%	23,760	27%	77	1,608
0.25 to <0.50	435,232	401,341	25%	300,691	399	0.4%	44%	123,582	41%	482	2,059
0.50 to <0.75	842,044	667,057	24%	641,914	519	0.7%	44%	339,627	53%	1,849	6,600
0.75 to <2.50	2,374,747	1,463,251	29%	1,806,432	1,034	1.4%	44%	1,277,704	71%	11,427	19,462
2.50 to <10.00	863,112	396,052	24%	627,430	544	3.1%	44%	559,080	89%	8,576	17,523
10.00 to <100.00	33,321	17,124	19%	24,448	1,086	15.7%	44%	39,608	162%	1,701	2,743
100.00 (Default)	128,646	32,133	8%	112,640	131	100.0%	44%	-	0%	49,389	85,728
Project finance	-	-	-	-	-	-	-	-	-	-	-
A-IRB Approach	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
0.00 to <0.15	-	-	-	-	-	-	-	-	-	-	-
0.15 to <0.25	-	-	-	-	-	-	-	-	-	-	-
0.25 to <0.50	-	-	-	-	-	-	-	-	-	-	-
0.50 to <0.75	-	-	-	-	-	-	-	-	-	-	-
0.75 to <2.50	-	-	-	-	-	-	-	-	-	-	-
2.50 to <10.00	-	-	-	-	-	-	-	-	-	-	-
10.00 to <100.00	-	-	-	-	-	-	-	-	-	-	-
100.00 (Default)	-	-	-	-	-	-	-	-	-	-	-

TRANSLATOR'S EXPLANATORY NOTE: The above translation of the report on transparent and publication requirements of information is provided as a free translation from Romanian which is the official and binding version.

Retail Exposure - secured by immovable property

Bank Ron thousands	Gross exposure		Average CCF	EAD post CRM & CCF	No of obligors	Average PD	Average LGD	RWA*	RWA Density	EL	Value adjustments and provisions
	On-Balance Sheet exposure	Off-Balance Sheet exposure									
F-IRB Approach	-	-	-	-	-	-	-	-	-	-	-
0.00 to <0.15	-	-	-	-	-	-	-	-	-	-	-
0.15 to <0.25	-	-	-	-	-	-	-	-	-	-	-
0.25 to <0.50	-	-	-	-	-	-	-	-	-	-	-
0.50 to <0.75	-	-	-	-	-	-	-	-	-	-	-
0.75 to <2.50	-	-	-	-	-	-	-	-	-	-	-
2.50 to <10.00	-	-	-	-	-	-	-	-	-	-	-
10.00 to <100.00	-	-	-	-	-	-	-	-	-	-	-
100.00 (Default)	-	-	-	-	-	-	-	-	-	-	-
Project finance	-	-	-	-	-	-	-	-	-	-	-
A-IRB Approach	**12,802,451**	**6,022**		**12,808,473**	**90,946**			**4,234,341**	**33%**	**168,107**	**259,352**
0.00 to <0.15	951,394	318	100%	951,712	9,671	0.1%	18%	47,404	0%	198	116
0.15 to <0.25	1,132	-	0%	1,132	6	0.2%	18%	79	0%	-	1
0.25 to <0.50	657,229	224	100%	657,453	6,167	0.3%	18%	63,708	10%	327	324
0.50 to <0.75	2,001,343	697	100%	2,002,040	9,256	0.6%	20%	360,262	18%	2,271	564
0.75 to <2.50	3,044,009	106	100%	3,044,115	21,121	1.6%	17%	892,929	29%	8,047	3,408
2.50 to <10.00	676,124	1,640	100%	677,765	4,624	5.5%	19%	462,764	68%	7,165	9,444
10.00 to <100.00	263,465	79	100%	263,545	1,473	26.5%	24%	367,855	140%	16,971	11,753
100.00 (Default)	272,762	813	100%	273,575	1,739	100.0%	45%	268,387	98%	100,747	209,021

