

# Corporate Governance Report

This Corporate Governance Report combines the Corporate Governance Report of RBI AG and the consolidated Corporate Governance Report of RBI pursuant to § 267b of the Austrian Commercial Code (UGB) in conjunction with § 251 (3) of the UGB.

RBI attaches great importance to responsible and transparent business management in order to maintain the understanding and confidence of its various stakeholders – not least of capital market participants. Hence, RBI is committed to adhering to the Austrian Corporate Governance Code (ACGC) as laid out in the version dated January 2021. The ACGC is publicly available on the Austrian Working Group for Corporate Governance website ([www.corporate-governance.at](http://www.corporate-governance.at)) and on the RBI website ([www.rbinternational.com](http://www.rbinternational.com) → Investors → Corporate Governance and Remuneration). In addition to RBI, its Slovakian subsidiary bank Tatra banka, a.s., as a listed company, is obliged to publish a corporate governance report due to local statutory regulations. This report is published with the annual report and can be downloaded from the Tatra banka website ([www.tatrabanka.sk](http://www.tatrabanka.sk) → About bank → Economic results → Annual Reports). This also applies to the report of Raiffeisenbank (Bulgaria) EAD ([www.rbb.bg](http://www.rbb.bg) → About Us → Who We Are → Annual Reports). RBI has no further subsidiaries which are required to publish a corporate governance report.

## Governance structure of RBI

**Regulatory requirements for a supervised entity:** Major banks based in the European Union must adhere to certain requirements, for example, the Capital Requirements Regulation (CRR), the Capital Requirements Directive (CRD), the Markets in Financial Instruments Directive (MiFID II), the Anti-Money Laundering Directive (AML) or the Payment Services Directive (PSD 2). In addition, RBI also has to comply with numerous Austrian laws such as the Banking Act, the Stock Corporation Act, the Securities Supervision Act and the Payment Services Act. This legal framework significantly impacts RBI's processes and procedures.

RBI used the legal framework as a basis for defining its internal code of conduct, the **RBI Code of Conduct** (<https://www.rbinternational.com/en/who-we-are/governance-and-compliance/code-of-conduct.html>). Together with the values mentioned below, it forms the foundation of the corporate culture based on integrity and ethical principles. With the Code of Conduct, RBI commits itself to sustainable corporate management and the associated social and environmental responsibilities. The Code of Conduct is binding on all employees and Management Board members both within the company and when in contact with customers or other stakeholders. The Code of Conduct thus ensures a high standard of employee conduct. To ensure this, all RBI governance documents must be in accordance with the principles laid out in the RBI Code of Conduct.



Building on the regulatory requirements and the Code of Conduct, the **Group internal policies and processes** ensure compliant behavior. They make up RBI's company law and their documentation and ongoing implementation are essential prerequisites for compliance with legal requirements. The framework defines roles and responsibilities as well as standards for monitoring the implementation of the policies.

In 2019, RBI set an ambitious goal in its **Vision 2025** – we are the most recommended financial services group – to be achieved by fulfilling its **Mission** – we transform continuous innovation into superior customer experience. The **Values** of collaboration, proactivity, learning and responsibility, were defined as an especially important part of achieving the Vision.

The multi-year **Strategic Roadmap** was developed by building on the Vision & Mission with the involvement of many employees. Its main strategic goals are divided into several specific and measurable individual phases. These are each set for a period of two years, enabling employees to gain a clear picture, at any time, of the contributions to be made within each area towards achieving the Vision 2025. Progress is evaluated on a quarterly basis and discussed by the Management Board.

Transparency is a key corporate governance issue and therefore of particular importance to RBI. This Corporate Governance Report is structured according to the legal provisions contained in § 243c of the UGB and is based on the structure set forth in Appendix 2a of the ACGC.

As a result of the 2020 revision of the ACGC, the company is required to present principles for the remuneration of Management Board members (remuneration policy pursuant to § 78a of the Austrian Stock Corporation Act (AktG)) and the total remuneration of individual Management Board members in a separate remuneration report according to § 78c of the AktG. The remuneration report will be presented for resolution to the Annual General Meeting on 31 March 2022 and published on the website in a timely manner before the Annual General Meeting.

The ACGC is subdivided into L, C and R Rules. L Rules are based on legal requirements. C Rules (Comply or Explain) should be observed; any deviation must be explained and justified in order to ensure conduct is compliant with the ACGC. R Rules (Recommendations) have the characteristics of guidelines; non-compliance does not need to be reported or justified. RBI deviates from the C Rules below, but conducts itself in accordance with the ACGC on the basis of the following explanations and justifications:

### C Rule 45: non-competition clause for members of the Supervisory Board

RBI AG is the central institution of the Raiffeisen Banking Group Austria (RBG). Within RBG, RBI AG serves as the central institution (as defined by § 27a of the Austrian Banking Act (BWG)) of the regional Raiffeisen banks and other affiliated credit institutions. Some members of the Supervisory Board in their function as shareholder representatives also hold executive roles in RBG banks. Consequently, comprehensive know-how and extensive experience specific to the industry can be applied in exercising the control function of the Supervisory Board, to the benefit of the company.

### C Rule 52a: The number of members on the Supervisory Board (without employees' representatives) shall be ten at most

The shareholder representatives on the Supervisory Board of RBI AG currently include twelve members: nine core shareholder representatives for RBG and three free float representatives. This higher number of members was based on a resolution passed by the Annual General Meeting on 22 June 2017. It provides the Supervisory Board with additional industry knowledge, more diversity, and further strengthens its ability to exercise its control function.

In accordance with C Rule 62 of the ACGC, RBI AG commissioned Deloitte Audit Wirtschaftsprüfungs-GmbH, Vienna (Deloitte) to conduct an external evaluation of compliance with the C Rules of the ACGC. The report is publicly available at [www.rbiinternational.com](http://www.rbiinternational.com) → Investors → Corporate Governance and Remuneration → External Evaluation of the CG Code.

## Composition of the Management Board

As of 31 December 2021, the Management Board consisted of the following members:

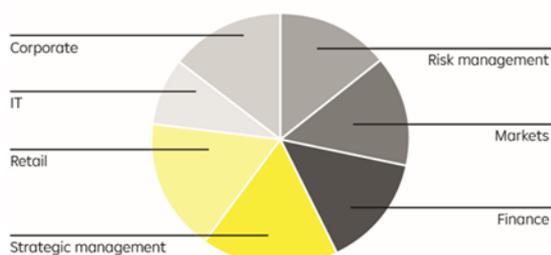
Management Board member	Year of birth	Original appointment	End of term
Johann Strobl, Chairman	1959	22 September 2010 <sup>1</sup>	28 February 2027
Andreas Gschwentner	1969	1 July 2015	30 June 2023
Łukasz Januszewski	1978	1 March 2018	28 February 2026
Peter Lennkh	1963	1 October 2004	31 December 2025
Hannes Mösenbacher	1972	18 March 2017	28 February 2025
Andrii Stepanenko	1972	1 March 2018	28 February 2026

<sup>1</sup> Effective as of 10 October 2010

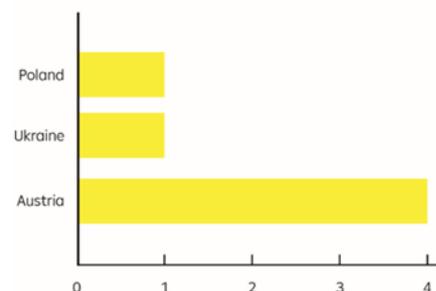
After discussing the respective function duties and requirements, as a basis for the succession process, and evaluating the performance of Johann Strobl for the expiring term, the Nomination Committee recommended that the Supervisory Board reappoint Johann Strobl. At its meeting on 16 June 2021, the Supervisory Board unanimously decided to extend Johann Strobl's mandate, which is set to expire at the end of February 2022, for another five years.

The Management Board, in its entirety, has the necessary knowledge and experience commensurate with the type, scope and complexity of RBI's business and its risk structure.

### Expertise across the Management Board



### Birthplace of Management Board members



In the past financial year, the members of the Management Board served on the supervisory board or performed comparable functions at the following domestic and foreign companies that are not included in the consolidated financial statements:

Johann Strobl	UNIQA Insurance Group AG, 2 <sup>nd</sup> Deputy Chairman UNIQA Österreich Versicherungen AG, Member Oesterreichische Kontrollbank Aktiengesellschaft, 1 <sup>st</sup> Deputy Chairman Oesterreichische Raiffeisen-Sicherungseinrichtung eGen, Austria, Member
Andreas Gschwenter	RSC Raiffeisen Service Center GmbH, Austria, Deputy Chairman Raiffeisen Informatik Geschäftsführungs GmbH, Deputy Chairman Oesterreichische Raiffeisen-Sicherungseinrichtung eGen, Austria, Member
Peter Lennkh	Oesterreichische Kontrollbank Aktiengesellschaft, Member Oesterreichische Raiffeisen-Sicherungseinrichtung eGen, Austria, Member
Hannes Mösenbacher	Raiffeisen-Kundengarantiegemeinschaft Österreich, President

In addition to the management and governance of RBI AG, the members of the Management Board performed supervisory duties at the following material subsidiaries of RBI AG as supervisory board members in the 2021 financial year:

