

## Report of the Supervisory Board

Ladies and Gentlemen,

Raiffeisen Bank ended the 2021 financial year with a net profit of EUR 166 million, which is an increase of 26 per cent compared to 2020. We are very pleased with our financial results and achievements, as we continued throughout the year to prioritize the safety of our clients and staff, while at the same time supporting the real economy in an environment still dominated by the effects of the pandemic. Our local Group's foundations remain in excellent shape, with a strong capital adequacy ratio of 21 per cent, non-performing loans below market average and a loan/deposit ratio of 67 per cent, positioning us very well to continue our sustainable growth strategy. Financing the real economy remained an essential objective for us, and newly approved loans exceeded EUR 4 billion in 2021, of which EUR 1.5 billion were granted to private individuals, an all-time high level. Customer deposits increased by 12 per cent, confirming once again that we are a trustworthy partner for our clients in both good and bad times.

This evolution of customer loans and deposits was a strong driver for the 1 per cent increase in net interest income versus the prior year, thus compensating the impact from decreasing market rates and lower customer margins. The strong development of the Romanian Raiffeisen Group's assets size is based on a balanced growth for all main business segments and products.

Another major objective in 2021 was the enhancement of our digital capabilities in order to offer faster and easier access to our products and services through digital channels, and we are particularly proud of the 30 per cent increase in the number of digital clients, which exceeded 1.1 million or 50 per cent of the total customer base. In ESG funding, Raiffeisen Bank successfully issued its inaugural MREL-eligible RON 400 million green bond in May, a premiere for the local market, followed one month later by the second green bond issuance, senior non-preferred, worth RON 1.2 billion. The use of proceeds will focus on assets with positive environmental impact, supporting Romania's transition to a sustainable and carbon neutral economy. At the same time, the bonds will strengthen the bank's own funds and eligible liabilities position in line with regulatory requirements, enabling sustained growth rates in customer lending.

During the 2021 financial year, the members of the Supervisory Board held four ordinary meetings. The overall attendance rate for Supervisory Board meetings was around 100 per cent.

The Supervisory Board regularly and comprehensively monitored the business performance and risk developments at Raiffeisen Bank S.A. 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 2021 by its sub-committees. It agreed with the Management Board's report on Raiffeisen Bank's audited financial statements for the 2021 financial year, drawn up in compliance with International Financial Reporting Standards.

After yet another challenging year due to the COVID-19 pandemic, I would like to take this opportunity to sincerely thank the Management Board and all employees of Raiffeisen Bank S.A. for their unwavering efforts, and also our customers for their continued trust.

On behalf of the Supervisory Board,

Johann Strobl,

Chairman of the Supervisory Board