Retail Exposure- qualifying revolving

Bank Ron thousands	Gross exposure		Average CCF	EAD post CRM & CCF	No of obligors	Average PD	Average LGD	RWA*	RWA Density	EL	Value adjustments and provisions
	On-Balance Sheet exposure	Off-Balance Sheet exposure									
F-IRB Approach	-	-	-	-	-	-	-	-	-	-	-
0.00 to <0.15	-	-	-	-	-	-	-	-	-	-	-
0.15 to <0.25	-	-	-	-	-	-	-	-	-	-	-
0.25 to <0.50	-	-	-	-	-	-	-	-	-	-	-
0.50 to <0.75	-	-	-	-	-	-	-	-	-	-	-
0.75 to <2.50	-	-	-	-	-	-	-	-	-	-	-
2.50 to <10.00	-	-	-	-	-	-	-	-	-	-	-
10.00 to <100.00	-	-	-	-	-	-	-	-	-	-	-
100.00 (Default)	-	-	-	-	-	-	-	-	-	-	-
Project finance	-	-	-	-	-	-	-	-	-	-	-
A-IRB Approach	**3,454,297**	**4,188,181**		**6,871,346**	**1,085,423**			**3,403,099**	**50%**	**195,239**	**75,649**
0.00 to <0.15	281	21,091	31%	6,924	2,884	0.1%	50%	275	4%	5	5
0.15 to <0.25	217	22,221	69%	15,587	2,652	0.2%	48%	663	4%	11	2
0.25 to <0.50	11,997	282,126	57%	171,908	36,008	0.3%	48%	13,239	8%	254	107
0.50 to <0.75	104,974	587,264	66%	494,204	90,673	0.7%	49%	72,452	15%	1,640	482
0.75 to <2.50	567,205	804,040	69%	1,121,575	181,433	1.5%	49%	294,832	26%	8,034	2,739
2.50 to <10.00	806,338	736,198	103%	1,564,701	217,593	4.1%	49%	851,900	54%	31,706	7,826
10.00 to <100.00	274,327	83,140	119%	372,986	69,984	23.3%	51%	501,197	134%	44,084	12,656
100.00 (Default)	40,806	7,632	216%	57,274	12,302	100.0%	48%	20,341	36%	25,677	28,605

Retail Exposure -SME

Bank Ron thousands	Gross exposure		Average CCF	EAD post CRM & CCF	No of obligors	Average PD	Average LGD	RWA*	RWA Density	EL	Value adjustments and provisions
	On-Balance Sheet exposure	Off-Balance Sheet exposure									
F-IRB Approach	-	-	-	-	-	-	-	-	-	-	-
0.00 to <0.15	-	-	-	-	-	-	-	-	-	-	-
0.15 to <0.25	-	-	-	-	-	-	-	-	-	-	-
0.25 to <0.50	-	-	-	-	-	-	-	-	-	-	-
0.50 to <0.75	-	-	-	-	-	-	-	-	-	-	-
0.75 to <2.50	-	-	-	-	-	-	-	-	-	-	-
2.50 to <10.00	-	-	-	-	-	-	-	-	-	-	-
10.00 to <100.00	-	-	-	-	-	-	-	-	-	-	-
100.00 (Default)	-	-	-	-	-	-	-	-	-	-	-
Project finance	-	-	-	-	-	-	-	-	-	-	-
A-IRB Approach	**2,226,837**	**442,863**		**2,095,652**	**48,054**			**1,029,077**	**49%**	**123,011**	**122,716**
0.00 to <0.15	23,164	26,743	90%	36,574	602	0.1%	43%	3,806	10%	21	24
0.15 to <0.25	-	-	-	-	-	-	-	-	-	-	-
0.25 to <0.50	98,556	36,147	95%	91,482	1,129	0.3%	44%	16,030	0%	108	97
0.50 to <0.75	191,290	58,201	99%	180,049	1,993	0.6%	41%	45,333	25%	407	365
0.75 to <2.50	509,171	106,214	95%	481,683	5,223	1.6%	43%	197,764	41%	3,359	3,444
2.50 to <10.00	238,228	32,316	102%	218,310	2,395	5.6%	50%	133,353	61%	6,206	8,239
10.00 to <100.00	141,098	8,827	93%	121,611	12,395	29.2%	50%	118,436	97%	18,150	13,196
100.00 (Default)	113,670	314	72%	107,765	3,702	100.0%	67%	60,997	57%	67,025	72,447