### Supervisory Board mandate

<b>Johann Strobl</b>	AO Raiffeisenbank, Russia, Chairman Raiffeisen Bank S.A., Romania, Chairman Raiffeisenbank a.s., Czech Republic, Member Tatra banka, a.s., Slovakia, Member
<b>Andreas Gschwenter</b>	Raiffeisenbank Austria d.d., Croatia, Chairman Raiffeisen Bank Zrt., Hungary, Chairman AO Raiffeisenbank, Russia, Member Raiffeisen Bank S.A., Romania, Member Raiffeisenbank a.s., Czech Republic, Member Tatra banka, a.s., Slovakia, Member
<b>Łukasz Januszewski</b>	Raiffeisen Centrobank AG, Austria, Chairman Raiffeisenbank a.s., Czech Republic, Chairman Raiffeisen Bank JSC, Ukraine, Chairman Raiffeisen Kapitalanlage-Gesellschaft m. b. H., Austria, Deputy Chairman AO Raiffeisenbank, Russia, Member Raiffeisen Bank S.A., Romania, Member Tatra banka, a.s., Slovakia, Member
<b>Peter Lennkh</b>	Raiffeisen banka a.d., Serbia, Chairman Raiffeisen Bank Kosovo J.S.C., Kosovo, Chairman Raiffeisen Bank Sh.A., Albania, Chairman Raiffeisenbank (Bulgaria) EAD, Bulgaria, Chairman Raiffeisenbank a.s., Czech Republic, Deputy Chairman AO Raiffeisenbank, Russia, Member Raiffeisen Bank S.A., Romania, Member Tatra banka, a.s., Slovakia, Member
<b>Hannes Mösenbacher</b>	Raiffeisen Centrobank AG, Austria, Deputy Chairman Raiffeisen Bank S.A., Romania, Deputy Chairman AO Raiffeisenbank, Russia, Member Raiffeisenbank a.s., Czech Republic, Member Tatra banka, a.s., Slovakia, Member
<b>Andrii Stepanenko</b>	Priorbank JSC, Belarus, Chairman Raiffeisen Kapitalanlage-Gesellschaft m. b. H., Austria, Chairman Tatra banka, a.s., Slovakia, Chairman Kathrein Privatbank Aktiengesellschaft, Austria, Chairman Raiffeisen Bank JSC, Ukraine, Deputy Chairman AO Raiffeisenbank, Russia, Member Raiffeisenbank a.s., Czech Republic, Member Raiffeisen Bank S.A., Romania, Member Raiffeisen Centrobank AG, Austria, Member

## Composition of the Supervisory Board

As at 31 December 2021, the Supervisory Board comprised:

Supervisory Board member	Year of birth	Initial appointment	End of term
Erwin Hameseder Chairman	1956	8 July 2010 <sup>1</sup>	Annual General Meeting 2025
Martin Schaller First Deputy Chairman	1965	4 June 2014	Annual General Meeting 2024
Heinrich Schaller Second Deputy Chairman	1959	20 June 2012	Annual General Meeting 2022
Klaus Buchleitner	1964	26 June 2013	Annual General Meeting 2025
Peter Gauper	1962	22 June 2017	Annual General Meeting 2022
Wilfried Hopfner	1957	22 June 2017	Annual General Meeting 2022
Rudolf Könighofer	1962	22 June 2017	Annual General Meeting 2022
Reinhard Mayr	1954	20 October 2020	Annual General Meeting 2025
Heinz Konrad	1964	20 October 2020	Annual General Meeting 2025
Eva Eberhartinger	1968	22 June 2017	Annual General Meeting 2022
Andrea Gaal	1963	21 June 2018	Annual General Meeting 2023
Birgit Noggler	1974	22 June 2017	Annual General Meeting 2022
Rudolf Kortenhof <sup>2</sup>	1961	10 October 2010	Until further notice
Peter Anzeletti-Reikl <sup>2</sup>	1965	10 October 2010	Until further notice
Gebhard Muster <sup>2</sup>	1967	22 June 2017	Until further notice
Helge Rechberger <sup>2</sup>	1967	10 October 2010	Until further notice
Natalie Egger-Grunicke <sup>2</sup>	1973	18 February 2016	Until further notice
Denise Simek <sup>2</sup>	1971	1 October 2021	Until further notice

<sup>1</sup> Effective as of 10 October 2010

<sup>2</sup> Delegated by the Staff Council

The Supervisory Board has 18 members, five of which are women.

## Independence of the Supervisory Board

The Supervisory Board of RBI AG, in accordance with and taking into consideration C Rule 53 and Appendix 1 of the ACGC, has specified the following criteria for the independence of the members of the company's Supervisory Board:

- The Supervisory Board member shall not have been a member of the Management Board or a senior executive of the company or one of its subsidiaries in the past five years.
- The Supervisory Board member shall not have, or have had in the previous year, any significant business relationships with the company or a subsidiary of the company. This also applies to business relationships with companies in which the Supervisory Board member has a significant financial interest, albeit not with regard to carrying out executive functions within the Group. The approval of individual transactions by the Supervisory Board according to L Rule 48 of the ACGC does not automatically lead to a non-independent qualification.
- The exercise of functions within the Group or merely exercising the function of a management board member or senior executive by a Supervisory Board member does not, as a rule, lead to the company concerned being regarded as a company in which a Supervisory Board member has a significant financial interest, to the extent that circumstances do not support the presumption that the Supervisory Board member derives a direct personal advantage from doing business with the company.
- The Supervisory Board member shall not have been an auditor of the company, nor a stakeholder in or employee of the auditing company in the previous three years.
- The Supervisory Board member shall not be a member of the management board of another company in which a Management Board member of the company is a member of the supervisory board.
- The Supervisory Board member shall not be part of the Supervisory Board for longer than 15 years. This does not apply to Supervisory Board members who are shareholders with business interests in the company, or who represent the interests of such shareholders.
- The Supervisory Board member shall not be a close relative (direct descendant, spouse, partner, father, mother, uncle, aunt, brother, sister, nephew, niece) of a member of the Management Board or of persons who meet one of the criteria described in the preceding points.

In accordance with the criteria listed above for the independence of Supervisory Board members, all RBI AG Supervisory Board members are considered independent.

Eva Eberhartinger, Birgit Noggler and Andrea Gaal are free float representatives on the Supervisory Board of RBI AG according to C Rule 54 of the ACGC. These members of the Supervisory Board are neither shareholders with a shareholding of greater than 10 per cent, nor do they represent the interests of such shareholders.

Members of the Supervisory Board had the following additional supervisory board mandates or comparable functions in domestic and foreign stock exchange listed companies from 1 January to 31 December 2021:

Erwin Hameseder	AGRANA Beteiligungs-Aktiengesellschaft, Austria, Chairman STRABAG SE, Austria, Deputy Chairman Südzucker AG, Germany, 2 <sup>nd</sup> Deputy Chairman
Heinrich Schaller	voestalpine AG, Austria, Deputy Chairman AMAG Austria Metall AG, Austria, Deputy Chairman
Klaus Buchleitner	BayWa AG, Germany, Deputy Chairman AGRANA Beteiligungs-Aktiengesellschaft, Austria, Deputy Chairman
Birgit Noggler	Semperit AG Holding, Austria, Member

No management functions at RBI AG's material subsidiaries were undertaken by Supervisory Board members.

The Supervisory Board, both in its entirety and in its committees, has the necessary knowledge and experience commensurate with the type, scope and complexity of RBI's business and its risk structure.

## Composition of the Committees

The procedural rules of the Supervisory Board govern its organization and allocate particular tasks to the Working, Risk, Audit, Remuneration, Nomination, Personnel and Digitalization Committees. These committees comprised the following members as at 31 December 2021:

	Working Committee	Risk Committee	Audit Committee	Remuneration Committee	Nomination Committee	Personnel Committee	Digitalization Committee
<b>Chairperson</b>	Erwin Hameseder	Birgit Noggler	Eva Eberhartinger	Erwin Hameseder	Erwin Hameseder	Erwin Hameseder	Andrea Gaal
<b>1st Deputy</b>	Heinrich Schaller	Martin Schaller	Erwin Hameseder	Heinrich Schaller	Heinrich Schaller	Heinrich Schaller	Martin Schaller
<b>2nd Deputy</b>	Martin Schaller	Erwin Hameseder	Heinrich Schaller	Martin Schaller	Martin Schaller	Martin Schaller	-
<b>Member</b>	Andrea Gaal	Heinrich Schaller	Reinhard Mayr	Eva Eberhartinger	Rudolf Könighofer	Rudolf Könighofer	Rudolf Könighofer
<b>Member</b>	Birgit Noggler	Eva Eberhartinger	Andrea Gaal	Andrea Gaal	Andrea Gaal	Andrea Gaal	Reinhard Mayr
<b>Member</b>	-	Andrea Gaal	Birgit Noggler	Birgit Noggler	Birgit Noggler	Birgit Noggler	-
<b>Member</b>	Rudolf Kortenhof	Rudolf Kortenhof	Rudolf Kortenhof	Rudolf Kortenhof	Rudolf Kortenhof	-	Rudolf Kortenhof
<b>Member</b>	Peter Anzeletti-Reikl	Peter Anzeletti-Reikl	Peter Anzeletti-Reikl	Peter Anzeletti-Reikl	Peter Anzeletti-Reikl	-	Peter Anzeletti-Reikl
<b>Member</b>	Denise Simek	Gebhard Muster	Natalie Egger-Grunicke	Denise Simek	Natalie Egger-Grunicke	-	-

The Audit Committee, Remuneration Committee and Risk Committee all consist of one-third core shareholder representatives, one-third free float representatives, and one-third employee representatives. There are women in all of the Committees, and three of the Committees are chaired by women.

Birgit Noggler, as the Chairwoman of the Risk Committee, satisfies the legal standards, expert qualifications and independence requirements set out in § 39d (3) of the BWG. In addition to serving as the Chairwoman of the Risk Committee, her principal occupation is the provision of tax advisory services. She was the Chief Financial Officer of Immofinanz AG from 2011 to 2016 and held management positions at Immofinanz AG from 2007 to 2011. Birgit Noggler has worked in accounting from the beginning of her professional career and therefore has extensive expertise in this field. In addition to her mandate at Semperit Aktiengesellschaft Holding, Birgit Noggler also holds supervisory board mandates at B&C Industrieholding GmbH and NOE Immobilien Development GmbH.

