RAIFFEISEN BANK INTERNATIONAL

REGULATORY DISCLOSURE REPORT 2015

Disclosure of Raiffeisen Bank International Aktiengesellschaft
pursuant to EU 575/2013 Capital Requirement Regulation (CRR) Part 8

Raiffeisen Bank International

Introduction

With this document, Raiffeisen Bank International Aktiengesellschaft (RBI AG) fulfils its disclosure requirements under Part 8 of the Capital Requirements Regulation (CRR, EU 575/2013).

Pursuant to Article 11 of the CRR, new regulatory requirements on a subconsolidated basis were stipulated for RBI AG in the reporting year, whereby RBI AG is subject to the CRR provisions not only as an individual credit institution but also a subgroup. Before 2014, RBI AG – as part of the RZB CRR Group – did not constitute an independent credit institution group as defined by the Austrian Banking Act (BWG) and therefore was not subject to the regulatory provisions for banking groups.

This document is available on the RBI homepage (www.rbinternational.com). It is published at the time of the official release of RBI's Annual Report whereby certain information regarding Article 450 CRR is available only in July 2016 and will be reported at that time.

The information is based on the valid regulations on a consolidated basis for the RBI CRR Group at the time this document was published.

In this report, Raiffeisen Bank International (RBI) refers to the RBI Group, and RBI AG is used wherever statements refer solely to Raiffeisen Bank International AG. The same applies to RZB and RZB AG.

Regulatory Disclosure Report according Capital Requirements Regulation (CRR)
Version 1.2

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Editor

RBI Group Financial Reporting (Editor) supported by RBI Credit Risk Control, RZB Risk Controlling, Asset Based Finance FI, RBI Treasury, RBI Capital Planning and RBI Credit & Limit Control

Supervisory Authorities:

As a credit institution, RBI AG is subject to supervision by the Austrian Federal Ministry of Finance, European Central Bank (ECB), Austrian National Bank (OeNB) and the Austrian Financial Market Authority (FMA) and must comply with pertinent legal regulations, in particular the EU regulations (CRR), Austrian Banking Act (Bankwesengesetz, BWG) and the Austrian Securities Supervision Act (Wertpapieraufsichtsgesetz, WAG).

Content

Article 435 CRR Risk management objectives and policies

Active risk management is a core competency of the Group. In order to effectively identify, measure, and manage risks the Group continues to develop its comprehensive risk management system. Risk management is an integral part of overall bank management. In particular, in addition to legal and regulatory requirements, it takes into account the nature, scale, and complexity of the business activities and the resulting risks. The risk report describes the principles and organization of risk management and explains the current risk exposures in all material risk categories.

Risk management principles

The Group has a system of risk principles and procedures in place for measuring and monitoring risk, which is aimed at controlling and managing material risks at all banks and specialist companies in the Group. The risk policies and risk management principles are laid out by the Management Board. The principles include the following risk policies:

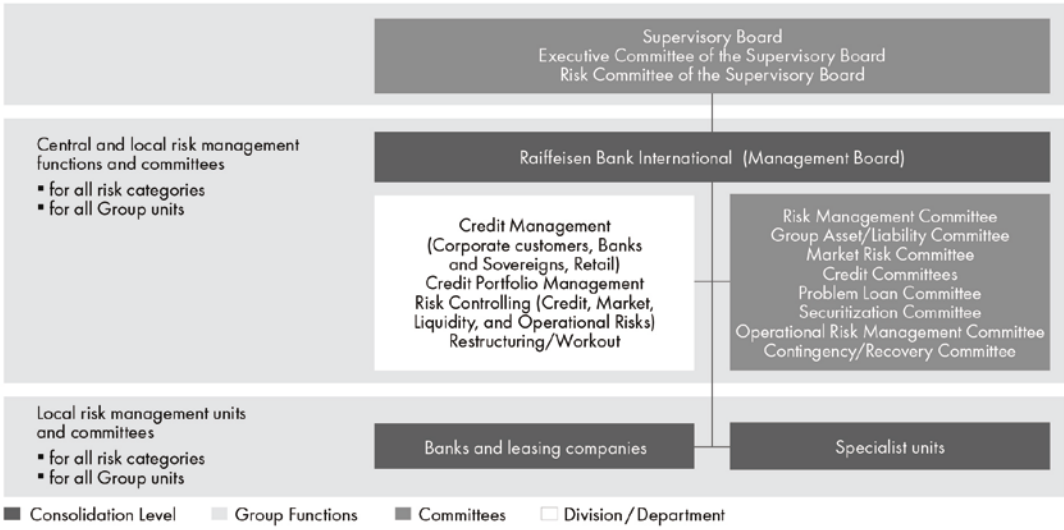
- Integrated risk management: Credit, country, market, liquidity, and operational risks are managed as key risks on a Group-wide basis. For this purpose, these risks are measured, limited, aggregated, and compared to available risk coverage capital.
- Standardized methodologies: Risk measurement and risk limitation methods are standardized Group-wide in order to ensure a consistent and coherent approach to risk management. This is efficient for the development of risk management methods and it forms the basis for consistent overall bank management across all countries and business lines in RBI.
- Continuous planning: Risk strategies and risk capital are reviewed and approved in the course of the annual budgeting and planning process, whereby special attention is also paid to preventing risk concentrations.
- Independent control: A clear personnel and organizational separation is maintained between business operations and any risk management or risk controlling activities.
- Ex ante and ex post control: Risks are consistently measured within the scope of product selling and in risk-adjusted performance measurement. Thereby it is ensured that business in general is conducted only under risk-return considerations and that there are no incentives for taking high risks.

Individual risk management units of the Group develop detailed risk strategies, which set more concrete risk targets and specific standards in compliance with these general principles. The overall Group risk strategy is derived from the Group's business strategy and the risk appetite and adds risk relevant aspects to the planned business structure and strategic development. These aspects include for example structural limits and capital ratio targets which have to be met in the budgeting process and which frame upcoming business decisions. More specific targets for individual risk categories are set in detailed risk strategies. The credit risk strategy of RBI, for instance, sets credit portfolio limits for individual countries and segments and defines the credit approval authority for limit applications.

Organization of risk management

The Management Board of the Group ensures the proper organization and ongoing development of risk management. It decides which procedures are to be employed for identifying, measuring, and monitoring risks, and makes steering decisions according to the risk reports and analyses. The Management Board is supported in undertaking these tasks by independent risk management units and special committees.

Risk management functions are performed on different levels in the Group. RBI AG develops and implements the relevant concepts in coordination with RZB AG as the parent credit institution and in cooperation with the subsidiaries of the Group. The central risk management units are responsible for the adequate and appropriate implementation of the Group's risk management processes. In particular, they establish common Group directives and set business-specific standards, tools, and practices for all Group entities.



In addition, local risk management units are established in the different Group entities of RBI. They implement the risk policies for specific risk types and take active steering decisions within the approved risk budgets in order to achieve the targets set in the business policy. For this purpose, they monitor resulting risks using standardized measurement tools and report them to central risk management units via defined interfaces.

The central Risk Controlling division assumes the independent risk controlling function required by banking law. Its responsibilities include developing the Group-wide framework for overall bank risk management (integrating all risk types) and preparing independent reports on the risk profile for the Risk Committee of the Supervisory Board, the Management Board and the heads of individual business units. It also measures required risk coverage capital for different Group units and calculates the utilization of the allocated risk capital budgets in the internal capital adequacy framework.

Risk committees

The Risk Management Committee is responsible for ongoing development and implementation of methods and parameters for risk quantification models and for refining steering instruments. The committee also analyzes the current risk situation with respect to internal capital adequacy and the corresponding risk limits. It approves risk management and controlling activities (such as the allocation of risk capital) and advises the Management Board in these matters.

The Group Asset/Liability Committee assesses and manages statement of financial position structure and liquidity risks and defines the standards for internal funds transfer pricing. In this context it plays an important role for the long-term funding planning and the hedging of structural interest rate and foreign exchange risks.

The Market Risk Committee controls market risks of trading and banking book transactions and establishes corresponding limits and processes. In particular, it relies on profit and loss reports, the risks calculated and the limit utilization, as well as the results of scenario analyses and stress tests with respect to market risks.

The Credit Committees are staffed by front office and back office representatives with different participants depending on the customer segment (corporate customers, financial institutions, sovereigns and retail). They decide upon the specific lending criteria for different customer segments and countries and approve all credit decisions concerning them according to the credit approval authority (depending on rating and exposure size).

The Problem Loan Committee is the most important committee in the evaluation and decision-making process concerning problem loans. It comprises primarily decision making authorities, its chairman is the Chief Risk Officer (CRO) of RBI. Further members with voting rights are those members of the Management Board responsible for the customer divisions, the Chief Financial Officer (CFO) and the relevant division and department managers from risk management and special exposures management (workout).

The Securitization Committee is the decision-making committee for limit requests regarding securitization positions within the specific decision-making authority framework and develops proposals for modifications to the securitization strategy for the Management Board. In addition, the Securitization Committee is a platform for exchanging information regarding securitization positions and market developments.

The Operational Risk Management Committee comprises representatives of the business divisions (retail, market and corporate customers) and representatives from Compliance, Fraud Management, Internal Control System, Operations, Human Resources, Security and Risk Controlling, under chairmanship of the CRO. This committee is responsible for controlling the operational risk of the Group. It derives and sets the operational risk strategy from the risk profile and the business strategy and also makes decisions regarding measures and risk acceptance.

The Contingency/Recovery Committee is a decision-making body convened by the Management Board. The composition of the committee varies depending on the intensity and focus of the specific requirements pertaining to the situation (e.g. capital and/or liquidity). The core task of the Committee is to maintain and recover financial stability in accordance with BaSAG (Austrian Bank Recovery and Resolution Act) and BRRD (Banking Recovery and Resolution Directive) in the event of a critical financial situation.

Quality assurance and internal audit

Quality assurance with respect to risk management refers to ensuring the integrity, soundness, and accuracy of processes, models, calculations, and data sources. This is to ensure that the Group adheres to all legal requirements and that it can achieve the highest standards in risk management related operations.

All these aspects are coordinated by the division Organization & Processes which analyzes the internal control system on an ongoing basis and – if actions are necessary for addressing any deficiencies – is also responsible for tracking their implementation.

Two very important functions in assuring independent oversight are performed by the divisions Audit and Compliance. Independent internal auditing is a legal requirement and a central pillar of the internal control system. Audit periodically assesses all business processes and contributes considerably to securing and improving them. It sends its reports directly to the Management Board of the Group which discusses them on a regular basis in its board meetings.

The Compliance Office is responsible for all issues concerning compliance with legal requirements in addition to and as integral part of the internal control system. Thus, compliance with existing regulations in daily operations is monitored.

Moreover, an independent and objective audit, free of potential conflicts of interest, is carried out during the audit of the annual financial statements by the auditing companies. Finally, the Group is continuously supervised by the Austrian Financial Markets Authority and by local supervisors in those countries, where the Group is represented by branches or subsidiaries.

Overall bank risk management

Maintaining an adequate level of capital is a core objective of the Group. Capital requirements are monitored regularly based on the actual risk level as measured by internal models, and in choosing appropriate models the materiality of risks annually assessed is taken into account. This concept of overall bank risk management provides for capital requirements from a regulatory point of view (sustainability and going concern perspective) and from an economic point of view (target rating perspective). Thus it covers the quantitative aspects of the internal capital adequacy assessment process (ICAAP) as legally required. The full ICAAP process of the Group is audited during the supervisory review process for RZB credit institution group (RZB-Kreditinstitutsgruppe) on an annual basis.

Objective	Description of risk	Measurement technique	Confidence level
Target rating perspective	Risk of not being able to satisfy claims of the Group´s senior lenders	Unexpected losses on an annual basis (economic capital) must not exceed the present value of equity and subordinated liabilities	99.92 per cent as derived from the default probability implied by the target rating
Going concern perspective	Risk of not meeting the capital requirement as defined in the CRR regulations	Risk-taking capacity (projected earnings plus capital exceeding regulatory requirements) must not fall below the annualized value-at-risk of the Group	95 per cent presuming the owners´ willingness to inject additional capital
Sustainability perspective	Risk of falling short of a sustainable tier 1 ratio over a full business cycle	Capital and net income projection for a three-year planning period based on a severe macroeconomic downturn scenario	70-90 per cent based on the management decision that the Group might be required to temporarily reduce risks or raise additional capital

Target rating perspective

Risks in the target rating perspective are measured based on economic capital which represents a comparable measure across all types of risks. It is calculated as the sum of unexpected losses stemming from different Group units and different risk categories (credit, participation, market, liquidity, macroeconomic and operational risk as well as risk resulting from other tangible fixed assets). In addition, a general buffer for other risk types not explicitly quantified is held.

The objective of calculating economic capital is to determine the amount of capital that would be required for servicing all of the claims of customers and creditors even in the case of such an extremely rare loss event. The Group uses a confidence level of 99.92 per cent for calculating economic capital. This confidence level is derived from the probability of default implied by the target rating. Based on the empirical analysis of rating agencies, the selected confidence level corresponds to a rating of single A.

The economic capital is compared to internal capital, which mainly comprises equity and subordinated capital of the Group. This capital form serves as a primary provision for risk coverage for servicing claims of senior lenders if the bank should incur losses.

Economic capital is an important instrument in overall bank risk management. Economic capital limits are allocated to individual business areas during the annual budgeting process and are supplemented for day-to-day management by volume, sensitivity, or value-at-risk limits. In the Group this planning is undertaken on a revolving basis for the upcoming three years and incorporates the future development of economic capital as well as available internal capital. Economic capital thus substantially influences the plans for future lending activities and the overall limit for taking market risks.

Risk-adjusted performance measurement is also based on this risk measure. The profitability of business units is examined in relation to the amount of economic capital attributed to these units (risk-adjusted profit on risk-adjusted capital, RORAC), which yields a comparable performance measure for all business units of the Group. This measure is used in turn as a key figure for overall bank management, for future capital allocations to business units, and influences the remuneration of the Group's executive management.

Going-concern perspective

Parallel to the target rating perspective, internal capital adequacy is assessed with focus on the uninterrupted operation of the Group on a going concern basis. In this perspective, risks again are compared to risk taking capacity – with a focus on regulatory capital and total capital requirements.

In line with this target, risk taking capacity is calculated as the amount of expected profits, expected impairment losses, and the excess of total capital (taking into account various limits on eligible capital). This capital amount is compared to the overall value-at-risk (including expected losses). Quantitative models used in the calculation thereof are mostly comparable to the target rating perspective, (albeit on a lower 95 per cent confidence level). Using this perspective the Group ensures adequate regulatory capitalization (going concern) with the given probability.

Sustainability perspective

The main goal of the sustainability perspective is to ensure that the Group can maintain a sufficiently high tier 1 ratio at the end of the multi-year planning period also in a severe macroeconomic downturn scenario. This analysis is based on a multi-year macroeconomic stress test where hypothetical market developments in a severe but realistic economic downturn scenario are simulated. The risk parameters considered include: interest rates, foreign exchange rates and securities prices, as well as changes in default probabilities and rating migrations in the credit portfolio.

The main focus of this integrated stress test is the resulting tier 1 ratio at the end of the multi-year period. It should not fall below a sustainable level and thus neither requires the bank to substantially increase capital nor to significantly reduce business activities. The current minimum amount of tier 1 capital is therefore determined by the size of the potential economic downturn. In this downturn scenario the need for allocating loan loss provisions, potential pro-cyclical effects that increase minimum regulatory capital requirements, the impact of foreign exchange rate fluctuations as well as other valuation and earnings effects are incorporated.

This perspective thus also complements traditional risk measurement based on the value-at-risk concept (which is in general based on historical data). Therefore it can incorporate exceptional market situations that have not been observed in the past and it is possible to estimate the potential impact of such developments. The stress test also allows for analyzing risk concentrations (e.g., individual positions, industries, or geographical regions) and gives insight into the profitability, liquidity situation, and solvency under extreme situations. Based on these analyses risk management in the Group enhances portfolio diversification, for example via limits for the total exposure of individual industry segments and countries and through ongoing updates to its lending standards.

Risk categories

Credit risk

In the Group, credit risk stems mainly from default risks that arise from business with retail and corporate customers, other banks and sovereign borrowers. It is by far the most important risk category in the Group, as also indicated by internal and regulatory capital requirements. Credit risk thus is analyzed and monitored both on an individual loan and customer basis as well as on a portfolio basis in the Group. Credit risk management and lending decisions are based on the respective credit risk policies, credit risk manuals, and the corresponding tools and processes which have been developed for this purpose.

The internal control system for credit risks includes different types of monitoring measures, which are tightly integrated into the workflows to be monitored – from the customer's initial credit application, to the bank's credit approval, and finally to the repayment of the loan.

Limit application process

In the non-retail division, each lending transaction runs through the limit application process beforehand. This process covers – besides new lending – increases in existing limits, roll-overs, overdrafts, and changes in the risk profile of a borrower (e.g. with respect to the financial situation of the borrower, the terms and conditions, or collateral) compared to the time the original lending decision. It is also used when setting counterparty limits in treasury and new issuance operations, other credit limits, and for equity participations.

Credit decisions are made within the context of a competence authority hierarchy based on the size and type of a loan. It always requires the approval of the business and the credit risk management divisions for individual limit decisions or when performing regular rating renewals. If the individual decision-making parties disagree, the potential transaction is decided upon by the next higher-ranking credit authority.

The whole limit application process is based on defined uniform principles and rules. Account management for multinational customers doing business simultaneously with more than one member of RBI, is supported by the Global Account Management System, for example. This is made possible by Group-wide unique customer identification in non-retail asset classes.

The limit application process in the retail division is to a larger extent automated due to the high number of applications and lower exposure amounts. Limit applications often are assessed and approved in central processing centers based on credit score cards. This process is facilitated by the respective IT systems.

Credit portfolio management

Credit portfolio management in the Group is, among other aspects, based on the credit portfolio strategy which is in turn based on the business and risk strategy. By means of the selected strategy, the exposure amount in different countries, industries or product types is limited and thus prevents undesired risk concentrations. On top of that, the long-term potentials of different markets are continuously analyzed. This allows for an early strategic repositioning of future lending activities.

A more detailed credit portfolio analysis is based on individual customer ratings. Ratings are performed separately for different asset classes using internal risk classification models (rating and scoring models), which are validated by a central organization unit. Default probabilities assigned to individual rating grades are estimated for each asset class separately. As a consequence the default probability of the same ordinal rating grade (e.g., corporates good credit standing 4, banks A3, and sovereigns A3) is not directly comparable between these asset classes.

Rating models in the main non-retail asset classes – corporates, banks, and sovereigns – are uniform in all Group units and rank creditworthiness in 27 grades for corporate customers and ten grades for banks and sovereigns. For retail asset classes, country specific scorecards are developed based on uniform Group standards. Customer rating, as well as validation is supported by specific software tools (e.g. for business valuation, rating and default database).

The credit portfolio and individual borrowers are subject to constant monitoring. The main purpose of monitoring is to ensure that the borrower meets the terms and conditions of the contract, as well as following the obligor's economic development. Such a review is conducted at least once annually in the non-retail asset classes corporates, financial institutions, and sovereigns. This includes a rating review and the re-evaluation of financial and tangible collateral.

Problem loans (where debtors might run into material financial difficulties or a delayed payment is expected) need special treatment. In non-retail divisions, problem loan committees in individual Group units make decisions on problematic exposures. If the need for intensified treatment and workout is identified, then problem loans are assigned either to a designated specialist or to a restructuring unit (workout department). Employees of the workout units are specially trained and have extensive experience. They typically handle medium-sized to large cases and are assisted by in-house legal departments or by external specialists as well.

Workout units play a decisive role in accounting and analyzing as well as booking provisions for impairment losses (write-offs, value adjustments or provisioning). Their early involvement can help reduce losses resulting from problem loans.

Problem loan management standards in the retail area comprise the whole restructuring and collection process for private individuals and small and medium-sized entities. A restructuring guideline defines the Group's restructuring framework including uniform strategy, organization, methods, monitoring and controlling. In the workout process customers are classified into three categories "early," "late," and "recovery," for which a standardized customer handling process is defined.

Country risk

Country risk includes transfer and convertibility risks as well as political risk. It arises from cross-border transactions and direct investments in foreign countries. The Group is exposed to this risk due to its business activities in the Central and Eastern European markets. In these markets political and economic risks to some extent are still seen as comparatively significant.

Active country risk management in the Group is based on the country risk policy which is set by the Management Board. This policy is part of the credit portfolio limit system and sets a strict limitation on cross-border risk exposure to individual countries in order to avoid risk concentrations. Consequently, in day-to-day work, business units have to submit limit applications for the respective countries for all cross-border transactions in addition to complying with customer limits. The limit size for individual countries is set by using a model which takes into account the internal rating for the sovereign, the size of the country, and the Group's own capitalization.

Country risk also is reflected via the internal funds transfer pricing system in product pricing and in risk-adjusted performance measurement. Business units therefore can benefit from country risk mitigation by seeking insurance (e.g. from export credit insurance organizations) or guarantors in third countries. The insights gained from the country risk analysis are not only used for limiting the total cross-border exposure, but also for limiting the total credit exposure in each individual country (i.e. including the exposure that is funded by local deposits). Thereby, the Group realigns its business activities according to the macro-economic development within different markets and enhances the broad diversification of its credit portfolio.

Participation risk

The Group's banking book also contains risks arising from listed and unlisted equity participations. They are described separately under this risk heading. Risks stemming from subsidiaries that are strategically and operatively controlled by the Group are not considered in this risk category because these risks are precisely measured and reported under the other risk headings during consolidation. Most of the direct and indirect participations of the Group are fully consolidated in the Group's statement of financial position (e.g. network banks, network leasing companies) and therefore subject to the 'look through' approach. Risks arising from such participations are managed by applying controlling, measurement and monitoring tools as described for the other risk categories.