Retail – Others

Bank Ron thousands	Gross exposure On-Balance Sheet exposure	Gross exposure Off-Balance Sheet exposure	Average CCF	EAD post CRM & CCF	No of obligors	Average PD	Average LGD	RWA*	RWA Density	EL	Value adjustments and provisions
F-IRB Approach	**-**	**-**		**-**	**-**			**-**	**-**	**-**	**-**
0.00 to <0.15	-	-	-	-	-	-	-	-	-	-	-
0.15 to <0.25	-	-	-	-	-	-	-	-	-	-	-
0.25 to <0.50	-	-	-	-	-	-	-	-	-	-	-
0.50 to <0.75	-	-	-	-	-	-	-	-	-	-	-
0.75 to <2.50	-	-	-	-	-	-	-	-	-	-	-
2.50 to <10.00	-	-	-	-	-	-	-	-	-	-	-
10.00 to <100.00	-	-	-	-	-	-	-	-	-	-	-
100.00 (Default)	-	-	-	-	-	-	-	-	-	-	-
Project finance	-	-	-	-	-	-	-	-	-	-	-
A-IRB Approach	**17,557,315**	**597**		**15,920,042**	**997,917**			**12,244,068**	**77%**	**720,128**	**749,970**
0.00 to <0.15	407,637	-	0%	-	6,050	0.0%	0%	-	0%	-	-
0.15 to <0.25	5,137	-	0%	5,137	442	0.2%	46%	937	0%	4	5
0.25 to <0.50	394,038	-	0%	167,893	11,959	0.4%	48%	51,466	31%	298	282
0.50 to <0.75	219,143	311	100%	18,667	1,954	0.6%	15%	2,486	13%	18	8
0.75 to <2.50	3,000,916	143	100%	2,845,660	113,032	1.2%	49%	1,608,629	57%	17,246	12,883
2.50 to <10.00	3,881,271	-	0%	3,849,305	133,805	4.5%	54%	3,187,818	83%	93,986	102,642
10.00 to <100.00	968,383	-	0%	963,894	227,262	23.4%	55%	1,228,245	127%	124,066	100,171
100.00 (Default)	422,583	-	0%	410,625	23,264	100.0%	63%	139,795	34%	249,212	318,286

14. Article 453 and article 435 (1) (d) CRR Credit risk mitigation

A. Volume of recognized credit risk mitigation techniques

As of 30 June 2023, gross value of exposures covered by credit risk mitigation recognized techniques, post volatility and other value adjustments due to currency mismatch or maturity, applying prudential standards (stop accruals are not applied) were as follows:

EU CR3 – CRM techniques overview: Disclosure of the use of credit risk mitigation techniques

Eligible collaterals (CRM)	Exposures unsecured – Carrying amount	Exposures secured – Carrying amount	Exposures secured by collateral	Exposures secured by financial guarantees	Exposures secured by credit derivatives
Total loans	24,144,959	18,416,066	12,441,196	5,974,870	-
Total debt securities	14,553,367	-	-	-	-
Total exposures	38,698,326	18,416,066	12,441,196	5,974,870	-

