

## **Ladies and Gentlemen,**

Raiffeisen Bank achieved a very solid business and financial performance in 2022, proving once more the commitment to stand by its customers and support the local economy in good times and bad, while delivering top-tier value for all stakeholders. After successfully coping with the challenges brought by the COVID-19 pandemic in 2020-2021, a new set of headwinds affected the economic environment in 2022: Russia's war against Ukraine stirred inflationary pressures and disrupted the supply chains, causing high volatility in financial markets and the uncertainties regarding future macroeconomic effects remain elevated to this day. I am pleased to note that we navigated well through the difficult climate and achieved excellent loan growth of 21%, improved the clients' satisfaction with the bank's services and reported a net profit of 255 million euro, more than 50% higher vs. the previous year.

All customer segments showed a very good pace of growth in lending during the last year, with the corporate clients' segment being particularly noteworthy, where loan balances strengthened by almost 45% year-on-year, with some of the loans being deployed in strategic sectors of the Romanian economy. Loans for SME and Private Individuals also increased by 17% and 7% respectively, despite the higher market rates that began to affect demand. A notable contribution to the increase came from our active participation in the guarantee schemes made available by the government, in particular the 'IMM Invest' program. It is also worth mentioning that most loans granted by the bank to individuals carried fixed interest rates, thus protecting customers from potential shocks in the evolution of market rates.

We remained true to our strategy to invest more in attracting and retaining well-trained staff, and we continued to increase IT investments to expand the Group's digital capabilities to meet the needs of our customers with fast, innovative and affordable solutions, backed by state-of-the-art technologies.

The Raiffeisen Group's foundations are in excellent shape with a sound loans/deposit ratio of 81% and solid capital ratio of 21%, comfortably above regulatory requirements. After pioneering the Green format for MREL-eligible bond issuances in 2021, we successfully issued bonds in a sustainable format in 2022. The funds raised will be used exclusively to finance sustainable projects, according to the eligibility criteria described in the Bank's Framework for Sustainable Bonds. Being the first Romanian bank to issue sustainable MREL bonds, we triggered strong demand from international financial institutions, pension funds, insurance companies and banks and we are proud to have paved the way for other issuers to follow the same path of responsible banking.

During the 2022 financial year, the members of the Supervisory Board held five meetings. The overall attendance rate for the Supervisory Board meetings was around 96 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 2022 by its sub-committees. It agreed with the Management Board's report on Raiffeisen Bank's audited financial statements for the 2022 financial year, drawn up in compliance with International Financial Reporting Standards.

I would like to take this opportunity to sincerely thank the Management Board and all employees of Raiffeisen Bank for their great efforts, and also our customers for their continued trust.

On behalf of the Supervisory Board,

**Johann Strobl,**  
**Chairman of the Supervisory Board**

A handwritten signature in blue ink, consisting of a stylized 'J' followed by a series of loops and a horizontal stroke, representing the name Johann Strobl.