

To: Bucharest Stock Exchange (BSE)

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

## **Raiffeisen Bank Romania: 2023, the year of financial planning and sustainable lending**

**Bucharest, 22.02.2024 | Last year's results show a positive development towards financial planning and sustainable lending in the Romanian economy. Raiffeisen Bank Romania recorded a 130% increase in investment plans, voluntary pensions and life insurance with a savings component, as well as record guarantees from the European Investment Fund, enabling the financing of Romanian SMEs with more than €650 million in the coming years.**

The solid performance is supported by both the launch of a new direction, a strategy that offers Romanians personalized financial planning services through direct, transparent, and relevant dialogue, and the continued financing of the real economy and support for sustainable businesses. At the same time, investments in digitalization continued, to offer secure and easily accessible banking services, in line with the current expectations and needs of customers.

### **FINANCIAL PLANNING THROUGH 1:1 INTERACTION AND INTERACTIVE SMART FINANCE TABLET**

"We conclude the first year of BANKING 1:1 with outstanding results that reinforce our status as the financial institution of the future. We have continued to grow in two dimensions, both in the scope of our banking services and in our ability to offer the best financial planning. The performance of 2023 is due to the fresh perspective we bring to the banking industry, but above all to our teams who engage in 1:1 dialog with our clients."

**Zdenek Romanek, President and CEO, Raiffeisen Bank Romania.**

Raiffeisen Bank Romania's experts held one-on-one financial planning discussions with customers, and by the end of 2023, investment plans, voluntary pensions and life insurance with a savings component had grown by more than 130%. More than 100,000 such products were initiated by Raiffeisen Bank customers in 2023.

Most Romanians who joined a voluntary pension fund last year chose the Raiffeisen Accumulation Facultative Pension Fund, according to official data as of December 2023 and data provided by S.A.I. Raiffeisen Asset Management S.A.

Diversification of investments was an important part of this development. Assets under management by S.A.I. Raiffeisen Asset Management S.A grew by more than 25% to more than 4

billion RON at the end of the year. At the end of 2023, the Raiffeisen Group's asset management company ranked 2nd in the Romanian market with a market share of 20.1% (by net assets under management as of 31.12.2023, according to AAF). The assets of equity funds increased by 32% year-on-year.

Raiffeisen Bank Romania's total assets exceeded **RON 70 billion** at the end of 2023, up 13% year-on-year, and total income in 2023 increased by 16% compared to 2022, reaching RON 3.7 billion. RON. Profits amount to RON 1.7 billion (+39%).

Operating expenses increased by 10%, as part of the development of the digital infrastructure and the streamlining of operational processes, and the very good risk profile of the bank's customers was an important factor in the solid financial performance in 2023.

**Customer savings** exceeded RON 54 billion, consolidated by **10%** year-on-year and with a positive impact in all business segments, in the context of a higher volume of term deposits. During 2023, the interest rates offered to customers for both RON and foreign currency savings products were gradually increased.

**The net loans** exceeded RON 40.7 billion, up **3%** year-on-year, mainly from the corporate customer segments.

On average, more than 40% of mortgage loans to individuals in 2023 were green loans.

For mortgages, **the new lending app**, launched in the first half of 2023, significantly improves the customer experience by reducing response times and the time it takes to get a loan. At the same time, the [Raiffeisen Mortgage Loan Simulator](#), a new and easy-to-use tool, brings together all the information customers need to select a loan and they can then choose to go through the next steps with a bank representative.

**Corporate loans increased by 8%** year-on-year, both through the participation in the financing of sustainable projects (renewable energy, energy efficiency) and social projects, thus supporting the development of clients' businesses and the Romanian economy.

Lending to SMEs also showed an upward trend (**+7%** year-on-year). They are responding to customer needs with tailored lending solutions and the possibility to opt for government programs such as SME Invest.

### **RAIFFEISEN BANK ROMANIA: SOLID CAPITALISATION AND LIQUIDITY IN 2023**

The capital adequacy ratio was 21.4%, well above the minimum required by the NBR (17.4%). Non-performing exposures remained at a low level (1.6%) and the liquidity coverage ratio (LCR) was at a comfortable level (267%), well above the regulatory minimum (100%).

With the first issuance of eligible Eurobonds in the amount of EUR 300 million, Raiffeisen Bank Romania strengthened its own funds and eligible debt base to approximately 36%, which is above the regulatory requirements applicable as of January 1, 2024 (32.48%).

The strong interest of the international capital markets in Raiffeisen Bank's bonds, (i.e. a total demand of more than EUR 1 billion) confirms once again a responsible banking model, characterized by a sound financial position and a continuous effort to consider the perspective of all relevant stakeholders - customers, employees, investors, authorities and shareholders. The sustainable format of the issue also underlines Raiffeisen Bank's commitment to contribute to the sustainable development of the Romanian economy.

"Raiffeisen Bank is the first bank in Romania to issue green and sustainable bonds on the local capital market. In the last three years, we have had 7 bond issues, with a cumulative nominal value of almost €1 billion, and the stock of green and social loans amounts to around €700 million, with steady progress year on year, proof of a long-term commitment that strengthens our role as a facilitator in the transition to the green economy." - **Zdenek Romanek, President and CEO, Raiffeisen Bank Romania.**

Moody's has reaffirmed our senior unsecured debt and deposit ratings at Baa1 with a stable outlook, two notches above Romania's sovereign rating. In addition, Moody's has also upgraded our rating for senior non-preferred debt by one notch from Baa3 to Baa2, reflecting the bank's strong financial position and proven access to international capital markets.