Group Ron thousands	Other	Real estate	Unfunded protection	Financial collaterals
Exposure classes in STD	**-**	**422**	**-**	**-**
Central governments or central banks	-	-	-	-
Regional government or local authorities	-	-	-	-
Public sector entities	-	-	-	-
Multilateral development banks	-	-	-	-
International organisations	-	-	-	-
Institutions	-	-	-	-
Corporates	-	-	-	-
Retail	-	-	-	-
Secured by mortgages on immovable property	-	422	-	-
Exposures in default	-	-	-	-
Exposures associated with particularly high risk	-	-	-	-
Covered bonds	-	-	-	-
Institutions and corporates with a short-term credit assessment	-	-	-	-
Collective investment undertakings	-	-	-	-
Equity	-	-	-	-
Other items	-	-	-	-
Exposure classes in IRB	**-**	**12,440,775**	**4,885,509**	**1,089,360**
Exposure to central governments and central banks	-	-	-	-
Exposure to institutions	-	-	217,284	838,327
Exposure to corporates	-	545,422	3,033,953	196,838
Exposure to Retail	-	11,895,353	1,374,541	54,195
Equity	-	-	-	-
Securitization	-	-	259,732	-
Other exposure	-	-	-	-

Bank does not have exposure covered by credit derivatives.

EU CR4 – Standardised approach – Credit risk exposure and CRM effects

Group Ron thousands	Exposures before CCF and before CRM		Exposures post CCF and post CRM		RWAs and RWAs density	
	On-balance-sheet exposures	Off-balance-sheet exposures	On-balance-sheet exposures	Off-balance-sheet exposures	RWAs	RWAs density (%)
Standardised approach (SA) exposure classes	**20,009,356**	**692,568**	**23,945,907**	**296,797**	**2,083,131**	**9%**
Central governments or central banks	16,533,418	-	19,958,738	306	-	0%
Regional government or local authorities	1,357,785	594,394	1,357,785	291,659	329,889	20%
Public sector entities	1	-	1	-	-	20%
Multilateral development banks	-	-	511,251	-	-	0%
International organisations	-	-	-	-	-	0%
Institutions	86,978	-	86,978	-	19,911	23%
Corporates	765,862	62,998	765,842	-	645,706	84%
Retail	427,965	34,747	427,965	4,832	248,934	58%
Secured by mortgages on immovable property	13,440	-	13,440	-	12,985	97%
Exposures in default	10,898	429	10,898	-	12,714	117%
Exposures associated with particularly high risk	-	-	-	-	-	0%
Covered bonds	-	-	-	-	-	0%
Institutions and corporates with a short-term credit assessment	-	-	-	-	-	0%
Collective investment undertakings	-	-	-	-	-	0%
Equity	-	-	-	-	-	0%
Other items	813,008	-	813,008	-	812,993	100%

**CCF- credit conversion factor*
*** CRM - credit risk mitigation techniques, eligible for determining capital requirements*

15. Article 455 CRR Use of internal models for market risk

This article does not apply because Raiffeisen Bank S,A, does not use internal models to calculate the market risk capital requirement.

16. Minimum Requirement for Own Funds and Eligible Liabilities (MREL)

The Bank Recovery and Resolution Directive (BRRD), transposed into national legislation via Law no 312/2015, provides that institutions established in the European Union (EU) should meet a minimum requirement for own funds and eligible liabilities (MREL) to ensure an effective and credible application of the bail-in tool. The requirement has been established to ensure that banks have sufficient own funds and eligible liabilities for loss absorption and recapitalization which would be necessary to implement the preferred resolution strategy in the case of potential bank failure.

The Bank Recovery and Resolution Directive (BRRD) has been modified by Directive (EU) 2019/879 of the European Parliament and of the Council of 20 May 2019 amending the Bank Recovery and Resolution Directive as regards the loss-absorbing and recapitalization capacity of credit institutions and investment firms and Directive 98/26/EC (BRRD2). Romanian law provisions transposing BRRD2 provide for a 180 days period as of the date of their entry into force (i.e. 3 January 2022) for the fulfilment of the intermediate target levels.