Participation risk and counterparty credit risk have similar roots: a deteriorating financial situation in relation to equity participations is mostly reflected in a rating downgrade (or default) of the respective entity. The methodology of the Group used for measuring value-at-risk and internal capital requirements of equity participations nonetheless is comparable to the methodology used to measure price risk arising from positions in stocks. However, in the light of the longer-term strategic nature of equity participations, annual volatilities based on observation periods of several years (instead of daily price changes) are used in the calculation.

More information on this risk category is provided in the section Article 447 CRR Equity exposures not held in the trading book.

Market risk

Organisation and management of market risks is explained in detail in the sections Article 445 CRR Internal models for limiting market risks and Article 448 CRR Interest rate risk in the banking book.

Liquidity risk

An important role of banks is maturity transformation in the international financial markets. The need for maturity transformation arises from the needs of depositors to access their funds within short notice and the opposing need of borrowers for long-term loans. This function constantly results in positive or negative liquidity gaps for different maturities that are managed through transactions with other market participants under normal market conditions.

Liquidity management, i.e. ensuring that the Group maintain its ability to pay at all times, is performed both centrally by the Treasury division in Vienna and on a decentralized basis by local banking subsidiaries. Cash flows are calculated and analyzed by currency on a periodic basis in an internal monitoring system. Based on this data, the Group creates liquidity balances, and analyzes Group conformity to legal regulations on liquidity positions and to defined internal liquidity limits. Liquidity analyses also include simulations of defined market or bank specific liquidity crises in scenario-based cash flow forecasts. All these analyses are discussed in the Group Asset/Liability Committee. The Group possesses all instruments for liquidity risk management required by the credit institutions risk management directive (including a sufficiently large liquidity buffer, stress tests based on different scenarios, and liquidity contingency plans).

Short-term liquidity risk

Internal limits have been established in each Group unit in order to limit liquidity risk. They require a positive short-term liquidity gap based on the internal liquidity model. The Group holds sizeable amounts of liquid securities and favors assets eligible in tender transactions in the lending business in order to ensure liquidity in various currencies. In the case of a liquidity shortage in the Group, contingency plans would come into force. Such prioritized action lists for handling short-term liquidity needs (also with regard to the publicity impact) exist for all major Group units.

Funding liquidity risk

Funding liquidity risk is mainly driven by changes in the risk strategy of lenders or by a deterioration in the creditworthiness of a bank that needs external funding. Funding rates and supply rise and fall with credit spreads, which change due to the market- or bank-specific situation.

As a consequence, long-term funding depends on restoring confidence in banks and increased efforts in collecting customer deposits. The Group's banking activities are refinanced by combining wholesale funding and the retail franchise of deposit-taking network banks. It is the central liquidity balancing agent for the local Group units in Central and Eastern Europe.

In the Group's funding plans, special attention is paid to a diversified structure of funding to mitigate funding liquidity risk. In the Group, funds are not only raised by RBI AG as the Group's parent institution, but also individually by different banking subsidiaries. Those efforts are coordinated and optimized through a joint funding plan. Moreover, RBI AG arranges medium-term and long-term funding for its subsidiaries through syndicated loans, bilateral funding agreements with banks, and financing facilities of supranational institutions. These funding sources are based on long-term business relationships.

For managing and limiting liquidity risks, the targets for loan/deposit ratios (the ratio of customer loans to customer deposits) in the individual network banks take into account the planned future business volumes as well as the feasibility of increasing customer deposits in different countries. On the one hand, this initiative reduces external funding requirements. On the other hand, it also reduces the need for internal funding operations and the risk associated with such liquidity transfers.

Operational risk

Operational risk is defined as the risk of unexpected losses resulting from inadequate or failed internal processes, people and systems or from external events, including legal risk. In this risk category internal risk drivers such as unauthorized activities, fraud or theft, execution and process errors, or business disruption and system failures are managed. External factors such as damage to physical assets or consciously conducted human fraud are managed and controlled as well.

This risk category is analyzed and managed on the basis of own historical loss data and the results of self-assessments. Another management tool is the incentive system implemented in internal capital allocation. This system rewards high data quality and active risk management. Generally speaking, the Group implements a centralized and also decentralized system for operational risk management. In this process, a central operational risk management function defines all basic principles and minimum requirements, which then are implemented risk type specific in the individual local units.

As with other risk types the principle of firewalling between risk management and risk controlling is also applied to operational risk in the Group. Operational risk controlling units are mainly responsible for the implementation and refinement of methods for operational risk management in different Group units (e.g. performing risk assessments, defining and monitoring key risk indicators, etc.) and for reporting to the central operational risk controlling function. Business line managers are responsible for controlling and mitigating operational risks. They decide on pro-active operational risk steering actions, such as buying insurance, and the use of further risk mitigating instruments.

Risk identification

Identifying and evaluating risks that might endanger the Group's existence (but where losses are highly unlikely to be realized) and areas where losses are more likely to arise frequently (but have only limited impact) are important aspects of operational risk management.

Operational risk assessment is executed in a structured and Group-wide uniform manner according to risk categories such as business processes and event types. Moreover, risk assessment applies to new products as well. All Group units grade the impact of high probability/low impact events and low probability/high impact incidents according to their estimation of the loss potential for the next year and in the next ten years. Low probability/high impact events are quantified by a Group-wide analytical tool with specific scenarios. Individual Group units furthermore run additional scenarios depending on their individual risk profile and local specifics.

Monitoring

In order to monitor operational risks, key risk indicators (early warning indicators) are used that allow prompt identification and mitigation of operational risks. These are also specifically tailored to individual Group units. A common catalog of key risk indicators, which is defined by the Group head office for internal benchmarking purposes, is mandatory for all Group units.

Loss data is collected in a central database called ORCA (Operational Risk Controlling Application) in a structured manner and on a Group-wide basis according to the event type and the business line. Collecting data on losses stemming from operational risks is a prerequisite for implementing a statistical loss distribution model and a minimum requirement for implementing the regulatory Standardized Approach. Furthermore, loss data is used to create and validate operational risk scenarios and for exchange with international data pools to further develop advanced operational risk management tools as well as to track measures and control effectiveness. Since 2010, The Group has been a participant in the ORX data pool, whose data are currently used for internal benchmark purposes and analyses. The results of the analyses as well as events resulting from operational risks are reported in a comprehensive manner to the Group Risk Committees on a regular basis.

Quantification and mitigation

The Group currently calculates regulatory capital requirements for operational risks according to CRR using the Standardized Approach (TSA). This approach applies to all Group units of the credit institution group.

Operational risk reduction is initiated by business managers who decide on preventive actions like risk mitigation or risk transfer. Progress and success of these actions is monitored by risk controlling. The former also define contingency plans and nominate responsible persons or departments for initiating the defined actions if losses in fact occur. In addition, several dedicated organizational units provide support to business units for reducing operational risks. An important role is taken on by fraud management which reduces potential fraud related losses through proactive monitoring and preventive actions. The Group also executes an extensive staff training program and has different emergency plans and back-up systems in place.

Declaration by the management body on the adequacy of risk management arrangements

We hereby confirm that the risk management systems established in RBI and set out in the "RZB Risk Manual" and in the Group Directive "Risk Strategy RZB" are adequate in view of the profile and the strategy of RBI.

RBI is an internationally operating universal banking group that focuses its business activities on Austria and the geographical region Central and Eastern Europe. The regional composition of economic capital[1], which is one of the main elements of risk steering in RBI, is shown in the table below. This also illustrates the balanced distribution of risk between Austria and the subregions in CEE.

in € thousand	2015	Share	2014	Share
Central Europe	2,232,544	40.9%	2,236,243	30.3%
Southeastern Europe	1,216,981	22.3%	1,303,650	17.7%
Eastern Europe	931,615	17.1%	2,748,492	37.3%
Austria	1,041,032	19.1%	936,088	12.7%
Rest of World	35,420	0.6%	151,157	2.0%
Total	**5,457,592**	**100.0%**	**7,375,631**	**100.0%**

1 For a detailed description of the risk organization and processes in RBI, including the target-rating perspective (i.e. economic capital), please refer to the Risk Report in the annual report.

RBI's main business activities are within corporate banking, retail banking, and managing participations in various industries. Investment banking and other market risk taking activities are limited in scope, with a substantial part of the market risk stemming from equity positions of subsidiaries held in foreign currency. The composition of economic capital according to risk types in the table below shows the prevalence of credit risk in the overall risk profile of the group, as well as a balanced distribution between corporate and retail credit risk.

in € thousand	2015	Share	2014	Share
Credit risk corporate customers	1,596,219	29.2%	1,810,240	24.5%
Credit risk retail customers	1,200,409	22.0%	1,554,750	21.1%
Operational risk	639,280	11.7%	630,248	8.5%
Macroeconomic risk	499,000	9.1%	462,000	6.3%
Credit risk sovereigns	388,328	7.1%	467,630	6.3%
Market risk	322,596	5.9%	1,366,889	18.5%
Other tangible fixed assets	216,179	4.0%	275,492	3.7%
Credit risk banks	171,793	3.1%	194,288	2.6%
Participation risk	108,631	2.0%	129,640	1.8%
Liquidity risk	22,817	0.4%	92,782	1.3%
CVA risk	32,455	0.6%	40,452	0.5%
Risk buffer	259,885	4.8%	351,221	4.8%
Total	**5,457,592**	**100.0%**	**7,375,631**	**100.0%**

In order to limit the risks taken by the Group, the overall economic capital has to be covered, with a sufficiently large cushion, by internal capital. As at year-end 2015 the utilization of available risk capital (the ratio of economic capital to internal capital) amounted to 50.1 per cent, down from 70.2 per cent as at year-end 2014 mainly due to the strong decline in market risk. As at year-end 2014, the extremely high volatility of the Russian rouble and the steep interest rate hike carried out by the Russian Central Bank resulted in an unusual increase in economic capital.

Governance arrangements

Recruitment policy for the Board of Management and Supervisory Board

The aim of the policy is to select members of the Board of Management and the Supervisory Board pursuant to the Fit & Proper Policy in such manner as to ensure qualified management, control, supervision and consultation, which is in compliance with the statutory requirements.

The candidates should be in a position, due to their integrity, motivation, independence, and character, to fulfill the tasks of a member of the Board of Management or Supervisory Board in RBI and to safeguard the reputation of the company.

When selecting members, the composition of the relevant management body is considered, taking into account the required expertise and professional experience as well as diversity considerations.

Number of directorships

The detailed overview of the number of directorships held by members of the Board of Management and Supervisory Board can be found in Annex 1.

Diversity strategy when selecting members of the management body

The Board of Management and the Supervisory Board should consist of persons with management experience, preferably in the field of banking or financial institutions, in order to ensure qualified management, control, supervision and consultation.

As an internationally operating enterprise, RBI values diversity across its entire business. According to the tradition of Raiffeisen, local customs and cultures are respected and supported in order to prevent prejudice and discrimination.

The different cultural identities of staff members, the diversity of educational backgrounds and professional experience are an essential element of effective internal cooperation and a prerequisite for the success of the business in our core markets in Austria and in Central and Eastern Europe.

The diversity and international orientation encourage an innovative working atmosphere and open dialog allowing an exchange of ideas and opinions. It creates a dynamic working environment for the benefit of our employees and customers and forms the basis of our success in the various markets.

This success is mostly due to personal commitment, different educational backgrounds and a variety of professional experience. The implementation of the principle of equal opportunities for equal performances starts with a recruiting process that applies equal standards without any prejudice or restrictions.

Targets and target quota for the underrepresented gender

Adequate measures for the promotion of women have been implemented and are continuously developed throughout the company. The improvement of the compatibility of family life and work is an important element. Among these measures are flexible working hours, part time arrangements or teleworking, which are already offered by almost all subsidiaries in compliance with the applicable local regulations. Furthermore, country specific measures are taken, such as the kindergarten established at the head office in Vienna which offers flexible operating hours.

In 2015 a workshop with managers from the second management level and "potentials" from the talent pool took place, with the goal of better understanding the company-specific perception regarding development possibilities for women. In addition, the focus in 2015 was in developing a diversity strategy with a set of measures to improve career possibilities for women.

In 2014 RBI AG agreed to achieve within the next five to ten years a quota of at least 35 per cent for the underrepresented female gender in the area of the Board of Management, Supervisory Board and the first, second and third management levels on an overall basis. RBI AG achieved a quota of 25 per cent as of 31 December 2015.

The goal set by the Nomination Committee is envisaged to be reached in such manner that in the standard HR development programs the number of participating women shall be pro rata to the number of women employed in the relevant divisions. Furthermore, when recruiting management staff, including in particular for the second and third management level positions, female candidates shall beyond the normal recruiting process be especially considered, targeted and invited to submit applications. In 2015 activities took place to achieve a more balanced gender quota in the group of "identified talents".

The Board of Management is aware that a consistent continuation of current measures and openness towards new initiatives are required in order to increase the number of women in more senior positions. The Board encourages women to actively pursue opportunities and to demand such initiatives in practice.

Risk Committee

RBI has implemented a Risk Committee pursuant to Section 39d of the BWG. The Risk Committee holds at least one meeting per year. On 3 June 2014 the constitutive meeting of the Risk Committee took place. In 2015 two meetings have been held.

Information to management

The consolidated risk development is reported by the risk controlling division to the Board of Management on a quarterly basis. In addition, the Board of Management reports on the risk development at meetings of the Supervisory Board on a quarterly basis, as well as ad hoc if necessary.

The organizational unit risk controlling is in charge of centralized and independent risk controlling pursuant to Section 39 (5) BWG. The head of risk controlling reports to the CRO, is a member of the Risk Committee, and reports the results to the Risk Committee of the Supervisory Board, to the RBI Board of Management, and to the responsible division heads.

Regarding the risk strategy and major developments within RBI, the head of the central and independent risk controlling division reports to the Risk Committee of the Supervisory Board. The Risk Committee of the Supervisory Board advises the Board of Management in respect of the current and future risk appetite and risk strategy. It supervises the implementation of this strategy in connection with the steering, supervision, and limitation of risks pursuant to the provisions of the BWG, and regarding capitalization and liquidity.

Article 436 CRR
Scope of application

Pursuant to Article 11 of the CRR, Raiffeisen Bank International Aktiengesellschaft (RBI) is supervised by the ECB on a subconsolidated basis and is subject to the CRR provisions not only as an individual credit institution but also as a subgroup. RBI remains part of RZB for regulatory purposes.

The consolidated group is defined by all companies integrated in the consolidated financial statements. Due to different regulations the following two consolidated groups are distinguished:

- Consolidated group for legal/accounting purposes – IFRS 10
- Consolidated group for prudential/regulatory purposes – Article 30 BWG, Article 18 CRR and Article 19 CRR

Consolidated group for accounting purposes

All material subsidiaries over which RBI AG directly or indirectly has control are fully consolidated. The Group has control over an entity when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Structured entities are entities in which the voting or similar rights are not the dominant factor for determining control, e.g. if the voting rights are solely related to administration activities and the relevant activities are governed by contractual agreements.

Similar to subsidiaries, consolidation of structured entities is necessary, if the Group has control over the entity. In the Group, the need to consolidate structured entities is reviewed as part of the securitization transaction process, where the structured entity is either formed by the Group with or without participation of third parties, or, in which the Group with or without participation of third parties enters into contractual relationships with already existing structured entities.

In order to determine when an entity has to be consolidated, a series of control factors have to be checked. These include an examination of

- the purpose and the constitution of the entity,
- the relevant activities and how they are determined,
- if the Group has the ability to determine the relevant activity through its rights,
- if the Group is exposed to risks of or has rights to variable returns,
- if the Group has the ability to use its power over the investee in order to affect the amount of variable returns.

Material interests in associated companies – the Group exerts a significant influence on financial and operating policies of these companies – are valued at equity and reported under investments in associates. Profit or losses occurring in companies valued at equity are shown net in current income from associates. The same rules apply to companies valued at equity (offsetting acquisition costs against proportional fair net asset value) as apply to fully consolidated companies. On principle, IFRS financial statements of associated companies are used. Changes in equity of companies valued at equity are also treated in the consolidated accounts as changes in equity.

Shareholdings in subsidiaries not included in the consolidated financial statements because of their minor significance and shareholdings in companies which have not been valued at equity are shown under financial investments and are measured at amortized cost.

Number of units	Fully consolidated 2015	Equity method 2015
As of 1/1	135	0
Included for the first time in the financial period	15	0
Merged in the financial period	(2)	0
Excluded in the financial period	(28)	0
As of 31/12	**120**	**0**

Of the 120 Group units (2014: 135), 37 are domiciled in Austria (2014: 35) and 83 abroad (2014: 100). They comprise 20 banks (2014: 20), 58 financial institutions (2014: 66), 21 providers of banking related services (2014: 25), 9 financial holding companies (2014: 9) and 12 other companies (2014: 15). Due to the insignificance for the assets, financial situation and earnings, 178 subsidiaries (2014: 222) were omitted from the consolidation. These are recognized at cost as shares in affiliated companies under securities and equity participations. Total assets of unconsolidated companies account for less than 1 per cent of the Group's total assets.

Consolidated group according to regulatory requirements

There were 110 companies in the RBI CRR Group as at 31 December 2015 (2014: 117).

Number of units	Fully consolidated	Proportionally consolidated	Equity method
As of 1/1	117	0	0
Included for the first time in the financial period	5	0	0
Merged in the financial period	(2)	0	0
Excluded in the financial period	(10)	0	0
Reclassified	0	0	0
As of 31/12	**110**	**0**	**0**

The basis for the regulatory consolidation is the Capital Requirements Regulation (CRR). This differs to the consolidated group for accounting purposes in that only companies which are specialized in bank and other financial businesses have to be included. This means affiliated companies with non-bank business do not have to be included in the regulatory consolidated group. According to Article 19 CRR institutions, financial institutions or an ancillary services undertaking needn't be included in the consolidation where the total amount of assets and off-balance sheet items of the undertaking concerned is less than the smaller of the following two amounts:

- € 10 million
- 1 per cent of the total amount of assets and off-balance sheet items of the parent undertaking or the undertaking that holds the participation.

Moreover, competent authorities can permit the exclusion of the following participations on a case by case basis:

- the undertaking concerned is situated in a third country where there are legal impediments to the transfer of the necessary information
- the undertaking concerned is of negligible interest only with respect to the objectives of monitoring credit institutions
- the consolidation of the financial situation of the undertaking concerned would be inappropriate or misleading as far as the objectives of the supervision of credit institutions are concerned

Fully consolidated subsidiaries

According to Article 18 CRR, RBI is required to carry out a full consolidation of all subsidiaries that are institutions and financial institutions.

The following table presents an overview of the scope of prudential consolidation ("RBI CRR Group"):

Development	As at 1/1/2015	Included	Mergers	Excluded	Reclassified	As at 31/12/2015
Credit institutions domestic	4	0	0	0	0	4
Credit institutions foreign	16	0	0	0	0	16
Credit institutions total	**20**	**0**	**0**	**0**	**0**	**20**
Financial institutions domestic	19	4	(1)	(4)	0	18
Financial institutions foreign	47	1	(1)	(5)	0	42
Financial institutions total	**66**	**5**	**(2)**	**(9)**	**0**	**60**
Other domestic	12	0	0	0	0	12
Other foreign	19	0	0	(1)	0	18
Other total	**31**	**0**	**0**	**(1)**	**0**	**30**
Total	**117**	**5**	**(2)**	**(10)**	**0**	**110**

A list of fully consolidated companies can be found in Annex 2.

For the regulatory consolidated group Article 19 CRR is applied. Each unit not exceeding a balance sheet total of € 10 million is not included. This applies for 78 units (2014: 87) of minor importance.

Proportional consolidation

According to Article 18 (2) CRR, permission for proportional consolidation can be given by competent authorities on a case by case basis. Currently proportional consolidation is not applied in RBI.

Companies deducted from the total capital

According to CRR Article 36 (1) f-I direct, indirect and synthetic holdings in common equity tier 1 capital instruments have to be deducted from common equity tier 1 capital. The deduction amount depends on the threshold calculated according to CRR Article 46 and 48. Due to the fact that RBI doesn't exceed the threshold no participations are deducted from total capital.

The following participations would have been deducted if the threshold were exceeded:

- 1 credit institution
- 13 financial institutions
- 4 insurance companies

Impediments to the transfer of funds

In the RBI CRR Group there are currently no known impediments of a substantial, practical or legal nature to the prompt transfer of own funds or the repayment of liabilities among the parent undertaking and its subsidiaries.

In some countries in which RBI Credit Institution Group is operating, the payment of dividends is subject to certain restrictions. Such restrictions are for example due to the applicable minimum capital requirements or liquidity requirements or due to requirements from local regulators.

The Ukrainian National Bank extended the temporary foreign currency control restrictions. Besides other restrictions, payments of dividends to foreign investors and early prepayment of principal and interest and other amounts by Ukrainian borrowers under foreign currency loans from foreign lenders are prohibited.

Aggregate amount by which actual funds are less than the required minimum in all subsidiaries not included in the consolidation

There are no material capital deficiencies for subsidiaries not included in the consolidation but deducted from the total capital.

Article 437 CRR
Total capital

Reconciliation of financials in legal and regulatory consolidation

Differences between balance sheet positions in financial statements and regulatory capital calculation are based on the different consolidation scopes. For further information on the scope of consolidation used please refer to Annex 2.