#### **NEW PARTNERSHIPS WITH THE EUROPEAN INVESTMENT FUND**

Raiffeisen Bank Romania continued its partnership with the European Investment Bank in 2023 by signing 3 new guarantee agreements, which will allow the granting of over € 650 million in loans to SMEs in the coming years.

#### **KEY DEVELOPMENTS: +75% growth in ESG assets**

Raiffeisen Bank Romania's Corporate Division continued to support the real economy by increasing **ESG assets by 75%** (approx. EUR 320 million), reaching a sustainable portfolio coverage level of around 20%.

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In 2023, Raiffeisen Bank Romania maintained its role as a trusted partner in the development of mid-market companies through the Catalyst organizational development programs. At the same time, it financially supported some of the largest economic transactions of 2023, including:

- EUR 200 million syndicated financing to NEPI Rockcastle;
- EUR 550 million syndicated credit facility for Ameropa Group - the largest syndicated transaction in the agribusiness sector in 2023;

- Together with RBI, EUR 40.5 million loans for the construction of a photovoltaic power plant in the North-West of the country, and EUR 60 million for the development of the largest photovoltaic park in Romania and Southeastern Europe.

#### **4 X MORE CUSTOMERS CHOSE DIGITAL-ONLY ENROLLMENT IN SMART MOBILE**

Since 2021, customers have been able to open a Raiffeisen account directly from their mobile phone via the mobile banking app (Smart Mobile). Improvements to the digital enrollment flow in 2023 attracted more than four times as many new customers to go through the end-to-end enrollment flow exclusively in the mobile banking app compared to 2022.

The number of customers accessing unsecured personal loans via Smart Mobile app has significantly increased year-on-year. The growth rate was supported by a doubling of the total number of loans granted 100% digitally.

New features developed in 2023 in the Smart Mobile app include:

- early repayment for some loans (available for part of the loans in the portfolio)
- the process of concluding contractual documentation on the intermediation of fund units issued by investment funds managed by Raiffeisen Asset Management S.A., which may be followed, also in the application, by the subscription of units issued by these investment funds.
- Customers can quickly find their debit card information (card series, expiration date, CVV) and change transaction and cash withdrawal limits, contributing to a better digital experience, increased security and control over their money.

Raiffeisen card payments increased by 15%, the number of e-commerce transactions by 30% and the volume by 22%.

Google Pay, launched in April 2023, already has more than 100,000 customers, with a quarterly increase in transaction volume of 60%.

Compared to 2022, digital wallet transactions grew by more than 60% in both volume and value, and the number of customers using this payment method grew by 36%.

#### **SMART MARKET: "BEST CUSTOMER LOYALTY PROGRAM" AT THE GLOBAL RETAIL BANKING INNOVATION AWARDS 2023**

By the end of 2023, the **Smart Market** app rewarded more than 600,000 customers with cashback, points, and discounts from more than 120 partner retailers. The new "Care for the Environment" section, launched in 2023, allows customers to see their carbon footprint based on their transactions, so they can make the decision to reduce or offset: both by purchasing sustainable products or services, and by converting their loyalty points to support tree planting.

#### **GROWING ASSETS IN THE PRIVATE BANKING AND PREMIUM INVEST SEGMENTS**

The Raiffeisen Private Banking Division expanded its services by taking over Premium Invest customers with assets under management of at least EUR 60,000 (or equivalent) from the Raiffeisen Romania Group at the beginning of 2023.

In 2023, the total assets under management of the Private Banking segment increased by more than EUR 140 million compared to the end of the previous year, while the total assets under management of the Premium Invest segment increased by approximately EUR 100 million compared to the end of 2022.

As of April 2023, the offering of the two segments includes a new money market fund - Raiffeisen Euro Flexi - which, since its launch until the end of the year, has attracted the interest of more than 600 Private Banking and Premium Invest investors, who have accumulated gross subscriptions of more than EUR 80 million.

### **About Raiffeisen Bank Romania**

Raiffeisen Bank, a leading universal bank with solid capitalization and liquidity, operates in the Romanian banking market and serves more than 2.2 million retail and corporate customers. The bank has more than 4,800 employees in 284 branches, 1,131 ATMs & MFMs and over 27,800 POS.

Raiffeisen Bank has been supporting the Romanian economy for more than 25 years, offering products and financial services tailored to the needs of its customers. With responsibility as a guiding principle, we contribute to the development of society by financing the real and sustainable economy. At the same time, we are involved in the community by supporting 5 pillars of development: education, urban ecology, sports as a healthy lifestyle, innovation, arts, and culture.

Since 2023, Raiffeisen Bank brings a new approach and perspective to banking services by launching "Banking 1:1", an interactive way to create a financial plan for our customers using the Smart Finance application developed locally by the team in Romania. [www.raiffeisen.ro](http://www.raiffeisen.ro)

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

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Name of the issuer: Raiffeisen Bank S.A.

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

Unique Registration Code with the Trade Register: 361820

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

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

The regulated market where the instruments are traded: Bucharest Stock Exchange (RBRO26, RBRO27, RBRO27A, RBRO27B, RBRO27C, RBRO28 and RBRO29) and Luxemburg Stock Exchange (RBRO26, RBRO27, RBRO27A, RBRO27B, RBRO27C, RBRO28 and XS2700245561)