In May 2023, the NBR, in its role as Romanian Resolution Authority, has communicated to the Raiffeisen Bank S.A. (RBRO) the new MREL targets in accordance with BRRD 2 provisions, set in a joint decision with the Single Resolution Board in its capacity of Resolution Authority of the RBI Group.

Based on the joint decision, it was determined that, starting with 1 January 2024, the Bank shall comply on a consolidated basis at the level of the resolution group with an MREL target of 27.98% in terms of Total Risk Exposure Amount ("TREA") and 5.91% in terms of Leverage Ratio Exposure Measure ("LRE"). At the same time, the subordinated requirements are set at the levels of 24.48% in terms of TREA and 5.91% of LRE, effective from 1 January 2024. The intermediate binding MREL levels shall remain unchanged and shall be equal to 21.10% of TREA and 5.90% of LRE. The minimum interim subordination requirement shall remain unchanged as well at 19.88% of TREA and 5.90% of LRE.

The MREL risk-based targets (TREA) do not include the Combined Buffer Requirements (“CBR”) of the Bank (which are determined in line with the Government Emergency Ordinance 99/2006 on credit institutions and capital adequacy). Own funds held to meet CBR shall not be taken into account for the MREL – TREA targets (stacking order principle).

As of 30th of June 2023, RBRO had outstanding 6 eligible green and sustainability MREL bonds with a total volume of over RON 3.4 billion. Thus, the Bank further strengthened its MREL ratio to over 30%, a level higher than the minimum levels required by the NBR (27,48%).

17. Enviroment, social and governance risk (ESG)

As one of the leading banks in the Romanian banking system, we are committed to supporting the economic environment in Romania, offering financial products and services that were developed to cover customer needs. Having responsibility as a fundamental principle, we contribute indirectly to the growth and development of Romanian society, being aware that the investments we make today will be reflected in the future. Thus, our mission is to support the development of sustainable and prosperous communities, to understand our clients' needs and help them reach their full potential and to provide safety, advice and easy-to-use financial services.

Our commitment to sustainability is anchored in three pillars: being a responsible banker, a fair partner and an engaged corporate citizen. In this regard, in H1 2023, the Bank continued its actions to:

1. Sustainable financing for bank clients: support and orientation towards financing green/sustainable companies and projects, but also towards supporting projects with social impact;
2. Consultations with clients on sustainability topics: increasing the degree of recognition and notoriety in the market of the concept of sustainability;
3. Sustainability trainings for our employees.

As an integral part of Raiffeisen Bank's overall sustainability strategy, green and sustainability bonds play a crucial role in promoting and financing projects that generate a positive impact on the environment and society. In April 2023, Raiffeisen Bank issued its second annual Sustainable Bond Report, demonstrating our strong commitment to Romania's transition to a sustainable and low-carbon economy. By implementing our three-pillar sustainability strategy and expanding our sustainability bond framework, we strive to address the challenges facing our country and drive meaningful change for a greener, more inclusive and prosperous future. Further details are available here: [RBRO Bond Framework Programme (raiffeisen.ro)]

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The main objectives of ESG risk management are focused on:

- ✓ ensuring compliance with the existing and developing regulatory framework for ESG risk management;
- ✓ integrating ESG considerations into risk processes, in particular defining risk appetite and targeting the loan portfolio;
- ✓ supporting adequate internal and external reporting.

RBRO has been implementing the Environmental and Social Risk Policy since 2014: flows are implemented in the lending process to ensure customer verification of environmental and social risk.

The basic principles of the policy were:

- ▪ finance those projects that are environmentally and socially sound and sustainable in the long term;
- ▪ minimizing environmental and social risk for both the Bank and our partners (customers and/or suppliers);
- ▪ to comply with national and international requirements and standards on social and environmental risks.