Capital

Capital base **in € thousand**	**2015**
Shareholders' equity according to the group's balance sheet	7,962,752
Non-controlling interests	528,661
Minority adjustments due to Basel III	(130,099)
Anticipated dividend	0
Deconsolidation of insurance companies	0
Associated companies consolidated according to purchase method	0
Value changes in own financial liabilities	(191,754)
Cash flow hedges	(39,782)
Additional value adjustments	(65,299)
Goodwill	(39,585)
Deferred tax assets	0
Intangible assets	(581,214)
Other adjustments	227,625
Common equity tier 1 capital	**7,671,305**
Tier 1 capital contributions	0
Shares deducted from tier 1 capital	0
Total Tier 1 capital	**7,671,305**
Tier 2 instruments	3,166,336
Net provisions for reported IRB credit exposures	174,488
Shares deducted from tier 2 capital	(6,504)
Other adjustments	(18,456)
Total tier 2 capital	**3,315,864**
Total capital base	**10,987,169**

Statement of financial position

Assets **in € thousand**	**IFRS scope 2015 (audited)**	**Effects - scope of consolidiation**	**Regulatory scope 2015**
Cash reserve	13,211,971	(9)	13,211,962
Loans and advances to banks	10,837,209	186	10,837,395
Loans and advances to customers	69,921,365	140,973	70,062,338
Impairment losses on loans and advances	(6,055,134)	5,617	(6,049,517)
Trading assets	5,814,108	(334)	5,813,774
Derivatives	1,573,637	(827)	1,572,810
Financial investments	15,243,635	65,875	15,309,510
Investments in associates	0	0	0
Intangible fixed assets	620,912	(113)	620,799
Tangible fixed assets	1,473,291	(219,080)	1,254,211
Other assets	1,785,589	(65,896)	1,719,694
Total assets	**114,426,583**	**(73,607)**	**114,352,976**

Liabilities and equity in € thousand	IFRS scope 2015 (audited)	Effects - scope of consolidiation	Regulatory scope 2015
Deposits from banks	16,369,175	(25,581)	16,343,594
Deposits from customers	68,990,887	(41,075)	68,949,812
Debt securities issued	7,501,593	(1,458)	7,500,135
Provisions for liabilites and charges	813,823	(3,997)	809,826
Trading liabilities	5,091,510	(4)	5,091,507
Derivatives	984,299	14	984,313
Other liabilities	2,009,976	8,048	2,018,024
Subordinated capital	4,164,353	0	4,164,353
Equity	8,500,967	(9,553)	8,491,413
Consolidated equity	7,587,555	28,749	7,616,303
Consolidated profit	378,850	(32,401)	346,448
Minority interests	534,562	(5,901)	528,661
Total equity and liabilities	**114,426,583**	**(73,607)**	**114,352,976**

Total capital pursuant to CRR

The following table shows the composition of total capital as well as capital ratios pursuant to CRR. Lines which are not applicable for RBI are not shown in the table for reasons of clarity. The column "Reference" contains the CRR article reference and the column "Phase-out" presents the amounts subject to pre-regulation CRR treatment or prescribed residual amount of CRR.

Line	in € thousand	Reference	31/12/2015 transitional	Phase-out	31/12/2015 fully loaded
	Common equity tier 1 capital: instruments and reserves (1)				
1	Capital instruments and the related share premium accounts	26 (1), 27, 28, 29, EBA list 26 (3)	5,855,759	0	5,855,759
2	Retained earnings	26 (1) (c)	2,076,993	0	2,076,993
5	Minority interests (amount allowed in consolidated CET1)	84, 479, 480	398,562	(134,186)	264,376
6	**Common equity tier 1 (CET1) capital before regulatory adjustments**		**8,333,320**	**(134,186)**	**8,199,134**
	Common equity tier 1 (CET1) capital: regulatory adjustments				
7	Additional value adjustments (negative amount)	34, 105	(65,299)	0	(65,299)
8	Intangible assets (net of related tax liability)	36 (1) (b), 37, 472 (4)	(248,320)	(372,479)	(620,799)
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability where the conditions in Article 38 (3) are met) (negative amount)	36 (1) (c), 38, 472 (5)	(2,963)	(26,668)	(29,631)
11	Fair value reserves related to gains or losses on cash flow hedges	33 (a)	(39,782)	68,093	28,311
12	Negative amounts resulting from the calculation of expected loss amounts	36 (1) (d), 40, 159, 472 (6)	(19,753)	(29,630)	(49,383)
14	Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	33 (1) (b) (c)	(191,754)	0	(191,754)
16	Direct and indirect holdings by an institution of own CET1 instruments (negative amount)	36 (1) (f), 42, 472 (8)	(2,006)	0	(2,006)
20a	Exposure amount of the following items which qualify for a risk weight of 1250%, where the institution opts for the deduction alternative	36 (1) (k)	(14,184)	0	(14,184)
20c	hereof: securitization positions (negative amount)	36 (1) (k) (ii) 243 (1) (b) 244 (1) (b) 258	(14,184)	0	(14,184)
27	Qualifying AT1 deductions that exceed the AT1 capital of the institution (negative amount)	36 (1) (j)	(77,954)	77,954	0
28	**Total regulatory adjustments to common equity tier 1 (CET1)**		**(662,015)**	**(282,731)**	**(944,746)**
29	**Common equity tier 1 (CET1) capital**		**7,671,305**	**(416,917)**	**7,254,388**

Line	in € thousand	Reference	31/12/2015 transitional	Phase-out	31/12/2015 fully loaded
	Additional tier 1 (AT1) capital: instruments				
33	Amount of qualifying items referred to in Article 484 (4) and the related share premium accounts subject to phase out from AT1	486 (3)	308,876	(308,876)	0
34	Qualifying Tier 1 capital included in consolidated AT1 capital (including minority interest not included in row 5) issued by subsidiaries and held by third parties	85, 86, 480	464	29,580	30,044
36	**Additional Tier 1 (AT1) capital before regulatory adjustments**		**309,341**	**(279,296)**	**30,044**
	Additional Tier 1 (AT1) capital: regulatory adjustments				
41a	Residual amounts deducted from Additional Tier 1 capital with regard to deduction from Common Equity Tier 1 capital during the transitional period pursuant to article 472 of Regulation (EU) No 575/2013	472, 473(3)(a), 472 (4), 472 (6), 472 (8) (a), 472 (9), 472 (10) (a), 472 (11) (a)	(309,341)	309,341	0
43	**Total regulatory adjustments to Additional Tier 1 (AT1) capital**		**(309,341)**	**309,341**	**0**
44	**Additional Tier 1 (AT1) capital**		**0**	**30,044**	**30,044**
45	**Tier 1 capital (T1 = CET1 + AT1)**		**7,671,305**	**(386,873)**	**7,284,432**
	Tier 2 (T2) capital: instruments and provisions				
46	Capital instruments and the related share premium accounts	62, 63	3,159,832	0	3,159,832
48	Qualifying own funds instruments included in consolidated T2 capital (including minority interest and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third party	87, 88, 480	(3,641)	(5,334)	(8,975)
50	Credit risk adjustments	62 (c) & (d)	174,488	0	174,488
51	**Tier 2 (T2) capital before regulatory adjustment**		**3,330,679**	**(5,334)**	**3,325,345**
	Tier 2 (T2) capital: regulatory adjustments				
56	Regulatory adjustments applied to Tier 2 in respect of amounts subject to pre-CRR treatment and transitional treatments subject to phase out as prescribed in Regulation (EU) No 575/2013 (i.e. CRR residual amounts)		(14,815)	14,815	0
57	**Total regulatory adjustments to Tier 2 (T2) capital**		**(14,815)**	**14,815**	**0**
58	**Tier 2 (T2) capital**		**3,315,864**	**9,481**	**3,325,345**
59	**Total capital (TC = T1 + T2)**		**10,987,169**	**(377,391)**	**10,609,778**
59a	Risk weighted assets in respect of amounts subject to pre-CRR treatment and transitional treatments subject to phase out as prescribed in Regulation (EU) No 575/2013 (i.e. CRR residual amount)		63,274,133	0	63,274,133
60	**Total risk-weighted assets**		**63,274,133**	**0**	**63,274,133**
					0
	Capital ratios and buffers				**0**
61	Common Equity Tier 1 (as a percentage of total risk exposure amount	92 (2) (a), 465	12.1%	(0.7)%	11.5%
62	Tier 1 (as a percentage of total risk exposure amount)	92 (2) (b), 465	12.1%	(0.6)%	11.5%
63	Total capital (as a percentage of total risk exposure amount)	92 (2) (c)	17.4%	(0.6)%	16.8%
	Amounts below the thresholds for deduction (before risk-weighting)				
72	Direct and indirect holdings of the capital of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	36 (1) (h), 45, 46, 472 (10) 56 (c), 59, 60, 475 (4), 66 (c), 69, 70, 477 (4)	2,629	0	2,629
73	Direct and indirect holdings of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	36 (1) (i), 45, 48, 470, 472 (11)	12,062	0	12,062
75	Deferred tax assets arising from temporary differences (amount below 10 % threshold, net of related tax liability where the conditions in Article 38 (3) are met)	36 (1) (c), 38, 48, 470, 472 (5)	263,059	0	263,059
	Applicable caps on the inclusion of provisions in tier 2				
77	Cap on inclusion of credit risk adjustments in T2 under standardized approach	62	273,552	0	273,552
79	Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach	62	174,488	0	174,488
	Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2014 and 1 Jan 2022)		**0**	**0**	**0**

Summary of the main features of regulatory capital items

Capital instruments

For details regarding capital instruments please refer to Annex 3.

Common Equity Tier 1 (CET 1) capital

Common equity tier 1 capital (CET 1) includes the components of tier 1 capital, after applying phasing in rules, which are provided in CRR to adapt to the new requirements in the European Union and deductions from CET 1 after applying the threshold exemptions according to Article 36 and 48 CRR. Paid-in capital comprises subscribed capital and capital reserves of RBI. The subscribed capital and disclosed reserves are available till corporation length. All included intruments are fully eligible under Article 28 CRR. Regarding changes in equity in the reporting period please refer to table „Statement of changes in equity" in the consolidated financial statements (RBI Annual Report 2015, page 82).

Common equity tier 1 after deductions stood at € 7,671,305 thousand. The increase from the 2014 comparable level totaled € 226,985 thousand, mainly due to the inclusion of the net profit for 2015. In contrast, exchange rate differences, primarily the devaluation of the Belarus rouble, the Russian rouble and the Ukrainian hryvnia, had a negative impact on total capital. In addition, the changed transitional provisions of the CRR resulted in a decline due to deductions and the reduced allowance of minority interests. Tier 2 capital declined € 209,784 thousand compared to the previous year and totaled € 3,315,864 thousand. The decline was mainly attributable to the change in consideration of portfolio-based loan loss provisions in tier 2 capital. Total capital under CRR amounted to € 10,987,169 thousand. This corresponds to an increase of € 17,201 thousand compared to the 2014 year-end figure.

Tier 1 capital

Tier 1 capital comprises CET 1 capital plus additional tier 1 capital (AT 1) less deductions from additional Tier 1 capital, mainly consisting of intangible assets and goodwill.

Due to the fact that the entire additional Tier 1 capital was offset by deduction items at year-end 2015, Tier 1 capital amounted to € 7,671,305 thousand.

Issuer in € thousand	Title	ISIN	Interest rate	Amount
RZB Finance (Jersey) III Limited, St. Helier	Perpetual, Non-cumulative Subordinated Floating Rate Capital Notes	XS0193631040	CMS 10 + 0.1% capped at 9%	70,441
RZB Finance (Jersey) IV Limited, St. Helier	Non-cumulative Subordinated Perpetual Callable Step-up Fixed to Floating Rate Capital Notes	XS0253262025	5.2%	238,436

Tier 2 capital

Total tier 2 capital after deductions amounted to € 3,315,864 thousand, mainly consisting of subordinated capital. Moreover, any excess of loan loss provisons over the amount of calculated expected losses for portfolios included under the IRB approach, up to a maximum of 0.6 per cent of credit risk-weighted assets covered by the IRB approach, is included.

Article 438 CRR
Capital requirements

The capital requirements for credit risk, market risk and operational risk as at 31 December 2015 set out in the following table are the same with regard to content as in the capital adequacy reports submitted to the Austrian National Bank under CRR Pillar 1. The capital requirements were complied with at all times during the reporting period.

in € thousand	Risk weighted exposure	Capital requirement
Total risk weighted assets	**63,274,133**	**5,061,931**
Hereof: Investment firms under Article 90 paragraph 2 and Article 93 of CRR	0	0
Hereof: Investment firms under Article 91 paragraph 1 and 2 and Article 92 of CRR	0	0
Risk weighted exposure amounts for credit, counterparty credit and dilution risks and free deliveries	**50,965,553**	**4,077,244**
Standardised approach (SA)	**21,884,143**	**1,750,731**
Exposure classes excluding securitisation positions	21,884,143	1,750,731
Central governments or central banks	2,208,732	176,699
Regional governments or local authorities	48,813	3,905
Public sector entities	6,673	534
Multilateral Development Banks	0	0
International Organisations	0	0
Institutions	301,932	24,155
Corporates	7,314,836	585,187
Retail	5,276,410	422,113
Secured by mortgages on immovable property	2,741,516	219,321
Exposures in default	1,020,673	81,654
Items associated with particular high risk	0	0
Covered bonds	0	0
Claims on institutions and corporates with a short-term credit assessment	0	0
Collective investments undertakings (CIU)	6,681	534
Equity	406,792	32,543
Other items	2,551,083	204,087
Securitisation positions	0	0
Hereof: Resecuritisation	0	0

in € thousand	Risk weighted exposure	Capital requirement
Internal ratings based approach (IRB)	**29,081,410**	**2,326,513**
IRB approaches when neither own estimates of LGD nor conversion factors are used	24,548,950	1,963,916
Central governments and central banks	311,112	24,889
Institutions	2,094,780	167,582
Corporates - SME	5,041,915	403,353
Corporates - Specialised Lending	2,619,263	209,541
Breakdown by risk weights of total exposures under specialized lending slotting criteria:		
Risk weight: 0%	0	0
Risk weight: 50%	267,513	21,401
Risk weight: 70%	1,244,737	99,579
Of which: in category 1	1,123,178	89,854
Risk weight: 90%	453,960	36,317
Risk weight: 115%	397,693	31,815
Risk weight: 250%	255,360	20,429
Corporates - Other	14,481,880	1,158,550
IRB approaches when own estimates of LGD and/or conversion factors are used	4,140,911	331,273
Central governments and central banks	0	0
Institutions	0	0
Corporates - SME	0	0
Corporates - Specialised Lending	0	0
Corporates - Other	0	0
Retail - Secured by real estate SME	99,563	7,965
Retail - Secured by real estate non-SME	2,010,110	160,809
Retail - Qualifying revolving	267,938	21,435
Retail - Other SME	334,231	26,738
Retail - Other non-SME	1,429,069	114,326
Equity	132,753	10,620
Simple risk weight approach	796	64
Private equity exposures	0	0
Exchange traded equity exposures	0	0
Other equity exposures	796	64
PD/LGD approach	100,480	8,038
Equity exposures subject to risk weights	31,477	2,518
Securitisation positions	258,795	20,704
Hereof: Resecuritisation	0	0
Other non credit-obligation assets	0	0
Risk exposure amount for contributions to the default fund of a CCP	**0**	**0**
Total risk exposure amount for settlement/delivery	**1,952**	**156**
Settlement/delivery risk in the non-trading book	1,952	156
Settlement/delivery risk in the trading book	0	0
Total risk exposure amount for position, foreign exchange and commodities risk	**3,011,519**	**240,922**
Risk exposure amount for position, foreign exchange and commodities risks under standardised approaches (SA)	**2,039,017**	**163,121**
Traded debt instruments	1,290,778	103,262
Equity	154,136	12,331
Foreign Exchange	576,280	46,102
Commodities	17,822	1,426
Risk exposure amount for Position, foreign exchange and commodities risks under internal models (IM)	**972,503**	**77,800**
Total risk exposure amount for operational risk	**8,802,016**	**704,161**
OpR Basic indicator approach (BIA)	0	0
OpR Standardised (STA) / Alternative Standardised (ASA) approaches	8,802,016	704,161
OpR Advanced measurement approaches (AMA)	0	0
Additional risk exposure amount due to fixed overheads	**0**	**0**
Total risk exposure amount for credit valuation adjustments	**405,734**	**32,459**
Advanced method	0	0
Standardised method	405,734	32,459
Based on OEM	0	0
Total risk exposure amount related to large exposures in the trading book	**0**	**0**

in € thousand	Risk weighted exposure	Capital requirement
Other risk exposure amounts	**87,359**	**6,989**
Hereof: Additional risk exposure amount due to application of Basel I floor	0	0
Hereof: Additional stricter prudential requirements based on Art 458	0	0
Hereof: Requirements for large exposures	0	0
Hereof: Due to modified risk weights for targeting asset bubbles in the residential and commercial property	0	0
Hereof: Due to intra financial sector exposures	0	0
Hereof: Additional stricter prudential requirements based on Art 459	0	0
Hereof: Additional risk exposure amount due to Article 3 CRR	0	0

The following table provides an overview of the calculation methods that are applied to determine total capital requirements in RBI and the subsidiaries:

Unit	Non-Retail	Credit risk Retail	Market risk	Operational risk
Raiffeisen Bank International AG, Vienna (AT)	IRB[1]	n.a.	Internal model[2]	SA[3]
RBI Finance (USA) LLC, New York (USA)	IRB	SA	SA	SA
Raiffeisenbank a.s., Prague (CZ)	IRB	IRB	SA	SA
Raiffeisen Bank Zrt., Budapest (HU)	IRB	IRB	SA	SA
Tatra banka a.s., Bratislava (SK)	IRB	IRB	SA	SA
Raiffeisen Bank S.A., Bucharest (RO)	IRB	IRB	SA	SA
Raiffeisenbank Austria d.d., Zagreb (HR)	IRB[4]	SA	SA	SA
Raiffeisenbank Russia d.d., Moscow (RU)	IRB[4]	SA	SA	SA
Raiffeisenbank (Bulgaria) EAD, Sofia (BG)	IRB	IRB	SA	SA
All other units	SA	SA	SA	SA

1 IRB=internal rating-based approach
2 Only for risk of open currency positions and general interest rate risk in the trading book
3 STA=standardized approach
4 Only on a consolidated level

Internal Capital Adequacy Assessment Process (ICAAP)

The ICAAP forms a part of the Pillar 2 requirements according to CRR. Maintaining an adequate level of capital is a core objective of the Group. Capital requirements are monitored regularly based on the actual risk level as measured by internal models, and in choosing appropriate models the materiality of risks is taken into account. For the institution's approach to assessing the adequacy of its internal capital to support current and future activities please refer to the description given in the section "Article 435 CRR" on the Group's overall bank risk management.

The European Central Bank, as the competent authority, has not stipulated that the result of the institution's internal capital adequacy assessment process - including the composition of the additional total capital requirements based on the supervisory review process as referred to in point (a) of Article 104 (1) CRR - be disclosed.

Article 439 CRR
Exposure to counterparty credit risk

Methodology used to assign internal capital according to Article 39a BWG and credit limits for counterparty credit exposures

If a counterparty in a derivative, repurchase, securities or commodities lending or borrowing transaction defaults, then losses can arise from re-establishing the contract with another counterparty. In RBI this risk is measured by the mark-to-market approach where a predefined add-on is added to the current positive fair value of the contract in order to account for potential future changes. For internal management purposes potential price changes, which can affect the fair value of an instrument, are calculated specifically for different contract types based on historical market price changes.

For derivative contracts, the standard limit approval process applies, where the same risk classification, limitation, and monitoring process is used as for traditional lending. In doing so, the weighted nominal exposure of derivative contracts is added to the customers' total exposure in the limit application and monitoring process as well as in the calculation and allocation of internal capital.

Policies for securing collateral and establishing credit reserves

An important strategy for reducing counterparty credit risk is the employment of credit risk mitigation techniques such as netting agreements and collateralization.

Master agreements have to be executed for repurchase transactions, securities lending transactions and OTC derivatives transactions. The majority of these agreements are based on widely used industry standards provided by market associations like ISDA or ICMA. Credit risk mitigation techniques are strictly subject to independent legal opinions which state the enforceability of the applied master agreement.

For OTC derivatives, RBI strives to establish standardized ISDA master agreements or similar industry standard agreements with all counterparties in order to be able to perform close-out netting. With financial counterparties, RBI enters into credit support annexes (CSA) for full risk coverage for positive fair values on a daily basis.

Regulations for correlation risks

Correlation risks between exposure and collaterals of repurchase transactions, securities lending transactions and collateralized lending are restricted by comprehensive risk limits. Limits are established to confine correlations of collaterals with the following risks:

- Counterparty risk
- Country risk
- Issuer risk in case of securities collateral

Correspondent limits exist on the counterparty level and on the overall volume of accepted collaterals.

Correlation risks between derivative transactions and assets received to cover credit exposure are restricted by a restrictive list of eligible collaterals. For this business line, only cash collateral denominated in EUR, USD and GBP as well as AAA-rated government bonds issued by countries of the European Union and the United States of America are accepted. Correlation between these assets and the underlying derivatives exist only to a negligible extent.

CRR rating downgrade

Rating dependent terms and conditions in credit support agreements are avoided as far as possible, so that a possible downgrade would have only minor impact on the amount of collateral.

The relevant rating by Standard & Poor's and Moody's is currently BBB and respectively Baa2. The amount of maximum additional collateral requirements shown below would become effective in full only if both rating agencies would downgrade RBI's long term credit rating and an adverse market movement would require corresponding collateral.

Rating grade	S&P	Moody´s	Max. additional collateral requirement in € thousand
1	AAA	Aaa	0
2	AA+	Aa1	0
3	AA	Aa2	0
4	AA-	Aa3	0
5	A+	A1	0
6	A	A2	0
7	A-	A3	0
8	BBB+	Baa1	0
9	BBB	Baa2	0
10	BBB-	Baa3	1,800
11	BB+	Ba1	3,060
12	BB and below	Ba2 and below	3,060

Quantitative disclosure on counterparty credit risk

The following table shows the gross positive fair value of derivative contracts. In line with current counterparty credit risk measurement the potential future exposure instead of the current credit exposure is presented. In contrast to the current exposure the potential future exposure includes also the potential credit risk arising from market value changes in the underlying position. On the other hand exchange traded derivatives are excluded as their positive fair values are settled daily through margin calls.