In addition to serving as the Chairwoman of the Audit Committee, Eva Eberhartinger, in her main position, chairs the Tax Management division at the Institute for Accounting & Auditing at the Vienna University of Economics and Business, and was Vice Rector for financial affairs at the Vienna University of Economics and Business from 2006 to 2011. On account of her high level of expertise and many years of experience in research and lecturing at both national and international universities, Eva Eberhartinger is a recognized expert in the areas of finance and accounting, as well as taxation. Her research focuses on accounting, taxation, financing and taxes, European/international accounting, and international tax law. Furthermore, Eva Eberhartinger has numerous publications in various specialist journals. She has been on the supervisory board of the Austrian Treasury since 2013 and served as the Vice Chair until 2017. She has also been a member of the supervisory board of maxinvest AG (Germany) since 2014.

The decision was taken in the 2020 financial year to establish the Digitalization Committee and the Supervisory Board elected Andrea Gaal as the Chairwoman of the committee. During her career, Andrea Gaal has held several key positions within British and American high-tech start-ups and served in a managing role at Sony and Sony Ericsson with responsibility for the DACH (German-speaking countries), Central European and North American (Canada) regions. Furthermore, Andrea Gaal is engaged on the advisory council of AI 42.cx, a market data company which specializes in the analysis and identification of intellectual property and intangible assets; she is also a member of the AI-42 INDEX™ committee, which determines the index constituents and weightings. The index comprises the leading listed companies globally with expertise in the area of artificial intelligence and is published through Refinitiv (Thomson Reuters). Aside from the aforementioned roles, Andrea Gaal also teaches as an adjunct professor in the Department of Business & Management at Webster Vienna Private University, where her lectures cover subjects such as Business & Global Issues, Global Competitive Strategies, Corporate Responsibility and Society, and Women in Management.

With Eva Eberhartinger as Chairwoman of the Audit Committee, Birgit Noggler as Chairwoman of the Risk Committee, and Andrea Gaal as the new Chairwoman of the Digitalization Committee, the responsibilities of the free float representatives have been further strengthened.

## The Advisory Council

The Advisory Council consists of representatives of RBG and has a purely consultative function for the Management Board of RBI AG. The rights and obligations that the Management Board and Supervisory Board have under the law and the Articles of Association are not curtailed by the Advisory Council's activities.

The Advisory Council provides advice on matters relating to material ownership interests of the regional Raiffeisen banks as core shareholders and on selected aspects of the relationship between RBI and RBG. It also gives advice on RBI's central institution function as defined in § 27a of the BWG and the responsibilities associated with it, and on the affiliated companies in their capacity as RBG's distribution partners.

The Advisory Council consists of the seven Chairpersons of the supervisory boards of the regional Raiffeisen banks and the Chairman of Raiffeisenverband Salzburg. It met four times in 2021. Member attendance at each meeting was 93.75 per cent.

Advisory Council members receive compensation for their activities. The compensation for the 2017 financial year and subsequent years was determined by the Annual General Meeting on 21 June 2018.

As long as the General Meeting passes no resolutions to the contrary in the future, Advisory Council members are paid the following annual remuneration:

- For the Chairman of the Advisory Council: € 25,000 (excluding VAT)
- For the Deputy Chairman of the Advisory Council: € 20,000 (excluding VAT)
- For every other member of the Advisory Council: € 15,000 each (excluding VAT)

In addition, each member of the Advisory Council is paid an attendance fee of € 1,000 (excluding VAT) for each meeting.

Depending on the duration of the respective Advisory Council mandate, the annual remuneration for the financial year is allocated on a pro rata basis or in its entirety.

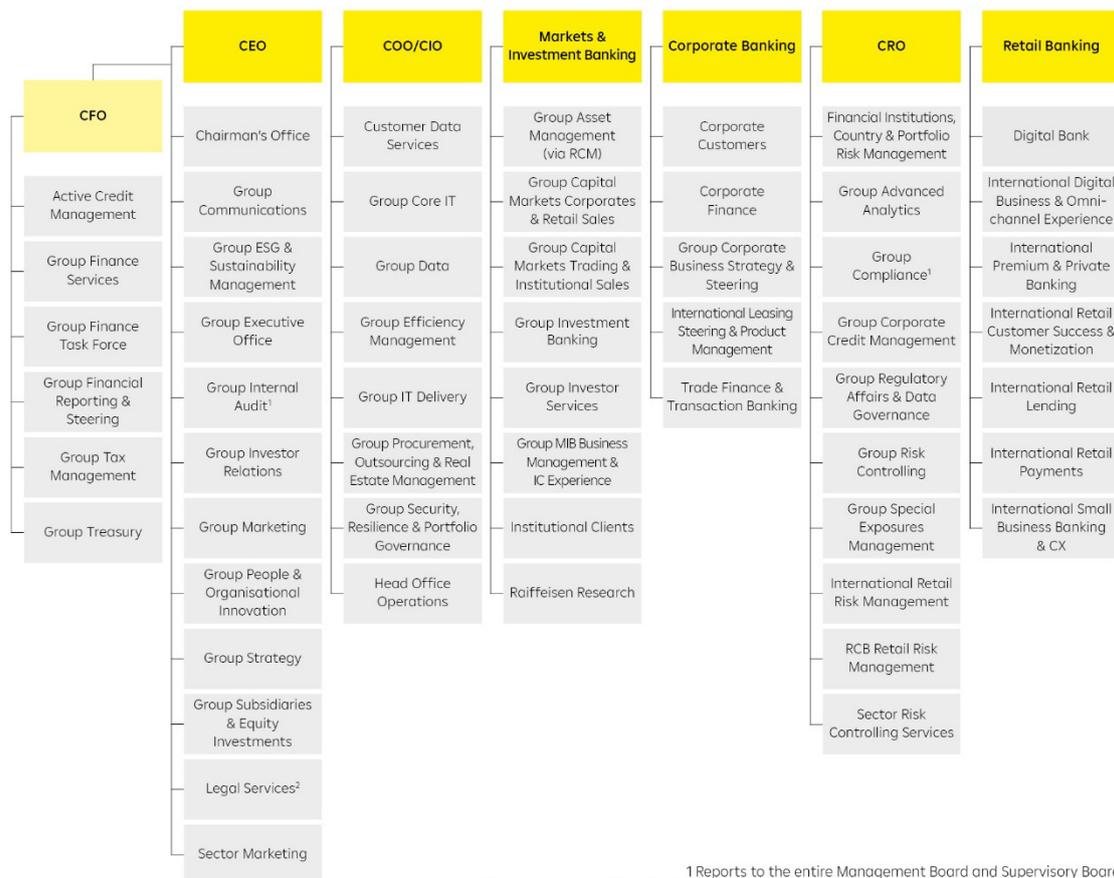
## Functions of the Management Board and the Supervisory Board

### Division of responsibilities and functions of the Management Board

The RBI AG Management Board manages the company according to clearly defined goals, strategies and guidelines on its own authority, with a focus on future-oriented business management and in line with modern, sustainable business principles. In doing so, the Management Board always pursues the good of the company and considers the interests of customers, shareholders and employees.

The Management Board manages the company's business in accordance with the law, the Articles of Association and the Management Board's rules of procedure. The Management Board's weekly meetings are convened and led by the Chairman. The meetings facilitate mutual gathering and exchange of information, consultation and decision-making with respect to all matters requiring the Board's approval. The procedural rules of the Supervisory Board and the Management Board describe the duties of the Management Board in terms of information and reporting, as well as a catalog of measures that require the approval of the Supervisory Board.

Management Board members' areas of responsibility have been defined by the Supervisory Board, without prejudice to the general responsibility of the Management Board, as follows (as of 31 December 2021):



<sup>1</sup> Reports to the entire Management Board and Supervisory Board

<sup>2</sup> Data Protection Officer for RBI and its Austrian subsidiaries - reports to the Management Board

## Changes in the organizational structure

### Management Board area of the Chief Executive Officer (CEO)

**Finance:** The former Group Planning & Finance division was completely reorganized in the first quarter of 2021 with the goal of significantly improving processes within the business area. Finance comprises the Group Finance Services, Group Financial Reporting & Steering, and Group Finance Task Force departments and thus combines the finance functions along the value creation process. Group Finance Services combines intelligent and efficient data procurement, lean and customer-oriented accounting of non-banking and banking activities, and data processing for the Finance division. Group Financial Reporting & Steering combines the approaches of accounting and controlling and provides all relevant stakeholders outside Finance with clear communication channels regarding financial performance. The Group Finance Task Force is a pool of financial experts who focus on medium to long-term projects where Finance is the lead or provides essential information or services.

**Group ESG & Sustainability Management:** Group Sustainability Management was renamed Group ESG & Sustainability Management to demonstrate that ESG topics are playing an increasingly important role at RBI, following the signing of the Principles for Responsible Banking, and to also make this visible to external observers. ESG refers to the consideration of environmental, social and governance criteria along the entire value chain at RBI. These criteria are reflected in measures such as RBI's ESG ratings, for which Group ESG & Sustainability Management is responsible.

**Group Marketing:** At the beginning of January 2021, the Group Marketing division was reorganized with a special focus on content creation and digital marketing for the various business areas of RBI, the subsidiary banks and the Austrian subsidiaries. Furthermore, Zentrale Raiffeisenwerbung (central Raiffeisen advertising) was separated from Group Marketing at the beginning of July and converted into a new Sector Marketing division.

**Group Procurement, Outsourcing & Real Estate Management:** Cost management tasks were transferred from the COO/CIO Management Board area to the CEO area as part of the restructuring of Finance. Cost management tasks were integrated into the Group Financial Reporting & Steering (standard controlling) and Group Finance Task Force (project-based work and cost reduction programs, efficiency projects etc.) departments. Group Procurement, Outsourcing & Cost Management was renamed Group Procurement, Outsourcing & Real Estate Management in the course of this change.

### Management Board area of the Chief Operation Officer / Chief Information Officer (COO/CIO)

**Customer Data Services:** The Customer Data Services unit was separated from Head Office Operations in the third quarter and now constitutes a separate division. Customer Data Services acts as the central service point for all activities with customers from the Corporate and Financial Institutions segments. The new Onboarding Service Stream implements new end-to-end processes, guaranteeing the highest data quality in connection with the fulfillment of all related regulatory requirements regarding customer core data.