The policy defines the following risk categories when referring to the activities/projects carried out by the Bank's clients:

- **Low-risk category**: activities, projects or actions whose environmental or social impact is expected to be negligible, for which no further environmental and social assessment would be required.
- **Category Medium risk**: activities, projects or actions in sectors where potential environmental impacts are likely to be easily identified and, if necessary, standard prevention and/or remedial measures can be foreseen within the debtor's financial and technical/managerial capacities.
- **Category High risk**: activities, projects or actions in sectors where highly significant, negative and/or long-term environmental or social impacts and contingent liabilities may exist, the magnitude of which is difficult to determine at loan application stage.

A list of excluded industries is also defined in the environmental and social risk policy and is included in the lending policies developed at each customer segment, taking into account local and international standards. Before structuring any credit transaction, potential customers are screened and those operating in industries that are on the exclusion list are not promoted further.

Regular reviews of loans to bank customers are carried out, including from an ESG perspective. Clients are asked to inform the Bank as soon as they have significant ESG-related disputes or incidents.

The main measurement tools that are used at portfolio and client level to address the transmission of ESG risks within credit risk are:

- **Industry ESG Score** – The industry-wide E, S&G score is implemented and recalibrated periodically. The score helps segment the portfolio and identify sub-industries with lower expected ESG performance. The ESG base score does not take into account individual company performance; is a model showing expected performance based on aggregated ESG rating data and aggregated CO2 emissions data at sub-industry level.

- **Client ESG Score** – One of the key goals of the sustainability initiative was to identify responsible customers. The definition of responsible customer is based on the interaction of ESG characteristics ("E" for the environment, "S" for social and "G" for governance). These are the three factors against which sustainable business practices are assessed.

Environment: Resource efficiency, emissions and environmental efficiency, as well as waste management (circular economy) – climate change is a priority. This involves checking whether the company is pursuing a climate strategy, whether it has a robust environmental and energy management system, how high its greenhouse gas emission levels are, etc.

Social aspects: Social aspects such as workers' rights, child labor, diversity/non-discrimination and fair treatment are covered by this term.

Governance: Covers the topic of corporate governance and all related aspects. This includes the composition of the Management Board and the Supervisory Board, as well as the business practices of the members of the Supervisory Board, remuneration of managers and disclosure of income gaps. Here, ESG ratings can help identify unfair business practices by companies that could be involved in a scandal.
To obtain the client's ESG Final Score, an adjustment is applied based on client-level ESG characteristics. In context, the client must answer a set of questions related to the ESG characteristics mentioned above. Based on the answers to the questions, the industry's ESG score is adjusted, and counterparty-level scores will be generated.

ESG-specific lending policies are developed for industries that are perceived to have a higher ESG impact and these policies are being implemented in the lending process.

The achievement of science-based objectives as well as the commitments made through the Responsible Banking Principles are further operationalized through approved and finalized sectoral strategies. Prioritization was also made taking into account the calculation of financed emissions (through which the Bank identified the industries most exposed to transition risk).
In doing so, policies define supporting, transforming and restricting factors in relevant industries and will determine under what conditions companies in these sectors would be supported and/or assisted for their transformation. Companies that do not align with policies could be subject to restrictions/exits. The strategies focused on grouping the portfolio according to the client's ESG profile.

The following sectoral strategies are developed:
- ✓ Thermal coal;
- ✓ Petrol & Gas;
- ✓ Steel;
- ✓ Real Estate & Construction.

Sectoral strategies and their provisions should be reviewed at least once a year, unless a major development warrants an ad hoc review and adjustment.

CO2 emissions/GHG footprint – (ongoing process) – provides carbon footprint quantification (funded emissions; inside-out impact) at portfolio and customer level. GHG emissions are at the heart of climate change (the main driver of global warming which in turn determines the manifestation of various physical risks) and one of the main factors underlying transition risks.