Article 439 (e) CRR at fair value through profit or loss in € thousand	Actual at fair value through profit or loss	Counterparty credit risk	Netting benefits	Netted potential credit exposure	Collateral held	Net credit exposure
Interest rate contracts	1,180,793	4,676,677	2,644,549	2,032,129	882,442	1,149,687
Securities related transactions	3,520,709	5,932,197	4,101,328	1,830,869	701,924	1,128,945
Foreign exchange rate contracts	692,041	2,137,483	842,299	1,295,184	81,319	1,213,864
Commodities	194,691	0	0	0	0	0
Credit derivatives	(707)	52,430	24,386	28,044	15,957	12,086
Total	**5,587,527**	**12,798,787**	**7,612,562**	**5,186,226**	**1,681,642**	**3,504,582**

The counterparty credit risk is measured by the mark-to-market approach. The exposure is calculated from the current market value for each transaction plus a general add-on in order to capture the potential future credit exposure.

Article 439 (f) CRR in € thousand	Netted potential credit exposure
Mark-to-market approach	5,186,225

The nominal value of credit derivatives hedges amounts to € 1,486.383 thousand (2014: € 1,593,496). In the case of credit derivatives, only single credit default swaps and I-traxx are held.

Article 439 (g) CRR in € thousand	Nominal value
Single CDS	681,459
I-traxx	115,000

The nominal value of the derivative transactions breaks down into the following product groups:

Article 439 (h) CRR in € thousand	Banking book Purchase contracts	Sales contracts	Trading book Purchase contracts	Sales contracts
Interest rate contracts	54,919,211	0	116,103,457	3,536,324
Securities related transactions	330,010	0	2,152,080	0
Foreign exchange rate contracts	31,069,655	10,000	61,926,799	2,336,189
Commodities	0	0	413,671	0
Credit derivatives	665,274	0	131,185	689,865
Total	**86,984,150**	**10,000**	**180,727,192**	**6,562,378**

Article 440 CRR Capital buffer

In 2015 RBI was not affected by any countercyclical capital buffers referred to in Title VII, Chapter 4 CRR. Therefore the disclosure referred to in Article 440 CRR does not apply.

Article 441 CRR Indicators of systemic importance

RBI is not identified as a global systemically important institution (G-SII) in accordance with Article 131 CRR. Therefore, the disclosure referred to in Article 441 CRR does not apply.

Article 442 CRR
Credit risk adjustments

Definition of the terms "past due" and "impaired" for accounting purposes

Past due exposures

The definition of default and the assessment of expected recovery value are heavily influenced by the number of days payments are late.

Exposures are past due when the contractually agreed date for payment has been exceeded. Payments are considered past due when the borrower has exceeded the approved credit limit.

Impaired exposures

A financial asset or a group of financial assets is impaired and impairment losses are incurred if, and only if, there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated. It may not be possible to identify a single, discrete event that caused the impairment. Rather the combined effect of several events may have caused the impairment. In addition, the loss event must have a reliably measurable effect on the present value of estimated future cash flows and be supported by current observable data.

Approaches and methods for determining value adjustments and provisions

Troubled loans (where debtors are expected to run into financial difficulties or delayed payment) need special handling. In non-retail divisions, problem loan committees of each Group member review problematic exposures. In case of the need for intensified handling and workout, the troubled loans are assigned either to a designated specialist or to a restructuring unit (workout department), both part of the risk or credit risk management divisions. Employees of workout units are specially trained and experienced. They typically handle medium-sized to large cases and are assisted by in-house legal departments and/or by external specialists as well. Work-out units play a decisive role in accounting and analyzing as well as booking provisions for impairment losses (write-offs, value adjustments, provisioning). Their early involvement can help in reducing losses caused by troubled loans. Cases in which restructuring or liquidation take place, are analyzed in RBI to find out their causes. Lending processes are then adapted as necessary on the basis of these results.

Default and work-out standards in the retail area are defined for the whole restructuring and collection process for private individuals and small enterprises. A restructuring guideline defines the Group's restructuring framework including the strategy, organization, methods, monitoring and controlling. In the collection process customers are classified into three categories "Early", "Late" and "Recovery", for which respective standardized customer handling processes are defined.

At each balance sheet date it is assessed whether there is any objective evidence that a financial asset or group of financial assets is impaired (please see "Impaired exposures").

Credit risk is accounted for by making individual impairment provisions and portfolio-based impairment provisions. The latter comprise impairment provisions for portfolios of loans with identical risk profiles that may be formed under certain conditions.

In the non-retail segment, for credit risks related to loans and advances to customers and banks, provisions are made in the amount of expected loss according to homogeneous Group-wide standards. Risk of loss is deemed to exist if the discounted projected repayment amounts and interest payments are below the carrying value of the loans, taking collateral into account. Portfolio-based impairments are calculated according to valuation models that estimate expected future cash flows for the loans in the respective loan portfolio based on loss experience history. This is carried out regularly under consideration of economic conditions.

In the retail segment, portfolio-based loan loss provisions are based on historical loss experience for assets with similar credit risk characteristics (product type, asset type, customer type, collateral type, sales channel type, past due status etc.) with consideration of the current portfolio performance. The standard model for calculating PLLP includes:

- The probability (also called loss factor) that an account will flow from current state to loss. It is determined as the product of all flow rates between the delinquency bucket (where an account is now) to the absorbing state (180+)
- The recovery rate after absorbing status
- For retail portfolios without a documented loss history of their own, peer group benchmark figures serve as a comparative base

Additionally, in the retail segment IRB banks may switch to a more advanced Internal Ratings Based model upon meeting certain criteria and receiving approval from RBI head office. This model uses PD (Probability of Default), LGD (Loss Given Default, CCF (Credit Conversion Factor) and LIP (Loss Identification Period) factors. The LIP is set to 1 (equal to 12 months identification period). These provisioning parameters may differ from the ones used in Basel 3; as a rule they are stripped of any conservative margins and add-ons.

Individual and portfolio-based impairment provisions are not netted against corresponding receivables but are stated separately in the statement of financial position.

The entirety of the provision for impairment losses arising from loans reported in the statement of financial position (individual loan loss provisions and portfolio-based provisions) is shown as a separate item on the assets side, below loans and advances to banks and customers. The provision for impairment losses arising from transactions off the statement of financial position is recorded under provisions for liabilities and charges.

Quantitative disclosure according to accounting regulation

The total amount of exposures before deduction of the value adjustments and provisions and without taking into account the effect of credit risk mitigation, break down by exposure classes as follows:

Article 442 (c) CRR Exposure classes in € thousand	As at 31/12/2015	average exposure
Sovereigns	29,294,291	25,524,179
Financial institutions	16,996,536	19,205,273
Corporate customers	74,167,356	78,809,193
Retail customers	27,844,112	28,232,273
Total	**148,302,296**	**151,770,918**

The regional breakdown of credit exposure reflects RBI’s broad diversification in European markets. The on and off balance exposures are shown regionally by domicile of the borrower:

Article 442 (d) CRR in € thousand	Sovereigns	Financial institutions	Corporate customers	Retail customers	Total
Austria	6,708,345	5,600,117	13,569,205	14,987	25,892,653
Central Europe	11,565,348	557,041	21,847,770	16,175,325	50,145,485
Southeastern Europe	6,292,295	109,638	10,175,198	7,795,433	24,372,564
Eastern Europe	1,281,036	1,003,535	11,853,513	3,858,367	17,996,452
Rest of the world	3,447,268	9,726,205	16,721,670	0	29,895,142
Total	**29,294,291**	**16,996,536**	**74,167,356**	**27,844,112**	**148,302,296**

Within the scope of its risk policy and assessments of creditworthiness, RBI also considers the borrower's industry. The following table covers the customer credit on and off balance exposure of the Group:

Article 442 (e) CRR Industries in € thousand	**Sovereigns**	**Financial institutions**	**Corporate customers**	**hereof SMB**	**Retail customers**	**Total**
Banking and insurance	17,572,630	16,487,650	8,442,822	37,738	24,543	42,527,646
Private households	0	0	3,409	193	24,833,394	24,836,803
Public administration and defence and social insurance institutions	11,721,661	0	50,877	2,585	1,092	11,773,630
Wholesale trade and commission trade (except car trading)	0	0	12,424,846	725,892	303,666	12,728,512
Real estate activities	0	0	8,068,568	165,224	43,798	8,112,367
Other business activities	0	0	3,889,197	106,308	265,087	4,154,284
Construction	0	0	5,433,897	278,339	191,932	5,625,828
Retail trade except repair of motor vehicles	0	0	3,319,365	281,488	287,394	3,606,759
Electricity, gas, steam and hot water supply	0	0	3,537,102	6,064	5,623	3,542,725
Manufacture of food products and beverages	0	0	1,897,190	99,582	46,942	1,944,132
Manufacture of basic metals	0	0	2,184,968	5,811	6,921	2,191,889
Other manufacturing	0	0	10,863,521	519,235	320,902	11,184,423
Land transport, transport via pipelines	0	0	1,674,002	251,254	223,054	1,897,056
Other transport	0	0	1,628,328	35,649	292,679	1,921,007
Manufacture of machinery and equipment	0	0	1,604,306	48,289	14,244	1,618,550
Mining and quarrying	0	0	686,600	0	146	686,746
Sale of motor vehicles	0	0	919,294	129,910	150,621	1,069,914
Other industries	0	508,886	7,539,064	557,336	832,075	8,880,025
Total	**29,294,291**	**16,996,536**	**74,167,356**	**3,250,897**	**27,844,112**	**148,302,296**

The following table shows a breakdown of all exposures by residual maturity and exposure class:

Article 442 (f) CRR in € thousand	**Sovereigns**	**Financial institutions**	**Corporate customers**	**Retail customers**	**Total**
Daily due	440,871	1,280,919	9,098,464	2,338,237	13,158,491
Up to 1 year	13,842,376	5,290,141	12,360,042	1,763,187	33,255,746
More than 1 year, up to 5 years	8,855,049	3,004,610	30,054,247	5,195,129	47,109,035
More than 5 years	6,129,771	6,897,734	20,872,046	17,939,049	51,838,600
Without maturity	26,223	523,133	1,782,557	608,511	2,940,424
Total	**29,294,291**	**16,996,536**	**74,167,356**	**27,844,112**	**148,302,296**

The following table shows a breakdown of the past due and impaired exposures and also of the non-performing loans and the value adjustments and provisions by asset classes. From the non-performing and past due exposures only on balance exposures are shown, and only past due exposures which have not been individually impaired are shown.

Article 442 (g) CRR in € thousand	**Sovereigns**	**Financial institutions**	**Corporate customers**	**Retail customers**	**Total**
Past due exposure	39,087	4	976,801	2,143,159	3,159,051
Impaired exposure	7,808	120,657	5,908,772	2,189,065	8,226,304
Non performing loans	3,305	127,496	6,051,344	2,273,515	8,455,659
Individual loan loss provisions	3,949	117,672	3,909,762	1,660,539	5,691,921
Portfolio-based loan loss provisions	343	2,244	152,384	202,625	357,596
Individual provisions for off balance exposures	0	15,000	52,130	5,932	73,062
Portfolio-based provisions for off balance exposures	2	561	22,099	3,170	25,832

The past due and impaired exposures and also the non-performing loans and the value adjustments and provisions are broken down by geographical areas as follows:

Article 442 (h) CRR in € thousand	Austria	Geographical distribution Central Europe	Southeastern Europe	Russia	CEE Other	Rest of the world	Total
Past due exposure	486,653	944,819	1,566,655	106,322	54,602	0	3,159,051
Impaired exposure	2,330,209	2,194,770	1,502,754	508,320	1,334,080	356,170	8,226,304
Non performing loans	2,561,656	2,195,128	1,587,178	556,264	1,346,095	209,339	8,455,659
Value adjustments and provisions	1,608,248	1,587,477	1,076,942	448,969	1,221,326	205,450	6,148,411

The following table summarizes the development of loan loss provisions in the financial year:

Article 442 (i) CRR in € thousand	As at 1/1/2015	Changes in consolidation	Allocation	Release	Usage	Transfers, exchange differences	As at 31/12/2015
On-balance provisions	**6,145,232**	**(1,938)**	**2,108,208**	**(846,819)**	**(1,349,823)**	**(5,344)**	**6,049,517**
hereof individual loan loss provisions	5,736,506	(2,439)	1,921,528	(614,261)	(1,348,703)	(711)	5,691,921
hereof portfolio-based provisions	408,726	501	186,680	(232,558)	(1,120)	(4,633)	357,596
Off-balance provisions	**97,808**	**0**	**45,017**	**(36,200)**	**(7,305)**	**(426)**	**98,894**
hereof individual loan loss provisions	68,794	0	36,654	(24,336)	(7,305)	(744)	73,062
hereof portfolio-based provisions	29,014	0	8,363	(11,864)	0	318	25,832
Total	**6,243,041**	**(1,938)**	**2,153,225**	**(883,019)**	**(1,357,128)**	**(5,770)**	**6,148,411**

Direct write-downs and recoveries recorded directly in the income statement are as follows:

Article 442 CRR in € thousand	2015
Direct write-downs	(117,352)
Income received on written-down claims	121,921

Article 443 CRR Unencumbered assets

RBI is a universal bank whose primary activity is the traditional lending and borrowing business. The main types of encumbered assets in RBI are loans and advances followed by debt securities. By far the largest source of encumbrance is collateralized deposits where over € 4 billion assets are encumbered. RBI has over € 2 billion of covered bonds outstanding and a small amount of true sale securitizations which also lead to asset encumbrance. Assets used to secure derivative liabilities account for € 1.5 billion encumbered assets.

Securities lending and repo transactions do not lead to a material level of encumbrance of balance sheet assets. A third of assets received as a result of reverse repos and securities borrowing have been re-pledged. The largest volume of unencumbered assets is loans and advances followed by mostly central bank eligible debt securities. Other assets are the third largest group of unencumbered assets and consist mainly of reverse repo and securities lending receivables and derivatives. Intra-group asset encumbrance is not material.

Levels of collateralization are in line with market practices. Compared to 2014 the relative and absolute amount of encumbered assets fell and central bank eligible assets increased.

in € thousand	Carrying amount of encumbered assets	Fair value of encumbered assets	Carrying amount of unencumbered assets	Fair value of unencumbered assets
Assets of the reporting institution	11,234,954	0	103,118,022	0
Equity instruments	21,775	20,894	340,692	274,518
Debt securities	2,039,730	2,057,817	16,416,219	16,497,523
Other assets	9,173,450	0	86,361,110	0

in € thousand	Fair value of encumbered collateral received or own debt securities issued	Fair value of collateral received or own debt securities issued available for encumbrance
Collateral received by the reporting institution	**2,091,374**	**4,016,369**
Equity instruments	603,148	715,842
Debt securities	1,488,226	1,857,094
Other collateral received	0	1,443,432
Own debt securities issued other than own covered bonds or ABSs	**0**	**4,551,716**

in € thousand	Matching liabilities, contingent liabilities or securities lent	Assets, collateral received and own debt securities issued other than covered bonds and ABSs encumbered
Carrying amount of selected financial liabilities	9,589,175	13,326,329

Article 444 CRR
Use of ECAIs

ECAI (External Credit Assessment Institution)

RBI utilizes the external sovereign ratings from **Standard and Poor's, Moody's and Fitch Ratings** for the calculation under the standardized approach. For all other exposure classes, if available, the ratings of Standard and Poor's are applied.

In the case of securities items, external issuer ratings are applied for the equity calculation. If securities items are held to mitigate risk, the issue ratings are applied to determine the haircuts.

The external ratings applied are mapped to the credit quality steps (rating notches) defined in the standardized approach for credit risk in accordance with standard mapping pursuant to CRR.

	ECAI Rating		
Rating notch	**Standard & Poor's**	**Moody's**	**Fitch**
1	AAA	Aaa	AAA
1	AA+	Aa1	AA+
1	AA	Aa2	AA
1	AA-	Aa3	AA-
1	A+	A1	A+
2	A	A2	A
2	A-	A3	A-
2	BBB+	Baa1	BBB+
3	BBB	Baa2	BBB
3	BBB-	Baa3	BBB-
3	BB+	Ba1	BB+
4	BB	Ba2	BB
4	BB-	Ba3	BB-
4	B+	B1	B+
5	B	B2	B
5	B-	B3	B-
5	CCC+	Caa1	CCC
6	CCC	Caa2	CC
6	CCC-	Caa3	CC
6	CC	Ca	C
6	C	Ca	C
6	D	C	D
7	NR	NR	NR

Exposure break down

The total exposure for which capital requirements are calculated by using the standardized approach amounted to € 77,258,863 thousand. The exposure and the exposure after credit risk mitigation (uncollateralized exposure) for each exposure class breaks down as follows:

Overview Standardized Approach Exposure Classes

Standardized Approach - Exposure classes according to Article 112 CRR in € thousand	Exposure	Capital requirement
Exposures to central governments and central banks	25,252,106	176,699
Exposures to regional governments or local authorities	41,887	3,905
Exposures to public sector entities	6,611	534
Exposures to multilateral development banks	863,165	0
Exposures to international organisations	508,886	0
Exposures to institutions	5,148,457	24,155
Exposures to corporates	11,380,855	585,187
Retail exposures	8,890,227	422,113
Exposures secured by mortgages on immovable property	6,150,308	219,321
Exposures in default	3,401,934	81,654
Exposures associated with particularly high risk	0	0
Exposures in the form of covered bonds	0	0
Exposures to institutions and corporates with a short-term credit assessment	0	0
Exposures in the form of units or shares in collective investment undertakings (CIUs)	15,763	534
Items representing securitization positions	0	0
Equity	357,205	32,543
Other items	15,241,458	204,087
Total	**77,258,863**	**1,750,731**

Exposures to central governments and central banks

Credit Quality Step in € thousand	Exposure	Unsecured exposure
1	9,456,253	9,456,253
2	6,703,445	6,702,749
3	3,185,557	3,185,549
4	3,518,662	3,497,282
5	1,641,110	1,304,757
6	652,316	551,116
Without external rating	94,763	50,937
Total	**25,252,106**	**24,748,643**

Exposures to regional governments or local authorities

Credit Quality Step in € thousand	Exposure	Unsecured exposure
1	0	0
2	6,109	6,109
3	5,757	5,750
4	632	630
5	29,389	29,389
6	0	0
Without external rating	0	0
Total	**41,887**	**41,878**

Exposures to public sector entities

Credit Quality Step in € thousand	Exposure	Unsecured exposure
1	0	0
2	161	161
3	500	500
4	129	129
5	5,737	5,737
6	84	84
Without external rating	0	0
Total	**6,611**	**6,611**

Exposures to multilateral development banks

Credit Quality Step in € thousand	Exposure	Unsecured exposure
1	863,165	863,165
2	0	0
3	0	0
4	0	0
5	0	0
6	0	0
Without external rating	0	0
Total	**863,165**	**863,165**

Exposures to international organisations

Credit Quality Step in € thousand	Exposure	Unsecured exposure
1	508,886	508,886
2	0	0
3	0	0
4	0	0
5	0	0
6	0	0
Without external rating	0	0
Total	**508,886**	**508,886**

Exposures to institutions

Credit Quality Step in € thousand	Exposure	Unsecured exposure
1	839,074	838,473
2	822,683	809,194
3	3,367,968	2,998,690
4	35,308	34,206
5	34,230	30,498
6	8,865	6,200
Without external rating	40,329	40,329
Total	**5,148,457**	**4,757,590**

Exposures to corporates

Credit Quality Step in € thousand	Exposure	Unsecured exposure
1	5,710	5,710
2	28,217	26,825
3	10,508	10,508
4	5,854	5,854
5	19,469	19,469
6	1,730,502	1,702,482
Without external rating	9,580,595	9,133,438
Total	**11,380,855**	**10,904,286**

Retail exposures

Credit Quality Step in € thousand	Exposure	Unsecured exposure
1	0	0
2	0	0
3	0	0
4	0	0
5	0	0
6	0	0
Without external rating	8,890,227	8,842,276
Total	**8,890,227**	**8,842,276**

Exposures secured by mortgages on immovable property

Credit Quality Step in € thousand	Exposure	Unsecured exposure
1	0	0
2	0	0
3	71	0
4	100	0
5	4,186	0
6	263,765	0
Without external rating	5,882,186	0
Total	**6,150,308**	**0**

Exposures in default

Credit Quality Step in € thousand	Exposure	Unsecured exposure
1	0	0
2	95	16
3	6,380	6,380
4	1,353	1,338
5	3,652	3,652
6	4,169	4,169
Without external rating	3,386,285	1,483,292
Total	**3,401,934**	**1,498,847**

Exposures associated with particularly high risk

Credit Quality Step in € thousand	Exposure	Unsecured exposure
1	0	0
2	0	0
3	0	0
4	0	0
5	0	0
6	0	0
Without external rating	0	0
Total	**0**	**0**

Exposures in the form of covered bonds

Credit Quality Step in € thousand	Exposure	Unsecured exposure
1	0	0
2	0	0
3	0	0
4	0	0
5	0	0
6	0	0
Without external rating	0	0
Total	**0**	**0**

Exposures to institutions and corporates with a short-term credit assessment

Credit Quality Step in € thousand	Exposure	Unsecured exposure
1	0	0
2	0	0
3	0	0
4	0	0
5	0	0
6	0	0
Without external rating	0	0
Total	**0**	**0**

Exposures in the form of units or shares in collective investment undertakings (CIUs)

Credit Quality Step in € thousand	Exposure	Unsecured exposure
1	0	0
2	0	0
3	0	0
4	0	0
5	0	0
6	0	0
Without external rating	15,763	15,763
Total	**15,763**	**15,763**

Items representing securitization positions

Credit Quality Step in € thousand	Exposure	Unsecured exposure
1	0	0
2	0	0
3	0	0
4	0	0
5	0	0
6	0	0
Deducted from the own funds	1,000	1,000
Total	**1,000**	**1,000**

Equity

Credit Quality Step in € thousand	Exposure	Unsecured exposure
1	0	0
2	0	0
3	0	0
4	0	0
5	0	0
6	0	0
7	357,205	357,205
Total	**357,205**	**357,205**

Other items

Credit Quality Step in € thousand	Exposure	Unsecured exposure
1	118,824	118,824
2	0	0
3	0	0
4	0	0
5	78,846	78,846
6	0	0
Without external rating	14,484,115	14,480,024
Deducted from the own funds	559,673	0
Total	**15,241,458**	**14,558,870**

Article 445 CRR
Exposure to market risk

The minimum capital requirements for market risk according to Article 445 CRR break down as follows:

in € thousand	As at 31/12/2015
Own funds requirement for market risk (internal model)	77,800
Specific position risk associated with interest rate instruments	66,736
General position risk associated with interest rate instruments	36,527
Specific position risk associated with equity instruments	2,983
General position risk associated with equity instruments	1,207
Risk associated with equity index futures	1,114
Risk associated with shares in investment funds	440
Other option-related risks	6,586
Settlement risk	156
Commodities risk	1,426
Foreign-exchange risk (including the risk arising from gold positions)	46,102
Own funds requirement for market risk by kind of risk (total)	**241,078**

Article 446 CRR
Operational Risk

Currently all units of RBI are in Standardised Approach.