### Management Board area of Markets & Investment Banking

**Group Asset Management:** As part of the results of the implementation of the new asset management strategy, the Management Board decided to reallocate responsibility for the Asset Management business area from Retail to Markets & Investment Banking. This change is supported by synergies in organization and business. The goal is to improve cooperation and communication across all areas of the asset management value chain that already reported to the Management Board area of Markets & Investment Banking.

### Management Board area of Retail Banking

**Retail area:** The Retail area was comprehensively reorganized in the second quarter of 2021 because the previous structure no longer adequately reflected the retail strategy. The International Mass Banking, Sales and Distribution unit was dismantled and its tasks and responsibilities were divided between International Retail Online Banking and International Retail CRM. As part of this change, these areas were renamed International Digital Business & Omnichannel Experience and International Retail Customer Success & Monetization to align the names with the increased scope of responsibilities. CX (customer experience) was added to the name of International Small Business Banking to make this responsibility visible in the structure. In addition, the pre-existing subdivision of International Retail Online Banking became a separate Digital Bank division to reflect the steadily increasing relevance of the bank's digital solutions.

## Situation in light of the COVID-19 pandemic

As was the case in 2020, the 2021 financial year was also affected by the COVID-19 pandemic. The majority of people worked from home during the lockdowns. After the lockdown ended, people gradually returned to their office jobs subject to strict safety precautions (social distancing, mask mandate and the 3G rule under which people are required to be vaccinated, recovered or tested). Compliance with these measures was spot-checked. The company provided opportunities for employees to be vaccinated, thus contributing significantly to the vaccination coverage rate of RBI employees. In addition, RBI permanently offered hassle-free testing. Employees were regularly informed about the COVID situation at the company and of measures taken as a result. The Management Board used various channels for this purpose, such as the update call with the CEO, in which employee questions were answered directly. The option to work from home proved to be very reliable in terms of productivity and the quality of service was not affected at any time.

## Management Board meetings

The Management Board held 58 meetings during the reporting period. It regularly discussed and debated current business developments as well as strategic topics such as the further development of business operations and key regulatory issues. Strategic topics include, for example, the annual strategy review and discussions relating to the footprint of the RBI Group. Discussions at these meetings also led to the decision to exit the Bulgarian market and sale of Raiffeisenbank Bulgaria to KBC Bank. Regulatory topics in this context include ongoing updates on auditing, compliance and internal rules and regulations. The Management Board addressed a large number of topics in 2021. Those of relevance to RBI's governance are discussed in more detail below.

In addition to the regular compliance updates, as aforementioned, the Management Board adopted a new Group Business Compliance Framework in 2021, in order to standardize the definition of the compliance framework in the Markets and Corporate areas. This framework has since served as the basis for identifying material compliance risks in the Group and specifies which banking products may be offered to the various customer groups in certain markets. The introduction of this risk-based assessment method was also used as an opportunity to analyze and categorize all existing customer relationships and terminate those business relationships that do not meet the newly defined requirements. The Business Compliance Framework thus helped to better assess inherent risks and combat potential financial crime, including money laundering, terrorist financing and fraud, in an even more targeted manner. The Management Board has signed an anti-money laundering declaration to underscore the importance of the fight against money laundering. This declaration summarizes the goals that the Management Board has set for itself in order to most effectively make a major contribution to combating money laundering: <https://www.rbinternational.com/en/who-we-are/governance-and-compliance/anti-money-laundering-declaration.html>.

In line with the regulatory priorities at EU level, the Management Board also addressed digitalization and issues relating to ESG (environment, social & governance):

With respect to digitalization, the Management Board addressed the implementation of the digitalization strategy and the progress of the digital transformation of RBI. These topics were subsequently also addressed in the Digitalization Committee. The Management Board also received regular updates on Advanced Analytics & AI (artificial intelligence). Advanced analytics is the use of automatic or semi-automatic examination of data using statistical techniques and methods from artificial intelligence, typically going beyond those of traditional Business Intelligence (BI) to gain deeper insights, make predictions or generate recommendations.

One of the key initiatives in 2021, was the Product as a Service (PaaS) initiative. Digital developments move quickly and the same is true for innovations in digital banking products. RBI has adopted the PaaS approach to drive the concurrent harmonization of product innovations across the entire network or large parts of the network. RBI can thus optimize investments and make innovations available to all stakeholders more quickly, achieving a more similar customer experience for digital products across countries. RBI employs a central governance model that decides on relevant Group-wide innovations (the PaaS Investment Board). At the same time, RBI leverages competencies and capabilities for digital products at the subsidiary banks to implement these PaaS products.

With respect to ESG, the Management Board extensively addressed the issue of responsible banking. The holistic approach adopted by RBI and its Responsible Banking Task Force in 2020, has enabled RBI to further improve its sustainability positioning in 2021. This was reflected in, among other things, the fact that RBI was the first Austrian banking group to commit itself to complying with the UNEP FI Principles for Responsible Banking. Furthermore, and to align RBI's focus on ESG, concrete ESG targets were adopted for RBI as a whole and for the individual areas of the Management Board.

RBI is not only steering a change towards digitalization and ESG but is also in the process of transforming into an agile and adaptive organization. Collaboration models based on new roles and responsibilities are being implemented across traditional linear structures. New roles such as product owners have been introduced and formally integrated into the company's core processes through the creation of clear job descriptions and the development of new remuneration models. It is important for the Management Board to consistently drive RBI's transformation process.

The Management Board also covered the Fast Close project in several meetings. This project aims to significantly shorten and optimize internal reporting processes and thereby achieve several objectives: Improving governance in data delivery, increasing delivery discipline, improving data quality, and continuing digitization and automation. This also significantly brought forward the publication of the annual financial statements and quarterly reports.

## Supervisory Board meetings

The Supervisory Board (SB) held nine meetings during the reporting period. In addition, the Management Board fully informed the Supervisory Board on a prompt and regular basis of all relevant matters pertaining to the company's performance, including the risk position and risk management of the company and material Group companies, particularly in relation to important issues.

As the ECB decided not to extend its recommendation on the restriction of dividends, it became possible to distribute the net profit carried forward from the 2019 and 2020 financial years. The Management Board discussed the parameters and options for a dividend payment with the Supervisory Board and decided to hold an Extraordinary General Meeting on 10 November 2021, in addition to the Annual General Meeting on 22 April.

The Supervisory Board received regular reports on the economic situation of selected subsidiary banks, including reports given directly by members of the banks' management boards. The reports also recounted the macroeconomic situation of the bank's country in order to illuminate the specific business conditions in which the network units were operating.

The reports presented current activities and developments in People & Organizational Innovation (P&OI). They also covered the issue of diversity in the RBI Group, including measures planned to improve diversity as well as how these measures were being monitored. One key aspect highlighted in the reports, related to how the lockdown phases affected the transformation and reorganization process and how it presented both an obstacle and an incentive to pursue new issues from a cultural perspective. The challenges presented by the COVID-19 pandemic included the need to develop new skills and the willingness to accept rapid change. As before, digitalization and automation are key topics supported by P&OI in order to make workflows efficient, agile and effective.

One project that the Supervisory Board examined in detail was the retail digital banking platform. A new, modern IT infrastructure platform that can be used for purposes such as developing innovative digital product solutions. An initial planned usage case was presented along with additional new products that are planned for the future such as personal loan refinancing, daily banking, etc. One key issue that the Supervisory Board revisited several times during the year, delving into details as required, was that of M&A projects. The Supervisory Board was involved in the process as early on as possible and acted not only in its capacity as a supervisory body but also provided valuable assistance to the Management Board as an informed sounding board.

The Supervisory Board met several times during the financial year for strategy workshops. Topics covered at these sessions included an annual review of the attained strategic roadmap objectives, a status update on ESG at RBI and in the banking industry, and an analysis of the Group's overall strategy.

Several Fit & Proper training courses were also conducted during the financial year. During which, the Supervisory Board focused primarily on resilience and crisis management. The courses explored the likely consequences of a national crisis and the measures that RBI would take in multiple crisis scenarios, the consequences of a blackout, as well as the impact of these situations on RBI. Additional topics covered in the Fit & Proper training courses included a look ahead to the post-COVID-19 era (effects of COVID-19 on the transformation of economies, companies and people), current regulatory developments (ECOFIN, Basel IV), and current topics in financial sanctions compliance.

## Decision-making authority and activities of the Committees of the Supervisory Board

The procedural rules of the Management Board, as well as the Supervisory Board and its Committees, outline the business management measures that require the approval of the Supervisory Board or of the appropriate Committee.

The **Working Committee** deals with general focus reports on individual industries in the corporate customer business and financial institutions areas in relation to loan and limit applications. It takes these opportunities to discuss selected customer groups and financial institutions, as well as material positive and negative changes in customer creditworthiness. The Working Committee also looks at developments with respect to the 20 largest groups of connected customers in the corporate customer segment over the course of the year and reviews special reports on certain customers or industries in response to current events. The Working Committee discusses and decides on limit applications for companies and financial institutions and,

following discussion, forwards to the entire Supervisory Board limit applications that fall within its decision-making authority. It also discusses reports written for the Supervisory Board, such as the annual report on all significant investments under § 28b of the BWG, before they are addressed by the entire Supervisory Board.

In addition to the loan and limit applications, the Working Committee also considered and approved capital contributions for Group subsidiaries as well as the delegation of Management Board members to serve on the governing bodies of non-Group companies in the 2021 financial year. The Committee also considered acquisitions such as Equa Bank by Raiffeisenbank a.s. (Czech Republic) and Impuls Leasing Slovakia by Tatra-Leasing (Tatra Banka, Slovakia). It extensively examined the situation of the banking sector in the United Kingdom after Brexit, as well as the circumstances in the US and Italy. It also explored the impact of the China Evergrande Group situation on the Chinese economy and potential contagion risks for RBI's core markets.