The results of the financial calculation of emissions shall serve to:
1. Identify industries that are highly exposed to transition risk;
2. Defining actions to mitigate the impact of ESG risks;
3. Establish the basis for calculating science-based targets and reducing funded emissions of the corporate loan portfolio and contributing to the scenario well below 2 degrees in line with the Paris Agreement.

Data capture - Data collection and capture are essential pillars in identifying funding opportunities and assessing the bank loan portfolio from an ESG perspective. Green loan attributes and green collateral attributes are being collected.
Based on ESG-relevant data for each property (collection in progress), the impact of climate risk on collateral and possibly on the customer's business model (e.g., location, green building certificate, energy performance certificate) can be measured.
To support the implementation and development of relevant ESG topics, we have started working on obtaining relevant data for direct clients. Data collection has been established on a dual basis, i.e., this is done partly from public sources and partly by collecting data directly from customers.
The main tool for customers to collect *environmental* data is an in-house developed customer questionnaire; major issues such as: GHGs and circularity (e.g., energy/water consumption) are addressed.

Environmental involvement

We understand that climate change is a phenomenon that generates far-reaching effects and consequences beyond the borders of any country or region. Although the impact generated by greenhouse gas emissions on the climate is both significant and negative and the risks involved are high, the use of renewable energy and the implementation of measures that contribute to reducing and making energy consumption more efficient can mitigate this impact and reduce the risks it entails for any economic activity.

The risk approach takes place in an integrated manner throughout the Raiffeisen Group. Thus, risks are classified as material when they jeopardise, within the Group, the achievement of medium and long-term climate objectives – especially in terms of energy consumption – or when stakeholders consider them material. Risk management is done starting from management (from top to bottom), but also from bottom to top, an approach in which all employees play a significant role in minimizing risks in their area of operations, with the support of sustainability specialists from the Bank.

Since 2010, Raiffeisen Group has joined the world's largest initiative in social responsibility and sustainability, the United Nations Global Compact. In January 2021, Raiffeisen Bank International became a signatory to the UN Principles for Responsible Banking, a unique framework for a sustainable banking industry, developed through a partnership between banks worldwide and the United Nations Environment Financial Initiative (UNEP FI).

The Group-wide environmental risk assessment includes an analysis of internal activities (in-house) and environmental impact. This assessment has an annual frequency, and the key indicator is the carbon footprint, at Group level. The objective is to reduce emissions compared to the previous year.

As part of our efforts to help reduce domestic CO2 emissions, science-based targets (Science Based Targets Initiative) have been set in 2022 with the base year 2020, as a base year at Group level. Currently, the measures taken focus on the area of energy consumption, through energy efficiency programs, changing the car fleet and major renovations of building insulation. The systematic reduction of energy costs represents a significant opportunity for the Group in the field of internal measures. Another significant source of emissions, closely linked to domestic operations, is business travel, with mitigation measures in this area also leading to reduced impact associated with our activities, but also to cost reductions.

Our people and communities

Raiffeisen Bank continues its role as **a corporate citizen** involved in society and the bank's contribution takes into account several levels:

1. Fair working environment: we support our employees and foster a positive working environment by offering a range of stable, safe and inclusive employment opportunities and through training and professional development programmes.
2. We support social inclusion and access to financial services and products through programs and products dedicated to bank clients, especially to Romanian entrepreneurship.
3. Financial education: we are a constant contributor to society through financial education programs, which we consider essential for society, as they provide individuals with the knowledge and skills necessary to make informed financial decisions.

4. Volunteering and community investment: we motivate our employees to participate in community initiatives as well as we actively contribute to community investments on various topics, from education, which is our main commitment to society, urban ecology to art and culture.

At the same time, at local level we actively contribute to debates in society that are engaged either through employers' associations, banking associations, business associations, chambers of commerce or through partnerships with non-governmental associations.