Article 447 CRR Exposures in equities not included in the trading book

Differentiation between exposures based on their purpose

RBI as a universal bank holds equity investments in credit or financial institutions as well as in companies whose activities constitute a direct extension of banking activities or a related ancillary activity. Equity participations of the parent company are managed by the Participations division. This division is responsible for controlling risks arising from long-term equity investments of the parent company (and for returns generated by these investments as well). Indirect participations held by different members of RBI are often managed by local units in coordination with the parent company.

Overview of recognition and measurement principles

The consolidated financial statements of RBI were prepared in accordance with the International Financial Reporting Standards (IFRS) published by the International Accounting Standards Board (IASB).

Shareholdings in subsidiaries which are not included in the consolidated financial statements because of their minor importance in giving a fair view of the Group's assets, financial and earnings position as well as shareholdings in companies that are not valued at equity are shown under financial investments at cost if no share prices are available and are assigned to the measurement category available-for-sale. Changes in the fair value of available-for-sale categorized units are directly recognized in equity without effecting the income statement. However, impairments are shown in the income statement.

Quantitative disclosure

Articel 447 (b)- (c) in € thousand	Carrying amount	Fair value	Market value
Shares	**2,483**	**2,483**	**1,155**
listed	1,155	1,155	1,155
not listed	1,328	1,328	0
Other interests	**147,122**	**145,995**	**0**
listed	1,127	1,127	1,127
not listed	145,995	145,995	0
Interest in affiliated companies	**284,431**	**284,431**	**0**
listed	0	0	0
not listed	284,431	284,431	0

Articel 447 (d)- (e) in € thousand	Amount
Disclosure Article 447 (d) CRR	**656**
Net realised gains (losses) on equity instruments	656
Disclosure Article 447 (e) CRR	**68,801**
Net gain (losses) on equity instruments	(13,617)
Deferred revaluation gains/losses	82,418
hereof: included in Tier 1 capital	16,639

Article 448 CRR Exposure to interest rate risk on positions not included in the trading book

Interest rate risk in the banking book arises from differences in maturities and repricing schedules between RBI's assets and liabilities. There are relevant open positions for EUR, USD and CHF as major currencies as well as for local currencies of network banks located in Central and Eastern Europe.

Interest rate risk in the banking book is actively managed by Treasury in accordance with the interest rate strategy approved by Group Asset Liability Committee (ALCO) and within given market risk limits approved by the Group Market Risk Committee (MACO).

This risk type is hedged by a combination of on- and off-balance sheet transactions. Instruments for hedging include off balance sheet derivatives (interest rate swaps and – to a smaller extent – also interest rate forwards and interest rate options). Hedge accounting according to IAS 39 is applied wherever applicable in order to avoid fluctuations in the income statement caused by the revaluation of derivatives.

The interest rate risk in the banking book is measured and controlled in a dual approach:

In the economic value based approach all banking book positions are included in RBI's internal market risk model which is also used for measuring market risk in the trading book. All banking book positions are subject to market risk limits (Basis Point Values and Value at Risk) and included in the pillar 2 Economic Capital measurement.

In contrast to the trading book, in the banking book interest rate behavior of certain positions has to be modeled. In this respect the modeling of capital and of administered rate products (i.e. customer products without contractually agreed interest rate behavior such as current accounts or sight deposits) significantly influences the measured overall interest rate risk position. RBI models these banking book positions with a highly prudent approach. Capital is modeled as overnight positions without interest rate sensitivity in terms of Basis Point Values and Value at Risk and therefore does not artificially offset long term fixed receiver positions.

The interest rate risk of administered rate products is modeled based on a replicating portfolio methodology. The main idea behind this methodology is to define a replicating portfolio of plain vanilla instruments that are available on the market and best mimic the historical interest rate behaviour of the administered rate product. The structure of the replicating portfolios is used consistently for measuring the interest rate risk (BPV, VaR) of administered rate positions as well as for internal funds transfer pricing.

The theoretical maximum duration of the replicating portfolio according to the applied model is up to 4.9 years for retail products and up to 2.5 years for corporate products. The actual durations for specific administered rate products on RBI's balance sheet vary currently between 1 month and 4.1 years for retail products and between 1 month and 1.32 years for corporate products. Semi-annually validations and re-calibrations are performed in order to test whether the currently applied replicating portfolio models are still valid.

The economic value based approach is complemented by a future oriented earnings based approach in order to identify the main drivers of the bank's interest rate sensitive income statement positions. This approach furthermore provides information necessary to manage and optimize the risk-return position as well as the structure of the balance sheet from an earnings based point of view. The evolution of net interest income and valuation results are simulated under various balance sheet (development of volumes, products, maturities, margins etc.) and market scenarios (parallel shift and twists of the yield curve, implied forward scenario, scenario according to market opinion etc.).

The following table shows the change in the present value of RBI's banking book given a one-basis-point interest rate increase for the whole yield curve.

2015 in € thousand	Total	< 3 m	> 3 to 6 m	> 6 to 12 m	> 1 to 2 y	> 2 to 3 y	> 3 to 5 y	> 5 to 7 y	> 7 to 10 y	> 10 to 15 y	> 15 to 20 y	> 20 y
ALL	(31)	2	(4)	(3)	(14)	(5)	(4)	(4)	0	0	0	0
AUD	1	0	0	1	0	0	0	0	0	0	0	0
BAM	2	2	(1)	(5)	0	0	(1)	2	3	1	0	
BGN	26	(1)	0	(7)	(2)	8	56	(9)	(8)	(7)	(2)	0
BYR	(28)	0	(1)	(8)	(10)	(5)	(2)	(1)	(1)	0	0	0
CHF	(351)	15	(3)	(20)	(9)	(6)	(18)	(15)	(71)	(138)	(71)	(13)
CNY	2	(4)	1	5	0	0	0	0	0	0	0	0
CZK	63	(3)	(15)	15	22	3	(12)	(18)	49	14	6	2
EUR	166	(38)	(26)	92	98	(48)	(85)	266	261	(218)	(48)	(88)
GBP	(2)	1	0	2	0	0	(1)	(1)	(2)	0	0	0
HRK	(21)	0	0	0	(11)	0	13	(12)	(8)	(3)	0	0
HUF	16	1	(5)	12	(5)	(13)	2	(11)	4	22	8	1
PLN	(29)	7	24	14	(29)	0	(1)	(9)	(13)	(15)	(7)	(1)
RON	45	5	(8)	(3)	(37)	9	95	(9)	(5)	(1)	0	0
RSD	(26)	(1)	(2)	(2)	(7)	(3)	(5)	(5)	0	0	0	0
RUB	(82)	(3)	(16)	(9)	(35)	(1)	32	(12)	(25)	(12)	(1)	0
SGD	(7)	1		(8)	0	0	0	0	0	0	0	0
UAH	(1)	(1)	0	(1)	(3)	3	9	(4)	(4)	(1)	0	0
USD	84	17	19	43	(30)	33	(7)	6	9	8	(3)	(10)
Others	1	0	0	1	0	0	0	0	0	0	0	0

2014 in € thousand	Total	< 3 m	> 3 to 6 m	> 6 to 12 m	> 1 to 2 y	> 2 to 3 y	> 3 to 5 y	> 5 to 7 y	> 7 to 10 y	> 10 to 15 y	> 15 to 20 y	> 20 y
ALL	(38)	1	(3)	9	(10)	(7)	(10)	(18)	(2)	0	0	0
BAM	15	3	(2)	(3)	8	3	2	1	2	2	0	0
BGN	31	0	0	(2)	(1)	9	31	(2)	(3)	(1)	0	0
BYR	(33)	0	(1)	(7)	(10)	(8)	(4)	(1)	(1)	(1)	0	0
CAD	7	0	7	0	0	0	0	0	0	0	0	0
CHF	(382)	11	(2)	0	(29)	(11)	(20)	(25)	(73)	(140)	(77)	(17)
CNY	10	(6)	0	16	0	0	0	0	0	0	0	0
CZK	11	(5)	3	29	0	(1)	(17)	0	3	(2)	(1)	0
EUR	(283)	25	(23)	(7)	(35)	(52)	(69)	206	75	(175)	(95)	(133)
GBP	(1)	(1)	1	2	(1)	0	(1)	(1)	0	0	0	0
HRK	(41)	0	(3)	3	(21)	(1)	(10)	(8)	2	(3)	0	0
HUF	(92)	10	(3)	(5)	(10)	(11)	(25)	(10)	(31)	(4)	(2)	(1)
PLN	(38)	(7)	5	(7)	1	(1)	3	(7)	(9)	(11)	(4)	(1)
RON	(18)	(3)	(5)	(14)	(19)	(1)	37	(13)	(1)	2	(1)	0
RSD	(24)	(2)	(3)	(6)	(11)	(2)	0	0	0	0	0	0
RUB	(164)	(9)	(18)	27	(66)	(61)	38	(17)	(37)	(19)	(2)	0
SGD	(4)	(4)	0	0	0	0	0	0	0	0	0	0
UAH	(39)	0	(1)	(2)	(8)	0	(19)	(3)	(4)	(2)	0	0
USD	(100)	56	50	13	(15)	(30)	5	(5)	(49)	19	0	(144)
Others	1	1	(1)	1	0	0	0	0	0	0	0	0

Article 449 CRR Exposure to securitization positions

The goals which the bank pursues with respect to its securitization activities

As originator, RBI concludes securitization transactions with the aim of reducing regulatory capital requirements or economic capital or to access alternative funding sources. In some securitization transactions RBI acts as arranger, for the purpose of generating fee income, while in some transactions RBI invests in securitization exposures for the purpose of obtaining interest income while achieving at the same time an attractive risk-/return profile.

The roles of the Bank in securitization transactions

RBI acts as originator, arranger and investor in securitization transactions.

The approaches used by the Bank to calculate the weighted exposure amount in relation to its securitization activities

In those cases in which a member of the RBI Group invests in tranches of its own portfolios, the member uses the approach which is applied by the originating unit (irrespective of the general approach used by the booking unit). This rule is supported by respective information in the data loads. In cases where a securitization does not lead to effective risk transfer, the weighted exposure amount in relation to the transaction is not calculated.

Tranches which are not externally rated and which relate to portfolios, with respect to which the originating group unit uses the IRB-approach, may be calculated using the Supervisory Formula Approach (SFA). Under this approach, the tranche will be either fully deducted from capital (where X ≤ KIRB) or, if X > KIRB, the tranche will be weighted with a risk weight which is derived by using the SFA-Formula and which amounts to at least 7 per cent.

For all tranches rated by two recognized ECAIs (according to EU-Directive 462/2013 of the European Parliament and of the Council of 21 May 2013), the ratings based approach is used. All tranches which carry a rating below the legal minimum rating, which are not rated or for which no alternative approach can be used will be deducted from capital.

The monitoring of changes in the credit and market risk of securitization exposures comprises three different layers – the originator (credit & collection policy, reputation, etc.), the underlying portfolio (concentrations, correlations, default and delinquencies, etc.) and the securitization exposure's structural features (seniority, triggers, waterfall, credit enhancement, etc.). The credit process covers the approval, review and stress testing. During the credit process RBI analyzes and records a wide range of data relating to the securitization exposures in order to gain a comprehensive and thorough understanding thereof. In particular RBI analyzes and records the retained net economic interest, the risk characteristics of the individual securitization position and of underlying exposure, reputation and loss experience in earlier securitizations, historical performance and structural features that can materially impact the performance of the securitization position. The limits are approved by relevant risk committees, whereby the Securitization Committee is responsible for limit approval and review of securitization positions.

For securitization transactions, RBI applies the respective regulations in accordance with International Financial Reporting Standards (IFRS), in particular IFRS 10 together with IAS 27 concerning the possible consolidation of SPVs and IAS 39 for the applicable balance sheet reporting. IAS 39 governs in particular the approach regarding (de-)recognition of assets which are subject to true sale securitizations. In the case of synthetic securitizations, the instruments involved are financial guarantees or credit derivatives whereby the respective definitions are included in IAS 39. In this respect, received guarantees which represent financial guarantees will not be reported in the balance sheet of the originator whereby transactions which have, in substance, the form of a credit derivative, need to be reported in the IFRS balance sheet at their respective market values.

The following applies to securitization transactions:

- Concerning the inclusion of the SPV in the consolidated IFRS balance sheet, it is evaluated as to whether so-called 'effective control' within the meaning of IFRS 10 is fulfilled and if this is the case the respective SPV becomes fully consolidated in the Group Financial Statements;
- As a further consequence, any Group unit which has invested in securitization tranches of portfolios of other Group units reports such tranches as intragroup receivables which are subject to consolidation of intercompany positions (i.e. on the liability side, the Group reports a lower amount of securitization debt);
- The synthetic securitization transactions which have been entered into so far are reported as financial guarantees for the underlying loan receivables. In the IFRS financial statements synthetic securitization transactions are reflected as claims against the guarantee provider and no portfolio loan loss provisions are booked for receivables to the extent that such receivables are covered by the received guarantees (i.e. received collateral).

Names of acknowledged rating agencies which are used for securitization transactions

Moody's Investor Service, Fitch Ratings, DBRS, Standard & Poor's and Scope Ratings.

RBI as originator

Securitization means a transaction or scheme, whereby the credit risk associated with an exposure or pool of exposures is tranched, having both of the following characteristics:
- payments in the transaction or scheme are dependent upon the performance of the exposure or pool of exposures
- the subordination of tranches determines the distribution of losses during the ongoing life of the transaction or scheme

The objective of the Group's securitization transactions is to relieve Group regulatory total capital and to use additional refinancing sources.The following transactions for all or at least individual tranches were executed with external contractual partners and are still active in the reporting year. The stated amounts represent the volumes of the underlying portfolios and the junior tranche at the transaction closing date. Three of the transactions shown in the table in 2014 were terminated early, in the course of 2015, and are shown in a separate table:

in € thousand	Seller of claims or secured party	Date of contract	End of maturity	Volume	Portfolio	Junior tranche
Synthetic Transaction ROOF INFRASTRUCTURE 2014	Raiffeisen Bank International AG, Vienna	December 2014	March 2027	1,500,416	Corporate loans, guarantees, revolving credit facilities	6.1%
Synthetic Transaction ROOF RBCZ 2015	Raiffeisenbank a.s., Prague (CZ)	December 2015	April 2024	1,000,000	Corporate loans and guarantees	1.4%
Synthetic Transaction ROOF Real Estate 2015	Raiffeisen Bank International AG, Vienna	July 2015	May 2025	719,628	Corporate loans (real estate financing)	7.1%
True Sale Transaction ROOF Poland Leasing 2014 Ltd, Dublin (IE)	Raiffeisen-Leasing Polska S.A., Warschaw (PL)	top-up - December 2015	October 2025	345,927	Car Leasing, machine and equipment leasing contracts	26.0%
Synthetic Transaction (JEREMIE) ROOF Romania SME 2011(1)	Raiffeisenbank S.A., Bukarest (RO)	December 2010	December 2023	172,500	SME loans	25.0%
Synthetic Transaction (JEREMIE) ROOF Bulgaria SME 2011(1)	Raiffeisenbank (Bulgaria) EAD, Sofia (BG)	December 2010	August 2020	65,000	SME loans	25.0%
Synthetic Transaction (JEREMIE) ROOF Slovakia SME 2013(1)	Tatra banka a.s., Bratislava (SK)	March 2014	June 2025	60,000	SME loans	17.5%
WB EDIF First Loss Portfolio Guarantee	Raiffeisenbank Austria d.d., Zagreb (HR)	April 2015	May 2023	20,000	SME loans	22.0%

- The synthetic securitization "ROOF Real Estate 2015" is composed of real estate loans and advances to corporate customers from Austria and Germany originated by RBI AG and was concluded in July 2015. The transaction was split into a senior and a junior tranche. The junior tranche was externally placed and includes a portfolio guarantee amount of up to € 55,000 thousand.

- In December 2015 a synthetic securitization of € 1,000,000 thousand in loans and advances to corporate customers and project finance loans originated by Raiffeisenbank a.s., Prague, was concluded. This synthetic securitization is referred to as

"ROOF RBCZ 2015" and was split into a senior, a mezzanine and a junior tranche. The mezzanine tranche was sold to two institutional investors, while Raiffeisenbank a.s. holds the credit risk of the junior and senior tranches.

- Another securitization transaction initially placed in 2014 by a leasing subsidiary in Poland with an underlying portfolio of car leasing contracts was tapped in December 2015. The original underlying transaction volume was raised from PLN 950,000 thousand to approximately PLN 1,500,000 thousand. The SPV established for this transaction is fully consolidated because the leasing subsidiary in Poland as the only transferor possesses decision-making rights in relation to the SPV that could significantly affect the value of the SPV's assets and liabilities. It has the ability to direct the activities that most significantly affect the SPV's returns, as it has the right to make decisions about the customer loans in the portfolio (i.e. the assets acquired by the SPV) and the refinancing of the SPV. Therefore, according to IFRS 10 effective control exists. The senior and mezzanine tranches of the notes are externally placed through supranational and institutional investors and the junior tranche of the notes amounting to PLN 383,500 thousand, or 26 per cent of the total transaction volume, is held internally by the originating leasing subsidiary in Poland. Due to the fact that the junior tranche is held internally and therefore no significant risk transfer to the investor takes place, the respective values are not included in the table showing outstanding amounts according to article 449) (n (ii) CRR.

- Raiffeisenbank Austria, Croatia, has signed a first loss portfolio guarantee agreement with the European Investment Fund to support small and medium-sized enterprises in Croatia under the Western Balkan Enterprise Development and Innovation Facility (WB EDIF). The guarantee on total losses is capped at 22 per cent of the outstanding portfolio volume and is treated as synthetic securitization.

- Furthermore some so-called "CIP" (Competitiveness & Innovation Program) guarantee facilities provided by the European Investment Fund to the subsidiaries in Bulgaria, Czech Republic and Poland were running in 2015. These transactions secure the economic losses up to a certain percentage of the underlying portfolio, but do not fulfill the requirements to be treated as synthetic securitizations for regulatory reporting purposes due to some exclusion criteria included in the contracts.

The following securitization programs concluded in former years and already mentioned in past reports are still active in the reporting year:

- A synthetic securitization of loans and advances to corporate customers essentially originated by RBI AG has been active since 2014 under "ROOF INFRASTRUCTURE 2014". The junior tranche is externally placed and amounts to € 88,100 thousand.

- Within the scope of further synthetic securitizations, the Group participated in the JEREMIE programs in Bulgaria and Romania ("ROOF Romania and Bulgaria SME 2011-1"), as well as in Slovakia since 2013 ("ROOF Slovakia SME 2013-1"). The European Investment Fund (EIF) provides guarantees from EIF under the JEREMIE initiative to network banks granting loans to small and medium-sized enterprises. The current volume of the portfolio under the JEREMIE first loss guarantees amounts to € 31,463 thousand (2014: € 71,436 thousand) for the utilized volume of Raiffeisenbank S.A., Bucharest, € 13,963 thousand (2014: € 64,845 thousand) for Raiffeisenbank (Bulgaria) EAD, Sofia, and € 45,699 thousand (2014: € 13,483 thousand) for Tatra banka a.s., Bratislava.

- In addition to the securitizations with investors external to the Group as shown in the table, a true sale securitization program in relation to a retail mortgage loans portfolio of AO Raiffeisenbank, Moscow, rolled out in 2013 and amounting to approximately € 125,000 thousand is still active and in place within the Group. The senior tranche as well as the junior tranche are held within the Group. Due to portfolio amortization and repayments, the carrying amount of the outstanding loans and advances of this transaction amounted to € 30,666 thousand at year-end 2015 (2014: € 44,106 thousand).

The following securitization programs from previous years were terminated in the reporting year:

in € thousand	Seller of claims or secured party	Date of contract	End of maturity	Volume	Portfolio	Junior tranche
True Sale Transaction Raiffeisen Leasing Polska Auto Lease Securitization	Raiffeisen-Leasing Polska S.A., Warsaw (PL)	February 2012	April 2015 prematurely terminated	141,068	Car leasing contracts	15.0%
Synthetic Transaction ROOF WESTERN EUROPE CLO (2012)(1)	Raiffeisen Bank International AG, Vienna	July 2012	July 2015 prematurely terminated	996,076	Corporate loans, securities, guarantees	0.8%
Future Flow Securitization ROOF Russia DPR Finance Company S.A.	AO Raiffeisenbank, Moscow (RU)	June 2012	June 2015 prematurely terminated	126,894	Right in "Diversified Payment Rights" (DPR)	n/a

- The true sale transaction comprising Polish car leasing contracts was repaid early, in April 2015. It had been concluded in 2012 by transferring securitized receivables to a SPV called Compass Variety Funding Limited, Dublin (IE).