The responsibilities of the **Risk Committee** include advising the Management Board on current and future risk propensity and risk strategy, monitoring the implementation of this risk strategy with regard to the controlling, monitoring and limitation of risk in accordance with the BWG, as well as the monitoring of capitalization and liquidity. To fulfill these responsibilities, the Risk Committee obtains quarterly reports on issues such as credit, liquidity and market risk, the Internal Capital Adequacy Assessment Process (ICAAP) and uncollectable loans. The Committee also looks at current risk aspects, including selected country reports on current political changes as well as reports on regulatory developments and their repercussions for RBI. In addition, the Risk Committee discusses relevant metrics and tolerances regarding the Group's risk appetite, with due consideration given to budgeting and strategy.

Furthermore, the Risk Committee is also responsible for examining whether adequate consideration is given to the business model and risk strategy in the pricing of the services and products offered. To this end, the Risk Committee discusses reports submitted to it on pricing and price calculations in the customer and financial institutions business and discusses remedial action plans if necessary. The Risk Committee also monitors whether the incentives offered by the internal remuneration system give adequate consideration to risk, capital and liquidity, as well as the timing of realized profits and losses. This involves the presentation of a report on remuneration policies in the Risk Committee, which is used to assess whether the remuneration structure reflects RBI's risk appetite.

As a result of the pandemic, the Risk Committee looked at the risk management measures taken to contain COVID-19 related effects. This included the industry-specific measures needed to respond quickly to trends in the various industries. The Committee also discussed the portfolio matrix (which defines risk appetite based on industry and creditworthiness) and a recalibration of the lending policies.

The compliance updates were taken as an opportunity to present current trends in financial sanctions, report on measures taken to combat money laundering and cover material litigation at RBI AG and the Group.

Another very important agenda item that was the subject of regular reporting was cyber security and IT risk management. The reports covered the status of information security at head office and the Group as well as action taken to improve information security (see the section on information and cyber security for more details).

The agenda also included the stress test conducted by the EBA (European Banking Authority) during the financial year, while the Risk Committee assessed its impact on RBI.

The Risk Committee also discussed the China Evergrande Group and potential contagion risks for RBI's core markets.

The **Audit Committee** monitors the accounting process. It issues recommendations for improving reliability and supervises the effectiveness of the company's internal control, audit and risk management systems. The committee also oversees the annual audit of the financial statements and consolidated financial statements and thus monitors the independence of the external Group auditor/bank auditor, particularly with respect to additional work performed for the audited company.

The Audit Committee considered the audit plan in great detail and engages in discussions with the auditor during the audit about key facts covered in the audit of the financial statements, special focuses of the audit, the management letter and the report on the effectiveness of risk management and the internal control system. It also examines the Management Board's proposal for earnings appropriation and the Corporate Governance Report. The Audit Committee presents a report on the results of its examinations to the Supervisory Board. Furthermore, the Supervisory Board reviews the consolidated non-financial report (Sustainability Report).

The Audit Committee also engages in regular discussions with Internal Audit about general audit issues, defined audit areas, findings made during audits and steps taken to make improvements in response to audit findings. Group Compliance reports regularly to the Audit Committee and discusses the status and effectiveness of the internal control system with it. In particular, the parties discuss the findings from reviews of key controls in financial reporting and non-financial reporting areas as well as additional required improvements. The Audit Committee also devotes attention to the accounting framework and discusses the implementation of necessary projects.

Key topics that were reported on and discussed in the Audit Committee included the report on the reorganization of the CFO area (details are provided in the changes in the organizational structure), provisions for litigation related to Swiss franc mortgage loans in Poland and the events initiated by whistleblowing at the Raiffeisen Bank in Bosnia and Herzegovina that resulted in the resignation of two management board mandates. As in previous years, the Audit Committee defined focus topics to discuss in its meetings. They included real estate valuations in the annual and consolidated financial statements as well as whistleblowing. Regarding the second topic, measures were presented to enable an anonymous reporting system for the company. More information is available in the section on transparency.

Additional focuses covered in the financial year other than the aforementioned topics included the process of transferring the audit of the financial statements from KPMG to Deloitte, the actual audit of the annual/consolidated financial statements (both issues were regularly reported on during the year), the annual report on non-audit services for the 2020 financial year and the outlook for 2021. The Audit Committee also discussed real estate valuations in the annual and consolidated financial statements and the Fast Close project. The Fast Close project (described in more detail under the section on Management Board meetings) refers to the earlier production of the annual financial statements and the procedural changes that will require. The Audit Committee was heavily involved in monitoring the execution of the plan in this case, too.

The **Remuneration Committee's** responsibilities include, first and foremost, establishing guidelines for the company's remuneration policies and practices, particularly on the basis of the BWG, as well as relevant sections of the ACGC. In doing so, the company's interests along with the long-term interests of shareholders, investors and employees of the company are taken into account, as are the economic interests of maintaining a functioning banking system and financial market stability. The Remuneration Committee issues detailed internal remuneration policies for the Management Board and employees of RBI and makes changes as required as part of a regular review process. On that basis, the Remuneration Committee selects the companies within the RBI Group that are subject to the remuneration principles. This selection and the underlying selection process are reviewed at regular intervals. The Remuneration Committee is also responsible for approving the proposed list of employees and functions which have a material impact on the risk profile of the Group and/or company. The Remuneration Committee conducts regular reviews of these identified staff.

The Remuneration Committee is also responsible for deciding whether employees are subject to penalty or clawback events. It reviews potential cases and then, based on the facts, decides how the event will affect the payment of variable remuneration.

As one of its main tasks, the Remuneration Committee confirmed compliance with the regulatory and other performance-based step-in criteria for granting and paying out bonuses. Changes were also made to the internal remuneration policy in order to achieve more precise incentivization.

The 2021 review process found no potential penalty or clawback events at the level of individual employees at head office. Regarding penalty/clawback events for the rest of RBI, there was one potential case of penalty-related misconduct by two former management board members at a subsidiary bank. The local supervisory board therefore made a decision regarding the payment of bonuses to the two former management board members and decided not to pay bonuses.

The **Nomination Committee's** duties include filling any posts on the Management Board and Supervisory Board that have become vacant. The Nomination Committee evaluates potential candidates based on a description of the duties entailed and, after conducting an appropriate Fit & Proper assessment, issues recommendations for filling the board vacancy, giving consideration to the balance and diversity of knowledge, skills and experience of all members of the governing body in question.

The Nomination Committee also specifies a target ratio for the under-represented gender on the Management Board and the Supervisory Board, consults on the strategy for achieving the defined target ratio and regularly discusses the adoption of development programs. The Nomination Committee is also responsible for evaluating decision-making within the Management Board and Supervisory Board, ensuring that the Management Board and the Supervisory Board are not dominated by one individual person or a small group of persons in a way which is contrary to the company's interests. The Nomination Committee verifies and makes this assessment based on the meeting processes and communication lines within each board (e.g. minute-taking, deputizing arrangements, resolutions passed by circulation in urgent cases, monitoring of courses of action taken, meeting preparations, forwarding of documents) and on the perceptions of the members themselves. The Nomination Committee's responsibilities also include regularly assessing the structure, size, composition and performance of the Management Board and Supervisory Board, with reports on the bodies' composition, organizational structures and the results of their work being presented as a basis for any decisions. It also regularly evaluates the knowledge, skills and experience of the individual members of both the Management Board and Supervisory Board and also of the respective governing body as a whole. The evaluation takes place in the Nomination Committee and is based on the self-evaluation of the individual members of the Management Board and Supervisory Board, as well as on individual continuing education reports.

The Nomination Committee determined in the Fit & Proper review that all the members of the Management Board and Supervisory Board, as well as the Management Board and Supervisory Board in their entirety, possess the necessary knowledge, skills and experience. In addition, the mandate limits and availability were reviewed and confirmed.

The Nomination Committee also reviews the Management Board's actions with regard to the selection of executives and supports the Supervisory Board in preparing recommendations for the Management Board. To this end, the Nomination Committee evaluates the selection of key function holders, the guiding principles of executive selection and development, succession planning and the policies and steps taken for filling upper management positions.

With regard to filling Johann Strobl's expiring Management Board mandate, the Nomination Committee engaged in a structured succession process in which it extensively appraised his previous performance and his personal and professional aptitude for the continued exercise of the Management Board mandate and came to the definite conclusion that it would recommend that the Supervisory Board extend the Management Board mandate of Johann Strobl, Chairman of the Management Board, for another five years, starting on 1 March 2022 and ending on 28 February 2027.

The Nomination Committee is committed to gender-neutral staffing policies in its activities. The members of the Nomination Committee reviewed the progress made toward achieving the target quota for the underrepresented gender and discussed the measures presented as a way of achieving the target.

Interim targets were discussed for achieving the defined target quota for the underrepresented gender by 2024. The discussion covered action areas for attaining the target quotas by 2024 such as work culture, talent management and the selection of upper management.

The Nomination Committee also dealt with the 2021 revision of the ECB/EBA guidelines on fit & proper assessments, which includes a more stringent governance regulatory framework for the Management Board, Supervisory Board and key workers. The focus is on risks relating to ESG, fitness & propriety, management responsibilities, diversity and AML measures.

The Nomination Committee confirmed that Denise Simek, as an employee representative (and the successor to Susanne Unger, who left the Supervisory Board), meets the requirements to serve as a member of RBI's Supervisory Board with regard to availability. The Staff Council confirmed that Denise Simek possesses the professional aptitude to exercise her mandate.

The **Personnel Committee** deals with the remuneration of Management Board members and their employment contracts. In particular, it discusses and decides on provisions in the individual Management Board members' employment contracts and makes changes to the contracts as needed. It is also responsible for approving any acceptance of secondary employment by members of the Management Board. The Committee discusses and reviews any clawbacks of past bonuses or non-payment of bonuses from existing provisions (penalty) if it has any information indicating that these measures appear necessary.

It also sets targets for the Management Board based on applicable rules and regulations and makes any required changes. The Personnel Committee discusses whether the Management Board has attained its targets and approves bonus allocations on that basis. It then also decides whether to pay amounts from bonus payments that were deferred as required by law. During the financial year, the Personnel Committee set the 2021 targets for the Management Board, determined whether the Management Board attained its 2020 targets and approved bonus allocations to the Management Board members in compliance with the rules and regulations.