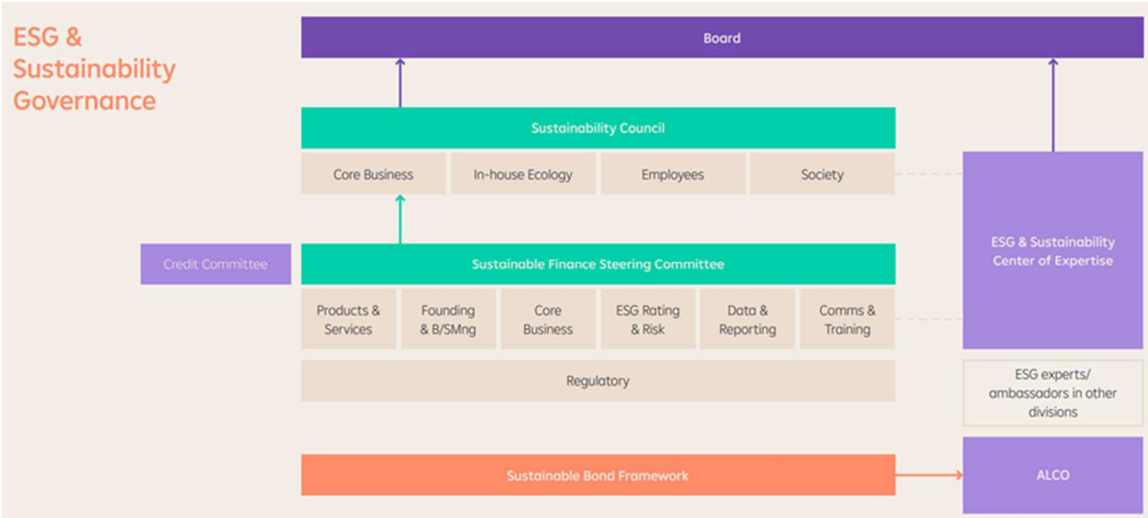
Governance framework

In H1 2023, we continued to operate within the existing governance framework set up in 2021, designed to effectively manage and supervise the integration of ESG (Environmental, Social, Governance) aspects into Raiffeisen Bank Romania's activity.

Raiffeisen Bank's **Sustainability Council** is the structure that supervises the integration of sustainability principles in the 4 key areas of the Bank, each area having a defined responsible:

1. Responsible banking: integrates sustainability principles into the Bank's portfolio of products and customers responsibly;
2. Human Resources manages programs for Raiffeisen Bank employees in terms of recruitment and payroll, employee welfare, training and development programs, and diversity and inclusion in the workplace ;
3. Community Society and Investments manages the Bank's Community Involvement Programmes;
4. Impact on the natural environment manages initiatives to reduce the environmental impact of the company's activity and the relationship with suppliers responsibly.

Raiffeisen Bank's **Sustainable Finance Committee** is responsible for integrating ESG principles into the Bank's product and customer portfolio and brings together departments from all business areas. The Sustainable Finance Committee is chaired by the Corporate Vice-President and has 6 working groups: Products and Services Working Group, which is responsible for developing products and services that integrate ESG principles. Customer Working Group, responsible for developing initiatives centered on Raiffeisen Bank clients. Finance and Balance Sheet Management Working Group, responsible for the green bond framework. ESG Risk and Rating Working Group, responsible for assessing risks associated with climate change, in line with Raiffeisen Bank Romania's risk management strategy and processes. Reporting and Data Working Group, responsible for marking ESG criteria in the Bank's systems. Training and Communication Working Group, responsible for sustainability communication and employee training.



In line with Raiffeisen Group Sustainability Strategy, as well as the Group's vision to become the most recommended Bank by 2025, as part of the local strategy, in 2022 the Bank has set itself a series of sustainability objectives whose fulfillment it has envisaged during 2023.
The sustainability objectives were established after consultations with the departments involved and address those areas where the Bank has an impact, aiming at the same time to align business objectives with the sustainable development of the company.