- In July 2015 RBI AG exercised the contractually foreseen early call option for the synthetic securitization closed in 2012 ("ROOF WESTERN EUROPE CLO - 2012- 1") with an underlying portfolio of corporate customer assets originated by RBI AG. With the exception of the mezzanine tranche which amounted to € 47,000 thousand, the other tranches had been placed within the Group.

- In June 2015 the externally placed "Diversified Payments Rights" transaction of AO Raiffeisenbank, Moscow ("Future Flow Securitization ROOF Russia DPR") was repaid early.

Up to now the following transactions for all, or at least individual tranches, have been executed with external contractual partners. The indicated amounts represent the volumes at the closing date:

Artikel 449 (n) (ii) CRR in € thousand	Outstanding amount Traditional securitisations	 Synthetic securitisation	Total outstanding
Leasing	0	0	0
Corporate loans	0	2,728,257	2,728,257
Total	**0**	**2,728,257**	**2,728,257**

RBI as investor

RBI also provides a wide range of secured financing solutions to its customers, offering the entire service spectrum – from feasibility and structuring to financing and/or placement. This includes traditional secured funding and securitization techniques as well as bespoke solutions. Selectively, RBI supports customer transactions and/or invests in transactions as described above, i.e. factoring, receivables purchase and other types of securitizations.

Total securitization exposure

Article 449 (n) CRR in € thousand	Retained and purchased securitization positions
Asset-backed Securities (ABS) car loans	42,726
Asset-backed Securities (ABS) leasing	52,000
Asset-backed Securities (ABS) other	397,269
CLO (Credit Linked Obligations)	2,459,271
Residential Mortgage Backed Securities (RMBS)	0
Commercial Mortgage Backed Securities (CMBS)	0
Credit Debt Obligation (CDO)	183
Other resecuritizations	0
Total	**2,951,450**

Article 449 (o) CRR in € thousand	Retained and purchased securitization positions
Risk weight ≤ 10%	2,558,854
10% < Riskweighted ≤ 20%	378,413
20% < Riskweighted ≤ 50%	0
50% < Riskweighted ≤ 100%	0
100% < Riskweighted ≤ 650%	0
650% < Riskweighted < 1250%	0
Deduction from own funds	14,183
Total	**2,951,450**

Approach in € thousand	Securitizations	Retained and purchased securitization positions	Own funds
IRB	Securitizations	2,951,450	34,887
IRB	Re-Securitizations	0	0
Standard Approach	Securitizations	0	0
Total		**2,951,450**	**34,887**

Article 450 CRR Remuneration policy

In compliance with Article 450 CRR the following information regarding the remuneration policy and practices of RBI for those categories of staff whose professional activities have a material impact on its risk profile is disclosed:

Remuneration Committee and decision-making process

RBI AG has established a Remuneration Committee of the Supervisory Board (REMCO) within the meaning of § 39c of the Austrian Banking Act (BWG). REMCO consists of 5 Supervisory Board members and 3 Staff Council members.

The duties and responsibilities of the REMCO include, among other things, establishing the general principles of RBI's and RBI AG's remuneration policy and practices in line with the requirements of the BWG, and the REMCO is also in charge of overseeing their implementation. The REMCO is responsible for the preparation of information relating to other decisions regarding remuneration, including those which have implications for risk and risk management if they are adopted by the Supervisory Board. The REMCO regularly monitors and reviews the remuneration policy, remuneration practices and remunerative incentive structures, in each case in connection with the control, monitoring and limitation of risks in accordance with the provisions of the BWG, with the equity base and with liquidity, and also taking into consideration the long-term interests of shareholders, investors and employees as well as the interests of the economy in having a functioning banking sector and stable financial markets. The REMCO directly oversees the remuneration of senior officers in the risk management and compliance functions.

During 2015, four REMCO meetings took place to decide on remuneration related topics.

On subsidiary level the compensation policies are structured in compliance with the RBI remuneration policy and are subject to approval by the respective local Supervisory Boards/REMCOs.

RBI AG`s REMCO and the local Supervisory Boards/REMCOs take into account the input provided by all competent corporate functions (e.g. control functions, HR, Legal, etc.) about the design, implementation and oversight of the remuneration policies.

Changes in the area of compensation in 2015

In 2015 RBI introduced an updated compensation system for its employees.

The recently adapted business strategy of RBI – with the goal of becoming a more focused universal bank – made it necessary to better reflect the Group's moderate risk appetite in the remuneration structure as well. Following a discernible trend in the European banking industry, the weight of the variable portion of remuneration packages has been reduced and a system of role-based allowances (considering all the criteria for the introduction of such a compensation element as provided for in the EBA Guidelines EBA/GL/2015/22) has been introduced. For functions with a very low or indirect influence on the company result, the variable remuneration portion may be omitted completely. For higher management levels, the bonus system has been adapted in such a way to further promote team-work; "silo-thinking" is avoided by focusing on overall Group and institutional performance. This in turn is intended to create a culture which prioritizes long-term success on Group level.

This means that variable remuneration is influenced by the performance of RBI as a whole and the performance of the respective company, and less on the level of the individual employee, and, therefore, limits the probability of inappropriate risk-taking and undue risk-assumption on the individual level.

The new system supports the efforts to improve RBI's capital base and ratios by limiting the influence of the variable portion of total compensation on the Group's capital situation, especially in years with good business results. By putting an emphasis and focus on the capital base of RBI, the compensation structure is directly linked to the key remuneration principles as described in the following section.

Basic characteristics of RBI's remuneration policies and practices

RBI's key remuneration principles are:

- RBI uses a simple and transparent compensation system which reflects the Group's business strategy, is in line with the regulatory requirements and strives to improve the Group's capital base.

- The compensation principles and policies of RBI are consistent with and promote sound and effective risk taking management practices and avoid incentives for inappropriate risk taking that exceed the tolerated risk of the institution, in particular through KPIs and management processes (e.g. performance management process, bonus pool approach).

- By aligning RBI's strategy, RBI's vision and the remuneration system, RBI strives to optimize risk on all levels to further promote sound and effective risk management which supports and leads to more accurate cost planning over a multi-year perspective.

RBI fosters the development, satisfaction and loyalty of its employees by providing financial stability and by focusing performance management on the development of staff members.

The remuneration mix (portion of variable compensation to fixed compensation) is well balanced which should allow every employee an adequate living based on fixed income; thus allowing a fully flexible variable remuneration policy including the possibility of no variable remuneration while still providing financial security to employees.

Performance is the basis for all (variable) compensation schemes and takes into account:

- individual/unit performance (including compliance with the RBI Code of Conduct and the Compliance regulations),

- the Group and subsidiary performance and

- risk costs, liquidity and capital.

Individual performance is evaluated in relation to results achieved and behavior / competencies based on both quantitative and qualitative measures, assessed within the performance management process and by taking into account financial and non-financial criteria.

Group / unit performance is evaluated in relation to results achieved based on quantitative measures following a specific KPI set.

In RBI, before any variable compensation may be allocated or paid out, a certain set of pre-defined criteria has to be fulfilled. These criteria in particular take into account the financial situation and capital ratios of RBI and its institutions.

In RBI, variable compensation is based on bonus pools on the bank level. Every variable remuneration system has fixed minimum and maximum performance levels and thus defines maximum pay-out values.

Special regulations for staff whose professional activities have a material risk impact ("Identified Staff")

As a Group-wide standard, an Identified Staff Assessment approach based on the qualitative and quantitative criteria, provided for in Commission Delegated Regulation (EU) No 604/2014 to determine those staff members whose professional activities have a material impact on RBI's and a single institution's risk profile, is applied.

For this category of employees ("Identified Staff"), the relevant internal regulations of RBI provide for specific rules and consequences concerning their variable remuneration in compliance with regulatory requirements. These internal regulations have been updated regularly since their introduction to reflect and to be in line with the most current developments in the regulation of variable remuneration (most recently based on provisions contained in Directive 2013/36/EU).

The RBI remuneration rules establish that the variable component of Identified Staff remuneration shall in principle not exceed 100% of the fixed component of the total remuneration for each individual. The shareholders of the institution may approve a higher maximum level of the ratio up to maximum 200%. Network banks located in EU Countries must apply lower maximum percentages if this is mandatory according to local law. Currently no entity of RBI has applied for an increase in the Bonus Cap up to 200%.

The remuneration policy of RBI provides for the following general and specific principles for the allocation, for the vesting and for the payment of variable remuneration for the Identified Staff category of RBI with material risk impact (fully affected Identified Staff):

- 60 per cent of the total variable remuneration is paid out up-front (50% thereof in cash and 50% in form of RBI phantom shares)
- 40 per cent of the total variable remuneration is subject to deferral and paid out pro rata over a period of three (in Austria: five) years; 50% of the deferred variable remuneration is paid in cash and 50% in form of RBI phantom shares. In the event of a particularly high amount at least 60% of the variable remuneration will be subject to deferral.
- The RBI phantom shares are subject to a one year retention period.

The legal obligation of payment of at least 50% of the variable remuneration in equity instruments is complied with in RBI by means of a RBI phantom share plan. 50% of the "up-front" and 50% of the "deferred" variable remuneration is divided by the average closing price of RBI AG's shares on the Vienna Stock Exchange in the business year the variable remuneration is awarded for, serving as the basis for calculating the bonus. Thereby, a certain amount of RBI phantom shares is determined. This amount is fixed for the entire duration of the deferral period. After the expiration of the respective retention period, the amount of specified RBI AG phantom shares is multiplied by RBI AG's average closing share price for the previous financial year.

In RBI the variable remuneration (including the deferred part) may only be paid or vest if this is sustainable according to the financial situation of RBI and the financial situation of the respective subsidiary, and justified according to the performance of the Group, the subsidiary, the business unit and the individual concerned. A Malus event (e.g. serious misbehavior, significant downturn of financial performance, failure of risk management and significant changes in RBI's and/or the subsidiary institution's economic or regulatory capital base) may entail the reduction or forfeiture of outstanding (deferred) variable remuneration. A Clawback event (e.g. in the case of fraud, criminal offence or misleading information) entails the loss of all deferred payments and the Clawback of all payments made with regard to the variable remuneration.

The RBI remuneration rules are coherently applied in RBI, unless any applicable local laws require a different procedure. The RBI remuneration policy provides for that, based on stricter local legal provisions in EU countries, exceptions from the Group standards for payment of variable compensation to Identified Staff are possible (this is the case e.g. in Bulgaria, Czech Republic, Croatia).

Share based compensation

In the years 2011 to 2013, the RBI AG Management Board with approval by the Supervisory Board of RBI AG has approved a share incentive program (SIP) which offers performance based allotments of RBI AG shares to board members and selected executives of RBI AG, as well as executives of its affiliated bank subsidiaries and other affiliated companies.

The number of ordinary shares of RBI AG which will ultimately be transferred depends on the achievement of two performance criteria: the targeted return on equity (ROE) and the performance of the share of RBI AG compared to the total shareholder return of the shares of companies in EURO STOXX Banks index after a five-year vesting period. Participation in the SIP is voluntary. Each SIP tranche is regulated by its terms & conditions and is structured in compliance with the regulatory remuneration rules for Identified Staff.

Due to the more stringent regulatory environment, since 2014 no further tranches of this share incentive program have been launched.

Total remuneration in € thousand	Number of identified staff
between 1,000 and 1,500	6
between 1,500 and 2,000	3
between 2,000 and 2,500	2
between 2,500 and 3,000	1

in € thousand	MB Supervisory Function	MB Management function	Investment Banking	Retail Banking	Asset Management	Corporate Function	Independent Control Function	All other	Total
All Staff									
Number of members (Headcount)	171	148							319
Total number of staff in FTE			5,055	27,973	50	12,988	3,859	941	50,866
Total net profit in year 2015									346,448
Total remuneration	2,558	55,588	220,599	378,754	14,894	332,662	115,247	45,401	1,165,705
of which variable remuneration	0	14,829	26,862	54,062	1,875	19,251	7,330	2,890	127,100
Identified Staff									
Members (Headcount)	171	148							319
Number of identified staff in FTE			449	290	24	226	424	27	1440
Number of identified staff in senior management positions			128	96	8	147	99	1	479
Total fixed remuneration	**2,558**	**40,759**	**48,205**	**18,342**	**3,246**	**25,199**	**27,621**	**1,347**	**167,278**
Of which: fixed in cash	2,558	40,759	48,205	18,342	3,246	25,199	27,621	1,347	167,278
Of which: fixed in shares and sharelinked instruments	0	0	0	0	0	0	0	0	0
Of which: fixed in other types instruments	0	0	0	0	0	0	0	0	0
Total variable remuneration	**0**	**14,829**	**9,117**	**3,094**	**609**	**4,750**	**3,154**	**143**	**35,697**
Of which: variable in cash	0	8,140	7,463	2,810	458	4,480	2,896	136	26,383
Of which: variable in shares and sharelinked instruments	0	6,689	1,654	284	151	271	258	7	9,314
Of which: variable in other types instruments	0	0	0	0	0	0	0	0	0
Total amount of variable remuneration awarded in 2015 which has been deferred	**0**	**7,524**	**1,551**	**248**	**140**	**528**	**239**	**5**	**10,235**
Of which: deferred variable in cash in 2015	0	3,721	1,163	134	79	420	135	3	5,656
Of which: deferred variable in shares and share-linked instruments in 2015	0	3,802	389	114	60	108	103	3	4,579
Of which: deferred variable in other types of instruments in 2015	0	0	0	0	0	0	0	0	0
Additional information regarding the amount of total variable remuneration									
Article 450 h(iii)CRR – total amount of outstanding deferred variable remuneration awarded in previous periods and not in 2015	0	10,759	3,970	603	159	888	596		16,975
Total amount of explicit ex post performance adjustment applied in 2015 for previously awarded remuneration	0	0	0	0	0	0	0	0	0
Number of beneficiaries of guaranteed variable remuneration (new sign-on payments)	0	1	1	0	0	1	0	0	3
Total amount of guaranteed variable remuneration (new sign-on payments	0	81	8	0	0	16		0	105
Number of beneficiaries of severance payments	0	1	16	5	0	10	9	0	41
Total amount of severance payments paid in 2015	0	7	1,482	85	0	1,705	165	0	3,443
Article 450 h(v) – Highest severance payment to a single person	0	0	0	0	0	1,255	0	0	1,255
Number of beneficiaries of contributions to discretionary pension benefits in 2015	0	0	0	0	0	0	0	0	0
Total amount of contributions to discretionary pension benefits in 2015	0	0	0	0	0	0	0	0	0
Total amount of variable remuneration awarded for multiyear periods under programmes which are not revolved annually	0	0	0	0	0	0	0	0	0

Article 451 CRR Leverage

Within the framework of CRR and in addition to the total capital requirements the leverage ratio was implemented as a new instrument to limit the risk of excessive indebtedness. According to Article 429 CRR, the leverage ratio is the ratio of capital to the leverage exposure. This means tier 1 capital in relation to unweighted exposure on and off the statement of financial position. The Basel Committee initially set a minimum ratio of 3 per cent. After a review to be undertaken by the Basel Committee in the first half of 2017 and possible modification of the minimum ratio, the leverage ratio will become effective as of 1 January 2018.

Description of the processes used to manage the risk of excessive leverage

As part of the recurring internal risk reporting, RBI monitors a comprehensive set of key risk and financial parameters and reports the results to the Asset and Liability Management Committee and to the Management Board. Among other items this report contains the development and value of the leverage ratio according to Basel III. The Group recovery plan and its governance rules stipulate that a potential negative development or the breach of internally set thresholds is examined by the relevant bodies in order to facilitate early initiation of appropriate countermeasures.

Description of the factors that had an impact on the leverage ratio during the period to which the disclosed leverage ratio refers

As at 31 December 2015 the leverage ratio of RBI amounted to 5.6 per cent on transitional basis as compared to 5.1 per cent as at 31 December 2014. The main reason for the improvement is the reduction of leverage ratio exposures due to a decline in RBI's total assets of 6 per cent or € 7,073 million. Furthermore, the increase in common equity tier 1 after deductions from the 2014 comparable level totaled € 227 million, mainly due to the inclusion of the net profit for 2015. In addition, the changed transitional provisions of the CRR resulted in a decline due to deductions and the reduced allowance of minority interests.

The following tables show the leverage ratio exposures of RBI as at 31 December 2015 on a transitional basis:

Summary reconciliation of accounting assets and leverage ratio exposures in € thousand	**2015 Applicable Amount**
Total assets as per published financial statements	114,426,583
Adjustment for entities which are consolidated for accounting purposes but are outside the scope of regulatory consolidation	646,116
Adjustments for derivative financial instruments	2,211,422
Adjustment for securities financing transactions (SFTs)	1,789,108
Adjustment for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	16,716,534
Other adjustments	373,333
Leverage ratio total exposure measure (transitional basis)	**136,163,097**

Leverage ratio common disclosure in € thousand	2015
On-balance sheet items (excluding derivatives, SFTs and fiduciary assets, but including collateral)	110,023,308
(Asset amounts deducted in determining Tier 1 capital)	1,019,449
Total on-balance sheet exposures (excluding derivatives, SFTs and fiduciary assets)	**111,042,757**
Replacement cost associated with all derivatives transactions (ie net of eligible cash variation margin)	4,262,580
Add-on amounts for PFE associated with all derivatives transactions (mark-to-market method)	2,352,117
Total derivatives exposures	**6,614,697**
Gross SFT assets (with no recognition of netting), after adjusting for sales accounting transactions	1,745,158
Counterparty credit risk exposure for SFT assets	43,950
Total securities financing transaction exposures	**1,789,108**
Off-balance sheet exposures at gross notional amount	35,141,998
(Adjustments for conversion to credit equivalent amounts)	(18,425,463)
Other off-balance sheet exposures	**16,716,534**
Tier 1 capital	**7,671,305**
Leverage ratio total exposure measure	**136,163,097**
Leverage Ratio (transitional)	**5.6%**

Split-up of on balance sheet exposures (excluding derivatives, SFTs and exempted exposures) in € thousand	Exposure
Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:	110,023,308
Trading book exposures	0
Banking book exposures, of which:	110,023,308
Covered bonds	0
Exposures treated as sovereigns	28,928,931
Exposures to regional governments, MDB, international organisations and PSE not treated as sovereigns	333,579
Institutions	6,568,821
Secured by mortgages of immovable properties	2,975,434
Retail exposures	19,539,785
Corporate	31,092,854
Exposures in default	6,191,737
Other exposures (eg equity, securitizations, and other non-credit obligation assets)	14,392,168

Article 452 CRR
Use of the IRB Approach to credit risk

1. Approaches or transition arrangements approved by the competent authorities

1.1. Approved approaches

1.1.1. Members of the Credit Institution Group that calculate risk-weighted exposure amounts using the Internal Ratings Based Approach at the consolidated and solo level

- Raiffeisen Zentralbank Österreich Aktiengesellschaft, Vienna (AT)
- Raiffeisen Bank International AG, Vienna (AT)
- RB International Finance LLC, New York (US)
- Raiffeisenbank a.s., Prague (CZ)
- Raiffeisen Bank Zrt., Budapest (HU)
- Tatra banka a.s., Bratislava (SK)
- Raiffeisen Bank S.A. (RO)
- Raiffeisenbank Bulgaria EAD, Sofia (BG)

1.1.2. Members of the Credit Institution Group that calculate risk-weighted exposure amounts using the Internal Ratings Based Approach at the consolidated level

- Raiffeisenbank Austria d.d., Zagreb (HR)
- AO Raiffeisenbank, Moscow (RU)

1.1.3. Members of the Credit Institution Group and exposure classes for which permanent partial use has been applied

1.1.3.1. Exposure classes referred to in points (a) and (b) of Article 147 (2) CRR, where the number of material counterparties is limited and it would be unduly burdensome for the credit institution to implement a rating system for these counterparties – pursuant to points a) and b) of Article 150 (1) CRR.

1.1.3.2. Exposures in non-significant business units that are immaterial in terms of perceived risk profile as well as exposure classes that are immaterial in terms of size – pursuant to point c) of Article 150 (1) CRR.

That includes the following institutions:

- Subsidiaries of Raiffeisen Leasing International Gesellschaft m.b.H., Vienna (AT) excluding Raiffeisen Leasing Polska S.A., Warsaw (PL) and Raiffeisen Lizing Zrt., Budapest (HU)
- Subsidiaries of Raiffeisen-Leasing Gesellschaft m.b.H., Vienna (AT)
- Kathrein & Co. Privatgeschäftsbank Aktiengesellschaft, Vienna (AT)
- Raiffeisen Centrobank AG, Vienna (AT)
- Priorbank JSC, Minsk (BY)
- Raiffeisen Banka d.d., Maribor (SI)

Other subsidiaries of RBI Credit Institution Group, which are ancillary services undertakings and immaterial in terms of size or risk profile.

1.1.3.3. Exposures to central governments, central banks (where it is applicable according with local law) regional and local governments and public sector entities, provided that exposures to central government are assigned a 0 per cent risk-weight under the standardised approach as provided in Article 114 (2) or (4) or Article 495 (2) CRR, in accordance with Article 150 (1) lit d. CRR.

1.1.3.4. Exposures of a credit institution to a counterparty which is its parent undertaking, its subsidiary, a subsidiary of its parent undertaking or an undertaking linked by a relationship within the meaning of Article 12 (1) of Directive 83/349/EC established in the same country within the same banking group pursuant to point e) of Article 150 (1) CRR can be assigned a 0 per cent risk-weight under the conditions of Article 113 (6) CRR.

1.1.3.5. Exposures to institutions pursuant to Article 119 (4) CRR in form of minimum reserves with the European Central Bank or a central bank of an EU Member State and fulfilling the requirements of Article 119 (4) CRR.