The inclusion of sustainability targets in the performance appraisal has been detailed in the section on the Remuneration Committee.

The results of multiple employee surveys were discussed in detail, and the Committee obtained explanations of measures for improvement wherever they seemed necessary. The Committee attaches considerable importance to this topic and so gave instructions to be informed of the results of the measures on an ongoing basis.

The **Digitalization Committee's** duties are to advise the Management Board and Supervisory Board regarding the current and future digitalization strategy (including IT, new technologies, data analysis and innovation) and the related strategic investment decisions. It is also responsible for monitoring the execution of the digitalization strategy as well as the progress made in RBI's digital transformation and for regularly reporting on this to the Supervisory Board.

In the 2021 financial year, the first year after its establishment, the Digitalization Committee addressed matters such as the different initiatives to employ artificial intelligence in the various Management Board areas in line with the strategic roadmap. Other topics of discussion included the current and future digitalization strategy and the pillars of an open banking ecosystem. RBI's open banking initiative operates on two main tracks. First, it aims to place RBI's (digital) services and products in third-party providers' platforms and second, to integrate third-party services in its own internal systems. In addition to capitalizing on new sales models, this approach also enables new cooperation models to develop innovative new services. It also represents an opportunity to leverage cost-cutting opportunities in RBI's own internal processes. This requires careful observation of market developments and the implementation of new cooperation models and strategic investments. Therefore, Elevator Lab, a fintech partnership, is an integral part of the RBI open banking ecosystem for fintech collaborations, as is Elevator Ventures, a corporate venture capital provider.

Other topics included retail digital banking, i.e. the development of digital services at subsidiary banks, and planned projects in this area (PaaS was discussed as a management tool in this context). A field report was also presented on Elevator Ventures Beteiligungs GmbH, a subsidiary of RBI that invests in the growth phases of fintech start-ups in RBI's core markets.

## Number of Committee meetings

The Working Committee (WC) held eight meetings in the 2021 financial year. The Risk Committee (RC) met four times, as did the Audit Committee (AC), the Remuneration Committee (ReC) met thrice, the Nomination Committee (NC) met on four occasions, the Personnel Committee (PC) twice, as did the Digitalization Committee (DC), during the 2021 financial year.

No member of the Supervisory Board was unable to personally attend more than half of the meetings of the Supervisory Board.

Supervisory Board members attended the meetings of the Supervisory Board and its Committees as shown below:

Supervisory Board member	SB (9)	WC (8)	RC (4)	AC (4)	ReC (3)	NC (4)	PC (2)	DC (2)	Total (36)
Erwin Hameseder	9/9	8/8	3/4	3/4	3/3	4/4	2/2	n/a	32
Martin Schaller	9/9	8/8	4/4	n/a	2/3	4/4	2/2	2/2	31
Heinrich Schaller	8/9	8/8	4/4	4/4	3/3	4/4	2/2	n/a	33
Klaus Buchleitner	9/9	n/a	9						
Peter Gauper	8/9	n/a	8						
Wilfried Hopfner	9/9	n/a	9						
Rudolf Könighofer	9/9	n/a	n/a	n/a	n/a	3/4	1/2	2/2	15
Reinhard Mayr	8/9	n/a	n/a	4/4	n/a	n/a	n/a	2/2	14
Heinz Konrad	8/9	n/a	8						
Eva Eberhartinger	8/9	n/a	4/4	4/4	3/3	n/a	n/a	n/a	19
Andrea Gaal	9/9	8/8	4/4	4/4	3/3	4/4	2/2	2/2	36
Birgit Noggler	8/9	8/8	4/4	4/4	3/3	4/4	1/2	n/a	32
Rudolf Korten Hof	6/9	7/8	3/4	3/4	2/3	3/4	n/a	2/2	26
Peter Anzeletti-Reikl	9/9	8/8	4/4	4/4	3/3	4/4	n/a	2/2	34
Gebhard Muster <sup>1</sup>	9/9	n/a	1/1	n/a	n/a	n/a	n/a	n/a	10
Natalie Egger-Grunicke <sup>2</sup>	9/9	n/a	n/a	1/1	n/a	1/1	n/a	n/a	11
Helge Rechberger	9/9	n/a	9						
Denise Simek <sup>3</sup>	2/3	2/2	n/a	n/a	1/1	n/a	n/a	n/a	5
Susanne Unger <sup>4</sup>	6/6	6/6	3/3	3/3	2/2	3/3	n/a	n/a	23
<b>Total attendance</b>	<b>94%</b>	<b>98%</b>	<b>94%</b>	<b>94%</b>	<b>93%</b>	<b>94%</b>	<b>83%</b>	<b>100%</b>	

n/a – not applicable, i.e. not a member of the respective Committee.

<sup>1</sup> Gebhard Muster was appointed to the Risk Committee on 1 October 2021.

<sup>2</sup> Natalie Egger-Grunicke was appointed to the Audit and Nomination Committees on 1 October 2021.

<sup>3</sup> Denise Simek was appointed to the Supervisory Board, as well as the Working and Remuneration Committees on 1 October 2021.

<sup>4</sup> Susanne Unger stepped down from the Supervisory Board as well as the Working, Risk, Audit, Remuneration and Nomination Committees on 1 October 2021.

In addition, the Supervisory Board and the Working and Remuneration Committees also passed resolutions outside of meetings in accordance with § 92 (3) of the AktG.

## Self-evaluation and efficiency review by the Supervisory Board

As required by C Rule 36 of the ACGC, the Supervisory Board of RBI AG conducted a year-to-year self-evaluation and efficiency review covering the 2019, 2020 and 2021 financial years.

Going beyond the minimum requirement for the self-evaluation and efficiency review pursuant to C Rule 36 of the ACGC, the Supervisory Board conducted a comprehensive evaluation of the Supervisory Board's activities beginning in 2019, in partnership with the Vienna University of Economics and Business (WU Vienna), in order to achieve a sustainable improvement in the efficiency and effectiveness of the Supervisory Board's work.

As in prior years, a written online survey was also conducted in 2021. Following an analysis of the results of the evaluation of the Supervisory Board, future measures and courses of action for a further strengthening of the activities of the Supervisory Board will be debated in a chaired discussion format at a separate workshop for Supervisory Board members in 2022.

## Role and activities of the Chairman of the Supervisory Board

The Chairman of the Supervisory Board leads and coordinates the Supervisory Board and interacts internally with the Management Board as the highest-ranking representative of the Supervisory Board. Serving as an intermediary, the Chairman of the Supervisory Board forwards information received from the Management Board to the other Supervisory Board members so that they can perform their function in terms of supervision, control and participation. In addition to fulfilling his duties to ensure the smooth functioning of the Supervisory Board's activities, the Chairman of the Supervisory Board also has external public-facing roles, such as chairing the Annual General Meeting.

In addition to the 36 days on which the Supervisory Board and its committees met in 2021, 10 meetings were held between the Management Board and the Chairman of the Supervisory Board, Erwin Hameseder, to prepare for the meeting days and discuss current (strategic) issues on an ongoing basis. The presidium (the Chairman of the Supervisory Board and both his Deputies) and the Management Board met 10 times in 2021. The presidium also held two workshops with the Management Board.

In addition, 48 bilateral meetings were held with members of the Management Board and the Chairman of the Supervisory Board during the financial year, including 33 meetings with the CEO. Similarly, the Chairpersons of the Audit and Risk Committees stayed in regular contact and communication with Management Board members, particularly the CEO and CRO, as well as with heads of the internal control functions and the CFO. The Chairman of the Supervisory Board attended over 100 meetings in total relating to RBI.

Furthermore, in his capacity as the Chairman of the Supervisory Board, Erwin Hameseder visited several selected subsidiary banks in the 2021 financial year with CEO Johann Strobl, as was the case in 2020. The visits focused on obtaining detailed reports from local management boards on current business issues as well as a comprehensive picture of the respective financial, risk, capital and liquidity trends. In 2021, the visits to subsidiary banks were held virtually.

The Chairman of the Supervisory Board also met with representatives of the supervisory authorities in the 2021 financial year for an honest and open exchange of views in which key supervisory issues and current topics relevant to RBI were discussed.

To support the activities of the Supervisory Board and assist the Chairman of the Supervisory Board, the Chairman's Office has been set up as an internal interface and secretarial office for the Supervisory Board and acts as a coordinator between the Supervisory Board (in particular the Chairman of the Supervisory Board) and all relevant RBI stakeholders.

## General Meetings

Given the high COVID-19 incidence rates in the first and fourth quarters of 2021, and after careful consideration and consultation with health experts, the Management Board of RBI AG decided it would be most responsible and safe for all attendees to also attend the General Meetings in 2021 virtually. The procedure strictly conformed to the statutory and internal COVID-19 precautions and regulations.

To give shareholders a simple and, most importantly, safe way to exercise their voting rights, a web-based portal with extensive functionality was set up, as was the case in 2020, that provided the opportunity to exercise voting rights and ask questions in advance or in real time in writing or by phone in the General Meeting.

The Annual General Meeting agreed on 22 April 2021, giving due consideration to the ECB's recommendation on restricting dividend payments during the COVID-19 pandemic, to pay a dividend of € 0.48 per share to entitled shareholders and to carry forward the remaining net profit. After the ECB's recommendation on dividend payments expired on 30 September 2021, the Extraordinary General Meeting on 10 November 2021 approved the payment of an additional dividend of € 0.75 per share for the 2020 financial year to entitled shareholders. This corresponds to a total distribution of € 246,704,715.75 and was paid out on 17 November 2021. This means that a total of € 1.23 per share in dividends was paid in two tranches in the 2021 financial year.

The Annual General Meeting for the 2021 financial year will take place on 31 March 2022. The convening notice will be published in the Wiener Zeitung's official journal and in electronic form a minimum of 28 days before the Annual General Meeting.

