



Johann Strobl
Chairman of the Supervisory Board

"Considering the very challenging underlying conditions, I am satisfied with our annual result. The result is an expression of our stable business model. I would like to thank our customers for their trust and our employees for their great commitment in very difficult times."

Ladies and Gentlemen,

Raiffeisen Bank ended the 2020 financial year with a net profit of EUR 133 million. We are proud of our achievements during the past year, one that tested everyone's resilience and brought forth many new challenges as a result of the pandemic. We responded swiftly to the deteriorated environment and prioritized the safety of our clients and staff. We supported the real economy in a very difficult period, while still achieving an above-market RoE of 14 per cent, a solid capital adequacy ratio of 23 per cent, below market average NPLs, and a loan/deposit ratio of 66 per cent. Our "Proper banking" motto was also put to the test in 2020: right at the onset of the pandemic, we took swift measures to support our partners by speeding up payments to suppliers and waiving POS fees for corporate and SME customers, we ensured the health and safety of our employees and clients visiting our branches, and started delivering cards to our clients' homes in order to limit unnecessary exposure and improve convenience. We feel proud to have done our part in helping our stakeholders to better cope with the lockdown and period of general uncertainty. We also continued to push for greater ease and faster access to banking services through enhancing our digital capabilities: the number of clients actively using our digital channels increased by 17 per cent in 2020, exceeding 870,000 or 40 per cent of our customer base.

The Bank's assets increased by almost 20 per cent in 2020 to nearly EUR 10.5 billion and we achieved an excellent 21 per cent growth in deposits, despite the backdrop of delayed spending and growing uncertainty in the overall economy. We remain a trustworthy partner for our clients in good times and in bad and committed to financing the real economy and helping our clients to reach their goals.

During the 2020 financial year, the members of the Supervisory Board held four meetings. The overall attendance rate for Supervisory Board meetings was 100 per cent.

The Supervisory Board regularly and comprehensively monitored the business performance and risk developments at Raiffeisen Bank. Discussions were regularly held with the Management Board on the adequacy of capital and liquidity, as well as on the direction of the Bank's business and risk strategies.

The Supervisory Board also dealt at length with further developments within corporate governance and monitored the implementation of corresponding policies. In course of its monitoring and advisory activities, the Supervisory Board maintained direct contact with the responsible Management Board members, the auditor and heads of the internal control functions. It also maintained a continuous exchange of information and views with representatives from supervisory authorities on topical issues.

Moreover, the Management Board provided the Supervisory Board with regular and detailed reports on relevant matters concerning performance in the respective business areas. Between meetings, the Supervisory Board maintained close contact with the Chairman and members of the Management Board. The Management Board was available when required for bilateral or multilateral discussions with members of the Supervisory Board, where applicable with the involvement of experts on matters being addressed.

The work undertaken together with the Management Board was based on a relationship of mutual trust and conducted in a spirit of efficient and constructive collaboration. Discussions were open and critical, and the Supervisory Board passed resolutions after fully considering all aspects. If additional information was required in order to consider individual issues in more depth, this was provided to members of the Supervisory Board without delay and to their satisfaction.

The Supervisory Board was regularly informed regarding the activities carried out in 2020 by its sub-committees. It agreed with the Management Board's report on Raiffeisen Bank's audited financial statements for the 2020 financial year, drawn up in compliance with International Financial Reporting Standards.

Considering what can honestly be described as an unprecedented year due to the challenges resulting from the COVID-19 pandemic, I would like to take this opportunity to sincerely thank the Management Board and all employees of Raiffeisen Bank for their unwavering efforts, and also our customers for their continued trust during these exceptional times.

On behalf of the Supervisory Board,
Johann Strobl
Chairman of the Supervisory Board