1.1.3.6. Equity exposures to entities whose credit obligations qualify for a 0 per cent risk-weight under the standardised approach [Part Three, Title II, Chapter 2 CRR], in accordance with point g) of Article 150 (1) CRR.

1.1.3.7. State guarantee and state-reinsured guarantees in accordance with point j) of Article 150(1) CRR

1.2. Approved temporary partial use

1.2.1 Members of the Credit Institution Group for which temporary partial use was applied

A stepwise implementation of the IRB approach pursuant to Article 148 CRR is applied for all institutions using the IRB approach at a later stage. Until then, the calculation of the minimum capital requirements is carried out according to the standardised approach for credit risk based on Part Three, Title II, Chapter 2 CRR. For the following institutions the temporary partial use is used:

- Raiffeisen Bank Polska S.A., Warsaw (PL)
- Raiffeisen Leasing Polska S.A., Warsaw (PL)
- Raiffeisen Bank Sh.a., Tirana (AL)
- Raiffeisen Bank d.d. Bosna i Hercegovina, Sarajevo (BA)
- Raiffeisen Bank Kosovo J.S.C., Prishtina (XK)
- Raiffeisen Banka a.d., Beograd (RB)
- Raiffeisen Bank Aval JSC, Kiev (UA)
- Raiffeisen Lízing Zrt., Budapest (HU)

1.2.2 Asset classes which the temporary partial use was applied

A stepwise implementation of the IRB approach pursuant to Article 148 CRR is applied for asset classes for which the capital requirements are calculated in the IRB approach at a later stage. With the exception of Tatra banka a.s., Bratislava (SK), Raiffeisen Bank Zrt., Budapest (HU), Raiffeisenbank a.s. Prague (CZ), Raiffeisen Bank S.A. (RO) and Raiffeisenbank EAD, Sofia (BG) which units calculate risk-weighted exposure amounts using the IRB Approach, the calculation of the minimum capital requirements is carried out according to the standardised approach for credit risk based on Part Three, Title II, Chapter 2 CRR. For the following asset classes the temporary partial use is used:

- Exposures to retail customers that are secured by residential real estate
- Qualifying revolving retail exposures
- Other exposures to retail customers

2 Structure of the internal rating systems

External ratings are applied directly only for securitization items.

For all other items, an already existing external rating does not replace an internal rating and thus does not cancel the general obligation to create an internal rating. External ratings are not used as a model input factor in any rating model; they are solely used for the purpose of comparing them with internal ratings. When a rating is determined, external ratings and their documentation are viewed solely as additional information.

The comparison of external ratings against internal ratings in mapping tables is a central element particularly in the validation of low-default portfolios.

Below is a summary table on the exposure classes and the rating methods used for each:

	Rating Model										
Exposure Classes	PI	Micro SME	CORP	LCO	SMB	SLOT	INS	SOV	LRG	FIN	CIU
Retail	X	X									
Central banks and central governments								X			
Local and regional governments									X		
Public sector entities and non-commercial organisations			X	X				X	X		
Multilateral development banks										X	
International organisations								X			
Financial institutions										X	
Corporate			X	X	X		X			X	X
Project financing						X					
Private (non retail)			X	X							
Equity exposures			X	X		X	X			X	

PI: Private Individuals (retail), Micro SME: Small Medium Enterprises, CORP: Corporate/Companies, LCO: Large Companies, SMB: Small and medium business, SLOT: Project financing, INS: Insurance companies, SOV: Sovereigns, LRG: Local and regional governments, FIN: Financial institutions, CIU:Collective Investment Undertakings

2.1 Use of internal estimates

Under the IRB Approach, internal risk-parameter estimates are used not only to calculate capital requirements but are an essential part of credit decisions, credit management processes and also determine standard risk costs, profitability assessment and economic capital (Internal Capital Adequacy Assessment Process (ICAAP)) of RBI.

2.2 Control mechanism for rating systems

The non-retail rating models are centrally validated at RBI AG for all members of the RBI Credit Institution Group by a unit which reports to the head of the division "Risk Controlling". Therefore the unit is independent from risk origination units. The rating systems are reviewed using defined validation systems comprising essentially the following methods:

- Assessment of the documentation of the rating models
- Assessment of the assumptions underlying the rating models (model design)
- Assessment of the data used for validation (data quality)
- Assessment of the application of rating results
- Distribution analyses
- Review of the discriminatory power of the final rating
- Assessment of the discriminatory power of the individual rating inputs and rating sub-results
- Comparison of the predicted and observed default rate
- Assessment of the stability of the rating model
- Calculation of the migration matrices and their analysis
- Review of the relationship between internal and external ratings

The retail rating models are centrally validated at RBI AG for all members of the RBI Credit Institution Group by an independent Validation team reporting to the head of "Retail Risk Management". The rating systems are regularly reviewed using predefined validation systems comprising both qualitative and quantitative methods:

- Assessment of the documentation of the rating models
- Assessment of the environment the model operates
- Assessment of the assumptions underlying the rating models (model design)
- Assessment of the data used for validation (data quality)
- Assessment of the application and usage of rating results
- Assessment of the model's population stability
- Assessment of the model's discriminatory power
- Assessment of the model's rating accuracy and goodness-of-fit
- Assessment of the stability of the rating model

2.3 Description of the internal rating process

2.3.1 General information

A client is assigned to a certain rating method based on the exposure class at the time the rating is determined. This mapping between the client's exposure class and the adequate rating model is a fixed part of the rating databases, which document the individual steps in the creation of a rating along with the rating process itself.

In all RBI models, the strict "four-eye principle" (dual control) applies to the determination of the rating. Compliance is documented in the rating databases. All individuals and committees involved in the rating process must be recorded in that database.

Clients classified as equity exposures are subject to the same rating model as clients classified as corporate or institutional exposures depending on client type. Risk weighted exposure amounts are determined for these items using the PD/LGD method.

2.3.2 Rating corporates

Scope of application

Corporate clients are either allocated to large Corporates, Corporates or the SMB rating model. The split between the Corporates and the SMB model is based on country specific thresholds for two criteria: "corporate client's sales revenues" and "exposure to bank". The split between Corporate and Large Corporate customers is based on thresholds for "total revenues" and "total assets", both of which have to be exceeded by Large Corporates.

Development and objective

The corporates rating model was developed by RBI experts using internal data from all units of the Group and state-of-the-art statistical methods as well as expert opinions of rating analysts from RBI Vienna and several RBI units.

Quantitative and qualitative factors are statistically combined to obtain a comprehensive assessment of the client's creditworthiness.

Even though the rating model is a statistical model, the rating analyst bears final responsibility for the rating and must critically assess the corporate client's financial data as well as relevant soft facts. Where necessary, the rating expert can adjust the rating to ensure a correct and fair assessment of the corporate client's creditworthiness.

Rating model

The corporates rating model has essentially two components:

- Quantitative analysis

  The model is based on the assessment of the corporate client's financial data. The quantitative variables as well as their weights have been estimated statistically with the aim to maximize discriminatory power over a one year horizon. The quantitative score also takes into account current trends and forecasts of the customer's financial status.

- Qualitative analysis

  The qualitative model uses a set of key questions, which are answered by the analyst. The questions are operationalized to a high extent so as to assure an objective assessment. The qualitative variables and their weights as well as the weights of the answers have been statistically estimated to maximize predictive power over a one year horizon.

The corporate client's rating ultimately emerges from the optimal combination of the quantitative and qualitative assessments and possible warning signals. The Corporates rating model differentiates risk depending on the industry sector and the country of residence of the customer.

Rating output

The Corporates rating model results in a rating grade on a 25 grade scale which is assigned a certain probability of default.

This client rating is an essential factor in the loan decision and significantly influences the terms granted to the customer. The rating subsequently serves as the basis for determining capital adequacy.

Rating process

The customer relationship manager obtains the financial data and supplementary information required for the rating. He then forwards these documents to the rating expert along with a request that the expert determines a rating. From this point on, the customer relationship manager has no direct influence on the determination of the rating.

The input data are recorded and processed in the Corporates rating model solely by the rating expert. The process outcome is the issuance of a rating and thus an assignment of the client to an internal risk class. Ratings created in this manner are then documented in the rating database.

2.3.3 Rating large corporates

Scope of application

Corporate clients are allocated to the Large Corporates, the Corporates or the SMB rating model. The split between the Corporates and the SMB model is based on country specific thresholds for two criteria: "corporate client's sales revenues" and "exposure to bank". The split between Corporate and Large Corporate customers is based on thresholds for "total revenues" and "total assets", both of which have to be exceeded by Large Corporates.

Development and objective

The Large Corporates rating model was developed by RBI experts using external rating and balance sheet data as well as internal data from all units of the Group and state-of-the-art statistical methods as well as expert opinions of rating analysts from RBI Vienna and several RBI units.

Quantitative and qualitative factors are combined to obtain a comprehensive assessment of the client's creditworthiness.

Even though the rating model is a statistical model, the rating analyst bears final responsibility for the rating and must critically assess the corporate client's financial data as well as relevant soft facts. Where necessary, the rating expert can adjust the rating to ensure a correct and fair assessment of the corporate client's creditworthiness.

Rating model

The Large Corporates rating model has essentially two components:

- Quantitative analysis
  The model is based on the assessment of the corporate client's financial data. The quantitative variables as well as their weights have been estimated statistically with the aim to maximize discriminatory power over a one year horizon.

- Qualitative analysis ("soft facts")
  The qualitative model uses a set of key questions, which are answered by the analyst. The questions are operationalized to a high extent so as to assure an objective assessment.

The large corporate client's rating ultimately emerges from the combination of the quantitative, the qualitative assessments, the trends and forecasts, and possible warning signals. The Large Corporates rating model differentiates risk depending on the industry sector and the country of residence of the customer.

Rating output

The Large Corporate rating model results in a rating grade on a 25 grade scale, which is assigned a certain probability of default.

This client rating is an essential factor in the loan decision and significantly influences the terms granted to the customer. The rating subsequently serves as the basis for determining capital adequacy.

Rating process

The customer relationship manager obtains the financial data and supplementary information required for the rating. He then forwards these documents to the rating expert along with a request that the expert determines a rating. From this point on, the customer relationship manager has no direct influence on the determination of the rating.

The input data are recorded and processed in the Large Corporates rating model solely by the rating expert. The process outcome is the issuance of a rating and thus an assignment of the client to an internal risk class. Ratings created in this manner are then documented in the rating database.

2.3.4 Small and Medium Business (SMB) rating model

Scope of application

Corporate clients are allocated to either the corporates or the SMB rating model according to the given country's threshold and based on two criteria: "corporate client's sales revenues" and "exposure to bank".

Development and objective

The SMB rating model was developed by RBI experts using internal data from all units of the Group and state-of-the-art statistical methods as well as expert opinions of rating analysts from RBI Credit Management Retail.

Quantitative, qualitative and behavioural factors are statistically combined to obtain a comprehensive assessment of the client's creditworthiness.

Even though the rating model is a statistical model, the rating analyst bears final responsibility for the rating and must critically assess the SMB client's financial data as well as relevant soft facts. Where necessary, the rating expert can adjust the rating to ensure a correct and fair assessment of the SMB client's creditworthiness.

Rating model

The SMB rating model has three components:

- Quantitative analysis ("hard facts")
  This rating model is based on the client's financial data. The quantitative rating is determined from financial ratios selected statistically based on strong predictive power.

- Qualitative analysis ("soft facts")
  The client's qualitative evaluation is based on 31 criteria, which are subdivided into six main individual categories. Following a statistical selection and evaluation, the definition of the individual factors incorporates also the experiences of experts in SMB banking.

- Behavioral analysis
  In the behavioral component, information from SMB clients' current accounts, loans and leasing products is evaluated. Data is delivered automatically and in a monthly frequency for rating evaluation.

The SMB client's rating ultimately emerges from the combination of the quantitative, qualitative and behavioral assessments, and allocates the client to the correct rating grade.

Rating output

The SMB model has a total of 12 rating notches for non-defaulted clients. This client rating is an essential factor in the loan decision and significantly influences the terms granted to the customer.

Rating process

The rating is determined by experienced SMB relationship managers and small-business credit-risk staff with in-depth knowledge of this segment. The SMB relationship manager is only allowed to propose a rating, which is subsequently reviewed by an SMB credit analyst in the risk department and thoroughly researched again. As a final step, the rating is confirmed by the risk department of the network unit (NWU) in keeping with the "four-eye principle" (dual control). Ratings created in this manner are then documented in the rating database.

2.3.5 Sovereign risk rating (Country rating)

Scope of application

The country rating is applied as:

- A counterparty rating for the central bank and central governments and administrative entities directly answerable to the sovereign.
- A country rating to estimate the country risk when country limits are set up for cross-border transactions.
- A country ceiling for the estimation of transfer risks.

If applied as a counterparty rating, the rating is used for local and foreign currency exposures.

Development and objective

The RZB country rating model was first introduced in December 1999 as a result of the Asia crisis in 1997/98. The model underwent a revision in 2002 to comply with the Basel II requirements. With the RZB country rating model, RZB can evaluate the country risk of any country based on publicly accessible data on the economic and political situation prevailing in that country.

The total score is mapped to a rating class, which corresponds to a given probability of default. The model correlates highly with external ratings.

Within RZB, the rating is determined centrally by a specialized department at RBI AG and made available to all entities of RZB. The RZB country rating is the only rating allowed to be used for applications for sovereign counterparties and country risks.

Rating model

The rating model distinguishes between industrialized countries and developing countries. This distinction is made because foreign debt, debt servicing and external liquidity are all extremely important factors for estimating the country risk of developing countries yet of only subordinate importance for the evaluation of industrialized countries.

The country rating model for industrialized countries is modeled on the Maastricht criteria.

The rating model for developing countries has 15 quantitative and 12 qualitative indicators. The indicators chosen deliver sound explanations for changes in a country's economic and external positions.

Rating process

The country ratings are created centrally by RBI AG in a specialized analysis department that works independently of any front office department. In a final step, the rating is created and archived in an internal rating database and then made available to all Group entities from there. The country rating from this rating database is also automatically used as a country ceiling in other rating models.

The quantitative analysis is carried out using publicly available data from reliable sources such as the IMF, the World Bank, national statistics offices, IIF (Institute of International Finance) and EIU (Economist Intelligence Unit). The qualitative analysis is carried out by country analysts based on information from the press, specialized risk reports and discussions with on-site managers.

A rating is determined for all countries for which RBI entities have a country limit and thus not only in the case of counterparty exposures with a sovereign or central bank. That means the number of countries is greater than the number of active exposures to sovereigns or central banks.

The client departments initiate country ratings when new country limits are to be set or applications are submitted for new sovereign counterparties.

Ratings are usually determined at least once a year and reviewed constantly by analysts to take into account any possible negative trends.

In all RBI models, the strict "four-eyes" principle (dual control) applies to the determination of the rating. Compliance is documented in the rating databases.

2.3.6 Banks and financial institutions

Scope of application

The RBI rating model for banks and bank-like institutions is applied when the creditworthiness of FI counterparties is assessed within the RBI Banking Group. The rating is a central element in the decision on whether or not to grant credit.

Development and objective

RZB devised the model in the mid-1990s and has further developed it since. The model was most recently adapted in 2001. That model version has been used ever since then. The model is applied uniformly for all banks and bank-like institutions worldwide.

Peer group comparison is a central element of the model, i.e. banks in the same economic region and with similar business models are compared with each other. The model is an expert model.

The resulting internal ratings correlate highly with the corresponding external ratings.

Rating model

The rating model for banks is subdivided into the following sections: the quantitative section, the qualitative section, risk estimation and evaluation of the quality of the information.

The following parameters are reviewed in the quantitative section:

- Profitability (based on various profitability ratios, an assessment of the income structure and the income trend)
- Capitalization (based on capital and capital trend, capital structure, capital adequacy ratio (Tier 1 ratio))
- Funding structure and liquidity (based on the funding structure and trend and on liquidity ratios)
- Credit quality (on assets and credit structure, their growth, the level of non-performing loans and their cover)

The qualitative section assesses the company's environment and background information based, for example, on the following parameters:

- Owners and their creditworthiness
- Probability of internal and external support
- Bank sector risk in general
- Position of the bank within its banking sector
- Evaluation of the strategy and the management

To estimate risk, the risk of the activities of the financial institution are assessed based on activity type, the balance sheet and income structure for the activities, and the dependence of the activities on the economic and social environment.

The bank rating is limited by a country ceiling defined by the RBI internal country rating.

Rating output

The model has ten notches (nine non-default notches and one default notch).

Parallel to scoring, the analyst writes an analysis text containing the essential background details, basic information and qualitative assessments of the counterparty.

Rating process

The ratings for banks and bank-like institutions are created centrally by RBI AG in a specialized analysis department that works completely independently of any front office department. In a final step, the rating is created and archived in an internal rating database and made available to all Group entities from there.

The first rating is determined when a relationship is established with a new client. Every active client is rated once a year and/or after circumstances that lead to a rating change become known.

Neither the analyst nor any other authority in the Group has the power to overrule the final rating.

2.3.7. Insurance companies

Scope of application

The RBI rating model for insurance companies and undertakings similar to them is applied within the entire RBI Banking Group to assess the creditworthiness of said companies and undertakings and is a central element in the decision on whether or not to grant credit.

Development and objective

The model was developed in-house in 2002 based on the experience gained in the banking model already in use since the mid-1990s. The model is applied uniformly worldwide to all insurance companies and undertakings similar to them.

The quantitative section of the model is based on a benchmark system and qualifies as an expert model.

Rating Model

The rating model for insurance companies is divided into the following sections: the quantitative section, the qualitative section and risk assessment. The ratios applied to life and to non-life insurance differ, as do the weightings. The following parameters are reviewed in the quantitative section:

- Income
- Premium structure
- Capitalization and solvency
- Actuarial provisions
- Liquidity

The qualitative section assesses the company's environment and background information based, for example, on the following parameters:

- Owners and their creditworthiness
- Probability of internal and external support
- Changes in the legal environment
- General economic risk in the local market and in the local insurance market
- The position of the insurance company within the insurance sector

To estimate risk, the risk of the activities conducted by the insurance carrier is assessed based on activity type, the balance sheet and income structure for the activities, and the dependence of the activities on the economic and social environment.

Rating Output

The model has ten notches (nine non-default notches and one default notch). Parallel to scoring, the analyst produces an analysis text containing the essential background details, basic information and qualitative assessments of the client.

Rating Process

The rating for insurance companies is determined centrally by RBI AG in a specialized analysis department that works completely independently of any front office department.

The rating is created and archived in an internal rating database and made available to all Group entities from there.

The first rating is determined when a relationship is established with a new client. Every active client is rated once a year and/or after circumstances that lead to a rating change become known. Neither the analyst nor any other authority in the Group has the power to overrule the final rating.

2.3.8 Collective Investment Undertakings/Investment Funds CIUs

Scope of Application

The RZB rating model for CIUs is applied when the creditworthiness of Fund counterparties is assessed within the RZB Banking Group. The rating is a central element in the decision on whether or not to grant a credit.

Development and Objective

RZB devised the CIU rating model in 2006. The model is applied uniformly for funds worldwide, taking especially into consideration the special regulations for funds regulated via EU directive (UCITS funds).

The CIU rating developed in RZB is a credit risk rating, not an investment rating. The objective of the rating is to estimate the credit risk of counterparties which are organized in the legal or organizational structure of a Collective Investment Unit.

Rating Model

The model has two components: quantitative scoring and qualitative scoring. In quantitative scoring, the scores are automatically calculated for the individual indicators based on benchmarks. The analysts assign qualitative scores manually with the aid of a scoring manual.

Rating Output

The model has ten notches (nine non-default notches and one default notch). Parallel to scoring, the analyst writes an analysis text containing the essential background details, basic information and qualitative assessments of the counterparty.

Rating Process

The ratings for CIUs are created centrally by RBI AG in a specialized analysis department that works completely independently of any front office department. In a final step, the rating is created and archived in an internal rating database and made available to all Group entities from there.

The first rating is determined when a relationship is established with a new client. Every active client is rated once a year and/or after circumstances that lead to a rating change become known.

Neither the analyst nor any other authority in the Group has the power to overrule the final rating.

2.3.9 Local and Regional Governments (LRG)

Scope of Application

The RBI rating model for local and regional governments (LRG) is used to assess the creditworthiness of LRGs and administrative entities associated with them. The rating is a central element in the decision on whether or not to grant credit.

Development and Objective

The LRG rating model was developed in 2003 and 2004 by RZB in consultation with the RBI subsidiary banks and has been in use ever since. In cooperation with the RBI subsidiary banks, national adaptations of the model were developed where necessary, for example, due to different accounting regulations or legal conditions in Eastern European countries. The model is designed as an expert model.

Rating Model

The model has two components: quantitative scoring and qualitative scoring. In quantitative scoring, the scores are automatically calculated for the individual indicators based on benchmarks. The analysts assign qualitative scores manually with the aid of a scoring manual.

The quantitative indicators are calculated from the statements of accounts and – if available – statistical databases. These indicators assess the earning power, budgetary flexibility and indebtedness of an LRG based on a variety of key figures (ratios).

The qualitative indicators allow soft facts to be taken into account in the rating, facts not contained in the statements of accounts, e.g. overall economic environment, political factors, infrastructure, etc.

The rating outcome is limited by a country ceiling defined by the RBI internal country rating.

Rating Output

The outcome of quantitative and qualitative scoring is mapped to ten rating notches, the last notch being used for default.

Rating Process

An analyst from the RBI entity that has the business relationship with the client rates the LRG in a decentralized process. The rating is created and archived in the internal rating database and made available to all Group entities from there.

The first rating is determined when a relationship is established with a new client. Every active client is rated once a year and/or after circumstances that lead to a rating change become known.

Neither the analyst nor any other authority in the Group has the power to overrule the final rating.