At the Annual General Meeting the shareholders, as owners of the company, can exercise their rights by voting. The fundamental principle of "one share, one vote" applies pursuant to Article 15 (3) of the Articles of Association of RBI AG. Accordingly, there are no restrictions on voting rights and all shareholders have equal rights. Every share confers one vote. Registered shares have not been issued. Shareholders may exercise their voting rights themselves or by means of an authorized agent.

The following overview summarizes the votes of the Annual General Meeting held on 22 April 2021:

Agenda item	Votes for	Voting results <sup>1</sup>	
		Votes against	Valid votes <sup>2</sup>
2) Resolution on the utilization of net profit, as shown in the annual financial statements as at 31 December 2020.	99.95	0.05	79.11
3) Resolution on the release of the members of the Management Board from liability for the 2020 financial year.	99.89	0.11	79.01
4) Resolution on the release of the members of the Supervisory Board from liability for the 2020 financial year.	94.70	5.30	78.78
5) Resolution on the amount of remuneration to be paid to the members of the Supervisory Board.	99.97	0.03	79.11
6) Appointment of an auditor (bank auditor) for the audit of the annual financial statements and consolidated financial statements for the 2022 financial year.	99.91	0.09	79.12
7) Resolution on the report of the remuneration of the members of the Management Board and the Supervisory Board for the 2020 financial year (remuneration report 2020).	99.10	0.90	79.07

<sup>1</sup> All figures in per cent  
<sup>2</sup> of share capital

The following overview summarizes the votes of the Extraordinary General Meeting held on 10 November 2021:

Agenda item	Votes for	Voting results <sup>1</sup>	
		Votes against	Valid votes <sup>2</sup>
1) Resolution on the utilization of net profit, as shown in the annual financial statements as at 31 December 2020.	99.89	0.11	78.19

<sup>1</sup> All figures in per cent  
<sup>2</sup> of the share capital

## Syndicate agreement concerning RBI

Due to a syndicate agreement relating to RBI, the regional Raiffeisen banks and direct and indirect subsidiaries of the regional Raiffeisen banks are parties acting in concert as defined in § 16 of the Austrian Takeover Act (see most recent notification of voting rights published on 20 August 2019). The terms of the syndicate agreement include a block voting agreement for all matters that require a resolution from the General Meeting of RBI, rights to nominate members of the RBI Supervisory Board and preemption rights among the syndicate partners. The terms also include a contractual restriction on sales of the RBI shares held by the regional Raiffeisen banks (with a few exceptions) since the expiration of the three year period from the effective date of the merger between RZB and RBI, thus as of 18 March 2020, if the sale would directly and/or indirectly reduce the regional Raiffeisen banks' aggregate shareholding in RBI to less than 40 per cent (formerly 50 per cent) of the share capital plus one share. There were no changes in the ownership structure of the syndicate members in RBI during the financial year.

## Report on measures taken by the company to promote women to the Management Board, the Supervisory Board and into executive positions (§ 80 AktG) and a description of the diversity strategy as laid down in § 243c (2) 2 and 3 of the UGB

### Description of the diversity strategy

RBI is actively committed to ensuring equal opportunities for all employees regardless of age, gender, nationality, sexual orientation, physical or mental ability, religion or world view. This principle applies across all areas of human resource management, from employee selection to salaries all the way to appraisals and career development. The RBI Group diversity and inclusion policy defines RBI's attitude, roles and responsibility with regard to diversity and establishes the principle of implementing a diversity strategy at RBI. All subsidiaries have appointed diversity officers and adopted local strategies.

The key components of this policy include RBI's diversity vision and mission statement and the daily implementation guidelines: "RBI believes that diversity adds value. Capitalizing on the opportunities of diversity provides long-term benefits to the company and its employees as well as to the economy and society as a whole. RBI is continuing Raiffeisen's 130-year-long success story as it embraces diversity. RBI actively and professionally harnesses the potential of diversity to give clients the best possible service as a strong partner and to position itself as an attractive employer." More information on diversity is available on the RBI website at <https://www.rbiinternational.com/en/sustainability/diversity.html>.

The RBI Group Diversity and Inclusion Policy defines a strategy for filling Management Board and Supervisory Board positions, whereby hiring must consider both diversity and compliance with statutory requirements. Other important diversity aspects include age, gender and geographic origin. The main requirements for holding such a position also include solid educational background and professional experience, preferably in roles related to fintech companies, banks or financial institutions. The formalization of the hiring process (at all levels), the focus placed on women in the internal succession pipeline and the support given to women in their careers facilitate decision-making and the attainment of the targets we have set for ourselves. RBI aims for the boards to include a wide range of qualifications and expertise in order to obtain the broadest possible variety of experience and diverse opinions, collectively resulting in sound decision-making.

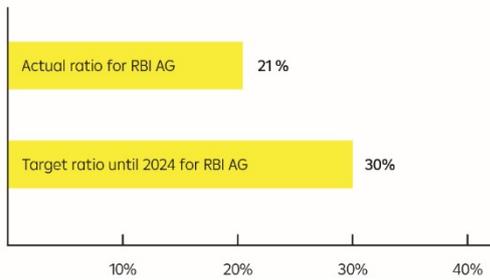
The composition of the Management Board and Supervisory Board should be structured so that the board members' geographic origins reflect the diversity of RBI's markets and its cultural context. With respect to the age structure of the Management Board and Supervisory Board, in order to achieve a good balance, the board members should preferably not have all been born in the same decade. The aim is for women to fill 35 per cent of the positions within the Supervisory Board, Management Board and Tier 2 management of the RBI Group by no later than 2024.

Of the six Management Board members of RBI AG, currently four are from Austria, one from Poland, and one from Ukraine. Members of non-Austrian origin therefore constituted 33 per cent of the Management Board at the end of 2021 (2020: 33 per cent). All the Supervisory Board members are of Austrian origin. The ages of the Supervisory Board members range between 47 and 67 (2020: from 46 to 66), and of the Management Board between 43 and 62 (2020: from 42 to 61).

### Measures taken to promote women to the Management Board, the Supervisory Board and into executive positions

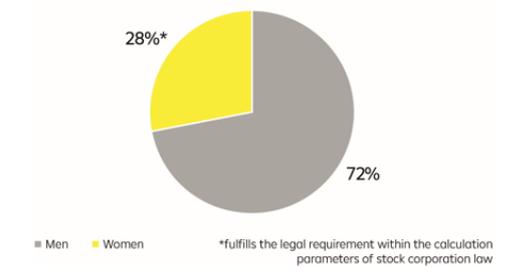
RBI is convinced that having leadership teams that are diverse in terms of gender, age, geographic origin, education and professional background is essential to optimize the quality of decision making and minimize groupthink. It thus assumes that diversity ultimately contributes positively to the company's performance. While the diversity of the management team is satisfactory in terms of age, geographic origin, education and professional background, RBI aims to further increase the proportion of women in management. The Nomination Committee has therefore set a target for RBI AG of filling 30 per cent of the positions on the Supervisory Board, Management Board and in upper management (Tier 2 and Tier 3 management) with women by 2024. As at 31 December 2021, the corresponding proportion was 22 per cent (2020: 23 per cent). Women held the following proportions of Tier 3 management positions and higher (positions with staff responsibility) at RBI AG: Supervisory Board, 28 per cent (2020: 28 per cent); Management Board, 0 per cent (2020: 0 per cent); Tier 2 management, 28 per cent (2020: 19 per cent) and Tier 3 management, 20 per cent (2020: 24 per cent). Female employees make up 46 per cent (2020: 46 per cent) of the total workforce. RBI AG therefore meets the legal requirement for the share of women on its Supervisory Board within the calculation parameters of stock corporation law.

### Proportion of women on the Supervisory Board and Management Board and in second tier of management at RBI AG

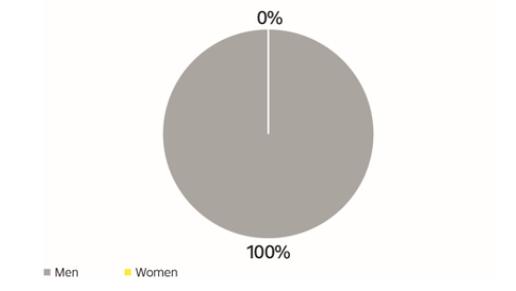


The following figures include RBI AG and 13 subsidiary banks in CEE and Raiffeisen Bausparkasse Gesellschaft m.b.H., Raiffeisen Kapitalanlage-Gesellschaft m.b.H., Raiffeisen-Leasing G.m.b.H, as well as Valida Holding AG, Kathrein Privatbank Aktiengesellschaft and Raiffeisen Centrobank AG. The proportion of women in the Supervisory Board, Management Board and second tier of management totaled 33 per cent at year-end 2021 (2020: 31 per cent). The target ratio for 2024 is 35 per cent. In the RBI Group, female employees make up 65 per cent (2020: 65 per cent) of the total workforce. Women held 16 per cent of Management Board positions (2020: 14 per cent), and 37 per cent of Tier 2 management positions (2020: 37 per cent). The proportion of women in Supervisory Board positions was 26 per cent (2020: 24 per cent).

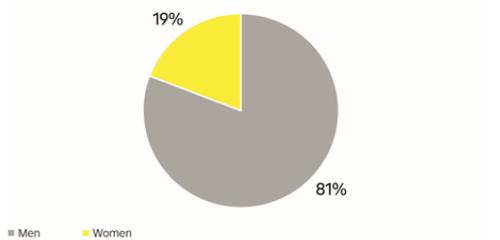
Proportion of men/women on RBI's Supervisory Board in per cent



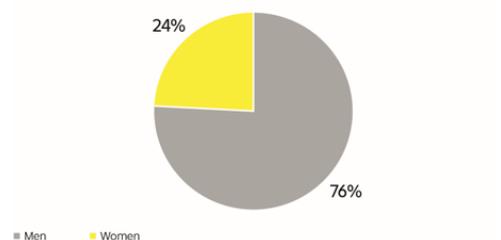
Proportion of men/women on RBI's Management Board in per cent



Proportion of men/women in management positions until second tier of management at RBI



Proportion of men/women in management positions until third tier of management at RBI



Women are underrepresented in management for various reasons based on individual circumstances and the social environment as well as the company. Therefore, a strategy to increase the representation of women must encompass a wide variety of measures and recognize that certain reasons cannot be addressed by organizational measures. The first set of measures focuses on work culture and aims to achieve a healthy work-life balance as well as a gender-sensitive design of the New World of Work. This includes conducting the work and family audit at RBI AG since 2020, and the promotion of active parental leave management. The work and family audit is a customized certification process for companies that is designed to provide support for the defining, evaluating and planning of family-friendly measures. In addition, this set of measures includes support for women in leadership positions and female talent through networking, coaching and mentoring programs. The objective is to create a work environment that provides equal career opportunities for men and women and to motivate and support female talent in applying for management roles.

The second set of measures aims to select and develop female talent in order to develop a pipeline of internal female succession candidates for leadership positions. The Management Board areas have set themselves targets for a gender-balanced succession pipeline and have developed individual strategies for reaching them. These strategies include measures for recruiting new talent and developing internal talent.

The third set of measures relates to the selection of upper management (first and second tier below the Management Board) and is aimed at improving the selection processes and making them more transparent in order to increase the number of qualified candidates and potential female managers. The measures apply to the entire selection process: including job advertisements (gender-appropriate wording) with predefined selection criteria, working with staffing consultants and focusing on the female talent pool, structured interviews conducted by at least one woman and one man, and a decision based on predefined criteria. In addition to the selection process, the measures also focus on increasing the percentage of women as a management responsibility. Every Management Board area has defined its own targets and a strategy for increasing the percentage of women in the first and second tier of management below board level. This bundle of measures provides medium- and long-term impetus to bring about cultural change and thus permanently establish gender diversity at the company.

## Transparency

RBI always strives to create transparency for its customers, employees and shareholders. It puts a top priority on an open communication network and transparent communication channels.

The Austrian Corporate Governance Code provides an important foundation for transparency. The Code's requirements are wide-ranging and mentioned at various points elsewhere in this report. To comply with provisions of the Code, information is also provided as to where the Code as well as RBI's Corporate Governance Report are published. Additional transparency requirements include explanations for rule deviations (comply or explain). Other transparency requirements, that the company has met in full, include the composition of committees, measures taken to support women, the diversity strategy, the review of the report by the Supervisory Board, the ability of shareholders to ask questions about the report at the General Meeting and, finally, verification of compliance with C Rules by an external auditor.

One of the most important tools for external communication is the RBI website. It plays an important role for RBI with regard to open communication with shareholders and their representatives, customers, analysts, employees, and the interested public. Therefore, the website offers regularly updated information and services, including the following: financial and regulatory reports, presentations and webcasts, ad-hoc and investor relations releases, information on the share and shareholder structure, financial calendar, ratings, consensus estimates and covering analysts, information for debt investors, the Corporate Governance and Remuneration Report, the Corporate Governance Code, information on the Annual General Meeting, the Sustainability Report, ratings from sustainability rating agencies and index providers, press releases, and other news from various divisions, information on securities transactions of the Management Board and Supervisory Board that are subject to reporting requirements (directors' dealings), RBI AG's Articles of Association, analysts' recommendations, as well as an ordering service for financial reports and investor relations news by e-mail and much more.

To expand internal communication channels, a secure, anonymous and digital whistleblower platform was established at RBI in line with regulatory and statutory guidelines. Employees throughout the Group can use this to report possible violations in their local language. All reports are investigated by RBI's Compliance department.

## Conflicts of interest

Both the Management Board and the Supervisory Board of RBI AG are required to disclose any potential conflicts of interest.

Members of the Management Board must therefore disclose to the Supervisory Board any significant personal interests in transactions involving the company and Group companies, as well as any other conflicts of interest. They must also inform the other members of the Management Board. Members of the Management Board who exercise or hold certain functions, roles and interests (such as supervisory board mandates, personal investments, etc.) are obligated to make sure that no actions or decisions are made that put the RBI Group at a disadvantage and that the interests of the involved companies are fairly balanced whenever there are any points of intersection with the RBI Group.

Members of the Supervisory Board must immediately report any potential conflicts of interest to the Chairman of the Supervisory Board, who is supported by Compliance when carrying out his evaluation. In the event that the Chairman himself should encounter a conflict of interest, he must report this immediately to the Deputy Chairman. Company agreements with members of the Supervisory Board that require members to perform a service for the company or for a subsidiary outside of their duty on the Supervisory Board (§ 189a 7 of the UGB) in exchange for not-insignificant compensation require the approval of the Supervisory Board. This also applies to agreements with companies in which a member of the Supervisory Board has a significant financial interest. Furthermore, related party transactions as defined by § 28 of the BWG require the approval of the Supervisory Board. The Supervisory Board also regularly discussed the area of conflicts of interest in 2021 and received training in the subject.

These and other requirements and rules of conduct are covered by a corporate policy that contains the duties required by law and by the ACGC. The policy also gives due consideration to the European Banking Authority's (EBA) guidelines on internal governance, the joint European Securities and Markets Authority/EBA guidelines on the assessment of the suitability of members of management bodies and key function holders, the European Central Bank's guide to fit and proper assessments, and the Basel Committee on Banking Supervision's corporate governance principles for banks.

For a number of years, RBI has had internal policies that govern business transactions in detail in order to avoid conflicts of interest. The rules enacted in Austria in mid-2019 on transactions with related companies and parties (as part of the transposition of the EU Shareholder Rights Directive into Austrian law) have been reflected in a separately issued internal directive.

## Information and cyber security

Information and cyber security is a core issue for Raiffeisen Bank International AG and is given top priority. Customers and business partner data is treated with utmost care. Due consideration is always given to changing factors that impact information security: the threat landscape, technology, the regulatory environment, the corporate strategy, etc.

The Group Information Security Officer is responsible for defining, refining and implementing RBI's information security strategy. RBI's processes are certified to ISO 27001, the international de facto standard for information security management. The certificate covers core banking processes, mission-critical support processes, banking products, necessary IT infrastructure, locations and employees as well as security management for the RBI Group and security processes for subsidiaries. Security is a top priority for RBI. RBI has taken strategic steps to strengthen cyber security in order to maximize customer data protection and be positioned to identify possible threat scenarios for the bank's IT environment early on and address them as effectively as possible. There were no security incidents involving data loss at RBI in the 2021 financial year, understanding the definition of a security incident as a breach of controls that impairs the confidentiality, integrity and/or availability of business services.

RBI protects its business and customer data with technical measures to prevent unauthorized access, hacking attempts, malware infections, DDoS attacks (distributed denial of services – an organized attack that overloads the IT infrastructure), ATM fraud, data leaks, phishing attempts, disclosure of sensitive information and many other threats. Measures are taken to ensure a reasonable level of risk regarding confidentiality, integrity, availability and resilience of all systems. Rapid technological change requires constant changes and improvements to security measures, both technically and organizationally. RBI therefore continuously improves its information and cyber security governance in order to keep up with the fast-moving technological and regulatory environment and stays prepared for threats. That includes training all employees regularly at least once a year to raise their awareness of information and cyber security concerns. Observant employees who are aware of security issues play a particularly important role in protecting the company from security threats. RBI constantly informs and educates all employees through educational campaigns, targeted training and regular communication through internal media. That enables RBI to protect itself and its customers' and business partners' data from potential threats.

Cyber and IT security risks are covered by two types of Group-wide insurance: fidelity/crime insurance and cyber insurance. Fidelity/crime insurance covers direct losses from cyber attacks such as bank withdrawals. Cyber insurance covers a broader array of loss scenarios related to IT system failures or IT compromises. This includes consequential costs from the interruption of business processes, additional costs from GDPR (General Data Protection Regulation) induced emergency actions (in particular, this includes costs for rapid loss mitigation and systematic notification of a potentially very large number of customers) and losses sustained by third parties. Other forms of insurance held by RBI include coverage for cyber and IT risks wherever this is possible and reasonable.

Further details under: [www.rbinational.com](http://www.rbinational.com) → Who we are → Security → Technical and Organizational Measures

## Independent consolidated non-financial report (§ 267a of the UGB) as well as disclosures for the parent company according to § 243b of the UGB

The company prepared an independent consolidated non-financial report according to § 267a of the UGB for the 2021 financial year for RBI, which also contains the disclosures for the parent company according to § 243b of the UGB. The report was reviewed by the Supervisory Board according to § 96 (1) of the AktG. In addition, KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, Vienna (KPMG) was appointed by the Management Board to audit the consolidated non-financial report and will report its findings to the Supervisory Board at its March 2022 meeting. The Supervisory Board will report on the results of the audit at the Annual General Meeting.

## Accounting and audit of financial statements

RBI's consolidated financial statements are prepared in accordance with the International Financial Reporting Standards (IFRS) as applied in the EU. They also comply with the regulations of the BWG in conjunction with the UGB to the extent that these are applicable to the consolidated financial statements. The consolidated annual financial statements are published within the first four months of the financial year following the reporting period. Interim reports are published no later than two months after the end of the respective reporting period pursuant to IFRS.

The Annual General Meeting on 22 April 2021 selected Deloitte Audit Wirtschaftsprüfungs-GmbH, Vienna (Deloitte) as external Group auditor and bank auditor for the 2022 financial year. Deloitte has confirmed to RBI AG that it has the certification of a quality auditing system. It has also declared that there are no reasons for disqualification or prejudice. The Supervisory Board is informed of the result of the audit by a statutory report regarding the audit of the consolidated financial statements by the auditor, as well as by the report of the Audit Committee. Furthermore, the auditor assesses the effectiveness of the company's risk management in accordance with the ACGC, based on the documents submitted to the auditor and otherwise available. The resulting report is presented to the Chairman of the Supervisory Board, who is responsible for ensuring the report is addressed in the Audit Committee and presented to the Supervisory Board.

### The Management Board



Johann Strobl



Andreas Gschwenter



Łukasz Januszewski



Peter Lennkh



Hannes Mösenbacher



Andrii Stepanenko