2.3.10. Rating Specialised Lending

Scope of Application

The term "specialized lending" as used in the EU Directive refers to structured financing and is a segment in the "Corporates" client class. This segment is differentiated from corporates in the narrower sense using the criteria defined in the EU Directive:

- Financing of assets
- Control over and access to the cash flow generated by the asset
- Control over and access to the asset itself
- The source of repayment of a project loan must be predominantly based on the cash flows generated by the assets (at least 80% over the maximum acceptable loan term), rather than on the cash flows produced by a broadly-operating company.

Takeover financing therefore does not fall under the specialized lending subsegment according to the above definition; it is classified under corporates in the narrower sense.

The model developed by RBI distinguishes between two submodels based on the specific regional legal environment related to the enforceability of the control over the cash flows. Both submodels cover the following subcategories:

- Real estate finance
- Object finance (movable assets such as airplanes, ships, etc.)
- Project finance in the narrower sense (immovable assets such as industrial plants, power stations, etc.)

Development and Objective

The rating model for specialized lending was developed in-house by RBI experts and incorporates market experience from all markets of RBI.

The model applies what is referred to as the "slotting criteria" approach. That means the projects are classified in five risk classes specified under law. These risk classes do not substantively denote probabilities of default but rather a combination of economic performance (PD) and the situation of the bank as regards collateral (LGD).

Rating Model

In accordance with the EU Directive, the specialized lending rating model consists of two components: the economic performance of the project and the situation of the bank as regards collateral.

Economic performance is measured by hard facts and soft facts, which are combined into a single economic score ("grade"):

- Hard facts grade:
  The model is based on an assessment of the economic performance of the project over the maximum acceptable loan tenor in relation to debt service. The maximum acceptable loan tenor is geared to the risk policy practised by the bank. The assessment revolves around the "average cover ratio for debt service" over this term, which is evaluated using certain benchmarks.
- Qualitative analysis ("soft facts grade")
  Essential parameters of project success are evaluated in the qualitative analysis, e.g.:
- Management and sponsor (experience specifically related to the project, reference projects)
- Basic project conditions (location, technical equipment)
- Structure of the financing (amortizing loan or bullet loan, residual value).

Collateral valuation is the second component of the rating and is carried out largely according to market criteria.

Rating Output

The economic score and collateral evaluation are combined to allocate the project to the individual risk classes (in this case: slots) according to Article 153 (5) CRR.

Rating Process

The product advisor/customer relationship manager proposes a rating. The "four-eye principle" (dual control) applies, so the risk manager with rating responsibility is entitled to confirm the rating suggested by the advisor or to suggest another one. The rating tool shows both suggestions: the product advisor's and the risk manager's.

If the product advisor and risk manager suggested different ratings and fail to reach agreement on the rating, the rating suggested by the risk manager applies. However, the product advisor can initiate an "escalation process", which can culminate in an overruling of the rating by the CRO.

2.3.11 Private Individual (PI) rating model

Scope of Application

Clients are classified as retail private individuals by their occupational status and assigned and assessed by the retail PI rating method.

Development and Objective

The PI rating model methodology was developed by RBI AG Retail Risk Management and it is primarily based on empirical-statistical modelling techniques. The actual PI rating models are developed by experts in the RBI Credit Institution Group, using local customer databases in order to take into account local specificities for accurate assessment of the client creditworthiness. The PI rating method is applied in the case of applications for financing decisions (e.g. new retail loan applications) and regularly within the monthly update of the customer ratings (account management).

Rating Model

The PI rating model has two main components:

- Statistical Scorecards
  Scorecards (application and behavioural), as account-level rating models, assigning scores based on sociodemographic information, account performance data (e.g. days-past-due), product attributes as well as external (e.g. credit bureau agency) information. The assessment of existing clients' behavior is performed monthly and provides necessary and essential inputs for timely risk classification.

- Probability of Default Models
  The probability of default models employ the statistical scorecards' outputs and statistical calibration techniques in order to arrive at the client's final rating and pool allocation. In certain RBI subsidiaries such RBI Romania, the calibration is complemented by macroeconomic factors for further accuracy purposes.

Rating Output

The PI rating model has a total of 10 rating grades with potential of notching each non-defaulted rating into 3 further notches for additional granularity and reduced rating concentration purposes. Client rating is an essential factor for retail loan decision making and lending terms, as well as serving as the basis for calculation of capital requirements.

Rating Process

Retail PI clients' ratings are calculated monthly by validated statistical models and determined by experienced PI credit risk managers (e.g. for overrides and overrules) and stored historically in retail credit risk databases.

2.3.12 Micro SME (Small Medium Enterprises) rating model

Scope of Application

The Micro SME Rating Model applies to small commercial clients. This retail asset class can differ by RBI subsidiary, according to the given country's threshold that is based on two fundamental criteria: "exposure to bank" and "client's sales revenues".

Development and Objective

The Micro SME rating model methodology was developed by RBI AG Retail Risk Management and it is based on either empirical-statistical or expert modelling techniques, or a combination of the two.

The actual Micro SME rating models are developed by experts in the RBI Credit Institution Group, using local customer databases in order to take into account regional specificities and local expert qualitative information for accurate assessment of the client creditworthiness. The Micro SME rating method is applied in the case of applications for financing decisions (e.g. new loan applications) and regularly within the monthly update of the customer ratings (account management).

Rating Model

Similarly to the PI Rating Model, the Micro SME rating model has two main components:

- Statistical Scorecards
  Scorecards (application and behavioural), as account-level rating models, assigning scores based on sociodemographic information, account performance data (e.g. days-past-due), product attributes as well as external (e.g. credit bureau agency) information. The assessment of existing clients' behavior is performed monthly and provides necessary and essential inputs for timely risk classification.

- Probability of Default Models
  The probability of default models employ the statistical scorecards' outputs and statistical calibration techniques in order to arrive at the client's final rating and pool allocation.

Rating Output

The Micro SME rating model has a total of 10 rating grades with potential of notching each non-defaulted rating into 3 further notches for additional granularity and reduced rating concentration purposes. Client rating is an essential factor for retail loan decision making and lending terms, as well as serving as the basis for calculation of capital requirements.

Rating Process

Retail Micro SME clients' ratings are calculated monthly by validated models and determined by experienced Micro SME credit risk managers (e.g. for overrides and overrules) and stored historically in retail credit risk databases.

2.4. Comparison of the estimates of the credit institution and the actual results

The quality of the process and results of the PD estimation is regularly checked during the annual validation by comparing the historically estimated PDs with the observed default rates per rating grade. In case this quantitative comparison does not lead to satisfactory results further analyses are required.

The table below shows the estimated PDs per rating model compared to the observed default rates (backtesting)[2]. The results are calculated as number weighted averages over the indicated time periods. For the rating segment 'Sovereigns' all rated customers are used for the calculation, while for all other rating models only active customers, i.e. customers with relevant exposure, are used for the calculations. The results show that the estimated PDs sufficiently cover the observed default rates.

2 The rating model Specialized Lending is excluded from this analysis, because the SLOTTING approach is applied.

Rating model	Time period		Average PD in %	Average observed default rate in %
Corporate/Companies	31 Dec 2005 –	30 Sep 2014 (monthly)	3.392%	2.548%
Large Companies	31 Dec 2005 –	30 Sep 2014 (monthly)	1.239%	0.863%
Small and medium business	30 Jun 2006 –	30 Sep 2014 (monthly)	6.423%	3.980%
Insurance companies	31 May 2007 –	30 Jun 2014 (monthly)	0.913%	0.000%
Sovereigns	31 Jan 2005 –	31 Jul 2014 (monthly)	2.004%	0.540%
Local and regional governments	31 Jan 2006 –	30 Jun 2006 (monthly)	1.550%	0.810%
Financial Institutions	31 Dec 2006 –	30 Jun 2014 (monthly)	1.122%	0.604%
Collective Investment Undertakings	31 Dec 2007 –	31 Dec 2014 (yearly)	0.285%	0.000%
Private Individual (PI)	31 Dec 2008 –	31 Dec 2015 (yearly)	1.890%	2.890%
Small and medium enterprises (Micro SME)	31 Dec 2008 –	31 Dec 2015 (yearly)	4.830%	3.990%

2.5. Definitions, methods and data for the estimation and Validation of Probability of Default (PD)

The probabilities of default to be estimated for each rating notch indicate the probability with which clients assigned to a given rating notch will default over the following 12 months.

The probabilities of default (PDs) are estimated internally for the following retail and non-retail rating models: PI, Micro SME, Corporates, Large Corporates, SMB, sovereign, financial institutions, insurance companies, local and regional governments and Collective Investment Undertakings (CIU).

The "slotting criteria" approach was selected for the specialized lending segment and covers the economic situation and collateral situation of the bank. The specialized lending rating model results in an assignment of the client to one of the five risk classes under supervisory law in Article 153 (5) CRR (four non-default categories and one default category).

The probabilities of default refer to a period of 12 months and contain an adequate margin of conservatism.

The estimation of the 12-month PD is based on the RBI definition of default, which is a bank specific implementation of the Basel II definition of default. The following factual elements of a default apply:

- Initiation of insolvency proceedings
- Write-off of an exposure
- Call of an exposure
- Distressed restructuring of the loan
- Waiving of interest payments
- Sale of an exposure with loss
- Material obligation being overdue for more than 90 days
- Revocation of banking license (applicable to financial institutions only)
- Payment moratorium (applicable to sovereigns only)
- Expected economic loss

The output of the statistical rating models (PI, Micro SME, corporate, large corporate and SMB) is an individual PD, on a scale of 0 to 1, allocated to each customer. These PDs are recalibrated to long-term average default rates. A margin of conservatism is added to get the final parameters. Based in that PD, customers are allocated to a grade on a rating scale. For each rating grade, there is a lower and upper PD limit defined. In the consecutive processes (for example for RWA-calculation or margins) one representative PD per rating grade is used.

The low-default portfolios for Sovereign, FI and Insurance have such a small number of defaults that the default data from Moody´s Credit Risk Calculator were applied, beginning with the time series in January 1983 and scaled to a portfolio default rate representative of RZB's default experience yet still conservative.

For the low-default portfolio LRG, the one-year PD is estimated using a weighted combination of the internally estimated sovereign-PD and the probabilities of default calculated according to the Pluto & Tasche method, which is also scaled to a conservative portfolio default rate.

For the low-default portfolio CIU the estimation of the one-year default probability is based on credit-risk related external ratings and on internal analysis of the leverage-related probability of uncovered debt.

Consistent with Art. 179 (1)(d) and 179 (1)(f) CRR conservative add-ons are applied to the PD estimates.

2.6. Definitions methods and data for the estimation and Validation of Retail Loss Given Default (LGD)

The LGD risk parameter is currently estimated for RBI AG for the retail portfolios only based on internally developed methodologies and concepts. The parameter covers both defaulted (BEEL) and non-defaulted exposures, calculated using advanced statistical methods.

In RBI, retail LGD is defined as the expected economic loss after recoveries (e.g. collaterals and other payments) as a percentage of EAD. In the calculation of this parameter, the workout LGD method is employed by setting the end of workout period to 60 months for secured and 36 months for unsecured exposures respectively.

As a second dimension of RBI AG's retail rating system, LGD and BEEL homogenous risk pools are created in order to incorporate a distinct facility rating scale, which exclusively reflects LGD related transaction characteristics. At minimum, the LGD pools depend on PI vs Micro SME asset class and product types (e.g. Mortgage vs Personal Loan). Additionally, in several RBI subsidiaries further key retail risk drivers (e.g. Loan-to-value, Tenor) are applied for more accurate and homogeneous LGD pool creation.

In accordance with regulatory standards, the long-run-average LGD calculation is mandatory as a minimum level of methodology for each RBI subsidiary appended with downturn, estimation error and LGD/PD correlation related margin of conservatism.

The validation of the LGD and BEEL models and their estimated parameters are centrally and regularly (yearly) validated by an independent validation team reporting to the head of "Retail Risk Management".

The table below shows the estimated LGDs per asset class compared to actual default rates (backtesting):

Asset class	Time period	Estimated LGD in %	Average annual observed LGD in %
PI	Dec 2005 - Dec 2014	37.48%	25.76%
Micro SME	Dec 2005 - Dec 2015	53.43%	29.46%

2.7. Definitions methods and data for the estimation and Validation of retail Credit Conversion Factor (CCF)

The CCF risk parameter is currently estimated for RBI AG for the retail portfolios only, based on internally developed methodologies and concepts. The parameter is applied to all retail products which have a commitment but undrawn limit in order to appropriately estimate EaD for all retail off-balance products.

As a third dimension of RBI AG's retail rating system, CCF homogenous risk pools are created using statistically justified risk drivers. At minimum, the CCF pools depend on PI vs Micro SME asset class and product types (e.g. Mortgage vs Personal Loan). Additionally, in several RBI subsidiaries further key retail risk drivers (e.g. Utilization Rate, Delinquency status) are applied for more accurate and homogeneous LGD pool creation.

In accordance with regulatory standards, the long-run-average CCF calculation is mandatory as a minimum level of methodology for each RBI subsidiary appended with downturn, estimation error and CCF/PD correlation related margin of conservatism.

The validation of the CCF models and their estimated parameters are centrally and regularly (yearly) validated by an independent validation team reporting to the head of "Retail Risk Management".

Asset class	Time period	Estimated CCF in %	Average observed CCF
PI	Dec 2013 - Dec 2015	68.83%	67.67%
Micro SME	Dec 2013 - Dec 2015	57.42%	55.10%

3. Quantitative disclosure

The total exposure for which capital requirements are calculated by using the IRB approach amounts to € 83,559,130 thousand. The exposure for each asset class is shown in the following breakdown:

Internal Rating Based Approach - Exposure classes according to Article 147 CRR in € thousand	Exposure	Capital requirement
Exposures to central governments and central banks	1,809,728	24,889
Exposures to institutions	7,915,777	167,582
Exposures to corporates	57,914,068	1,771,445
hereof specialised lending	5,976,371	209,541
Retail exposures	12,888,738	331,273
hereof secured by real estate	8,585,209	168,774
Equity exposures	79,369	10,620
Items representing securitization positions	2,951,450	20,704
Total	**83,559,130**	**2,326,513**

The following table shows the default probabilities used for the calculation of capital requirements for individual PD grades. Retail is based on a scoring method with a ten grade scale.

PD classes	Internal grade	Lower PD	Upper PD
1	1A	0.0000%	≤ 0.0026%
2	1B	< 0.0026%	≤ 0.0088%
3	1C	< 0.0088%	≤ 0.0300%
4	2A	< 0.0300%	≤ 0.0408%
5	2B	< 0.0408%	≤ 0.0553%
6	2C	< 0.0553%	≤ 0.0751%
7	3A	< 0.0751%	≤ 0.1019%
8	3B	< 0.1019%	≤ 0.1383%
9	3C	< 0.1383%	≤ 0.1878%
10	4A	< 0.1878%	≤ 0.2548%
11	4B	< 0.2548%	≤ 0.3459%
12	4C	< 0.3459%	≤ 0.4694%
13	5A	< 0.4694%	≤ 0.6371%
14	5B	< 0.6371%	≤ 0.8646%
15	5C	< 0.8646%	≤ 1.1735%
16	6A	< 1.1735%	≤ 1.5927%
17	6B	< 1.5927%	≤ 2.1616%
18	6C	< 2.1616%	≤ 2.9338%
19	7A	< 2.9338%	≤ 3.9817%
20	7B	< 3.9817%	≤ 5.4040%
21	7C	< 5.4040%	≤ 7.3344%
22	8A	< 7.3344%	≤ 9.9543%
23	8B	< 9.9543%	≤ 13.5101%
24	8C	< 13.5101%	≤ 18.3360%
25	9A	< 18.3360%	≤ 24.8857%
26	9B	< 24.8857%	≤ 33.7751%
27	9C	< 33.7751%	< 100%
Default	10		= 100%

In the following tables a breakdown is given of the exposure classes of central governments and central banks, institutions, corporates, retail and equity by PD classes including the grade for defaulted obligors, exposure, outstanding loans, undrawn commitments and exposure weighted average in order to enable a meaningful differentiation of credit risk.

Exposure or contingent exposure to central governments and central banks

PD classes according to Article 452 CRR in € thousand	Exposure	out of which loans	out of which undrawn commitments	RW (exposure weighted average) in %
1	616,153	0	5	0.0%
2	126,079	0	0	6.5%
3	100,275	0	2	10.1%
4	0	0	0	0.0%
5	45,492	44,985	265	0.1%
6	0	0	0	0.0%
7	0	0	0	0.0%
8	0	0	0	0.0%
9	549,361	228,585	0	38.9%
10	0	0	0	0.0%
11	0	0	0	0.0%
12	0	0	0	0.0%
13	0	0	0	0.0%
14	0	0	0	0.0%
15	209,051	169,797	5,223	15.7%
16	0	0	0	0.0%
17	0	0	0	0.0%
18	11,008	0	11,008	0.0%
19	139,017	138,307	710	20.9%
20	0	0	0	0.0%
21	0	0	0	0.0%
22	0	0	0	0.0%
23	0	0	0	0.0%
24	10,500	5,000	5,500	0.0%
25	0	0	0	0.0%
26	0	0	0	0.0%
27	2,792	2,792	0	18.0%
Total	**1,809,728**	**589,466**	**22,713**	**16.3%**

Exposure or contingent exposure to central governments and central banks by geographical view

Geographical break according to Article 452 (j) CRR in € thousand	Exposure	PD (exposure weighted average) in %
Austria	654,038	1.7%
China	93,881	0.0%
Czech Republic	42,650	0.2%
Croatia	96,772	0.0%
Hungary	34,030	0.9%
Romania	242	0.0%
Russian Federation	782,806	0.1%
Singapore	94,052	0.0%
Slovakia	6,390	0.0%
United States	4,866	0.0%
Total	**1,809,728**	**0.7%**

Exposure to institutions

PD classes according to Article 452 CRR in € thousand	Exposure	out of which loans	out of which undrawn commitments	RW (exposure weighted average) in %
1	0	0	0	0.0%
2	0	0	0	0.0%
3	82,884	82,690	195	0.0%
4	236,909	20,029	58,489	6.6%
5	8,290	0	3	19.8%
6	0	0	0	0.0%
7	4,454,346	736,313	759,549	20.8%
8	531,824	211,225	73,678	28.6%
9	17,784	0	81	3.3%
10	887,590	237,882	50,130	27.4%
11	84,691	5,600	31,196	44.9%
12	0	0	0	0.0%
13	913,996	323,740	7,103	33.6%
14	0	0	0	0.0%
15	82,307	63,110	92	100.5%
16	11,572	5,593	0	102.5%
17	264,987	48,947	5,224	24.4%
18	35,101	7,435	2,673	113.1%
19	16	5	0	102.6%
20	0	0	0	0.0%
21	18,285	18,203	65	176.3%
22	130,853	40,988	11,004	33.6%
23	0	0	0	0.0%
24	0	0	0	0.0%
25	0	0	0	0.0%
26	0	0	0	0.0%
27	154,343	120,380	0	0.0%
Total	**7,915,777**	**1,922,141**	**999,480**	**24.7%**

Exposure to institutions by geographical view

Geographical break according to Article 452 (j) CRR in € thousand	Exposure	PD (exposure weighted average) in %
Austria	5,282,356	3.0%
Bulgaria	85,582	0.4%
China	162,211	0.1%
Czech Republic	211,590	0.9%
Germany	989	0.1%
United Kingdom	1,122	0.0%
Hong Kong	2,181	0.1%
Croatia	210,701	0.7%
Hungary	196,916	0.5%
Romania	616,433	0.5%
Russian Federation	760,837	2.5%
Singapore	147,558	0.1%
Slovakia	227,609	0.1%
United States	9,694	0.1%
Total	**7,915,777**	**2.3%**

Exposure or contingent exposure to corporates

PD classes according to Article 452 CRR in € thousand	Exposure	out of which loans	out of which undrawn commitments	RW (exposure weighted average) in %
1	0	0	0	0.0%
2	0	0	0	0.0%
3	3,358,774	1,036,507	1,924,790	8.5%
4	1,673,982	271,144	871,408	7.6%
5	4,136,136	586,059	2,693,419	5.5%
6	2,296,261	1,028,652	899,267	13.9%
7	2,751,368	736,972	929,721	21.8%
8	1,815,698	589,911	895,751	19.5%
9	2,093,205	831,345	630,100	21.5%
10	3,320,584	1,050,614	1,530,285	28.6%
11	2,590,985	874,590	1,066,656	33.2%
12	3,004,110	1,198,786	1,014,249	37.4%
13	3,435,208	1,506,374	1,147,528	45.2%
14	2,987,304	1,198,263	1,034,756	42.3%
15	2,888,951	1,192,373	811,960	55.2%
16	2,026,277	862,020	487,199	54.9%
17	2,068,320	952,738	587,493	58.8%
18	2,064,335	1,114,734	368,786	72.3%
19	1,475,379	875,752	287,160	79.5%
20	954,437	447,845	243,483	75.2%
21	727,629	450,407	131,427	82.1%
22	848,009	337,208	90,316	60.8%
23	206,205	163,225	18,396	93.3%
24	127,174	74,962	31,863	118.1%
25	370,966	264,132	60,172	105.4%
26	325,608	76,865	4,827	45.3%
27	4,305,642	3,542,253	127,011	9.2%
Specialized lending RWA	5,976,371	5,291,713	466,416	72.5%
Collateralized by Real Estate	85,150	81,076	0	49.6%
Total	**57,914,068**	**26,636,521**	**18,354,439**	**38.3%**

Exposure or contingent exposure to corporates by geographical view

In the table below, categories for Specialized lending RWA and Collateralized by Real Estate are not shown by geographical view.

Geographical break according to Article 452 (j) CRR in € thousand	Exposure	PD (exposure weighted average) in %
Austria	26,537,072	9.3%
Bulgaria	1,529,612	10.3%
China	458,988	39.2%
Czech Republic	3,792,912	6.6%
United Kingdom	14	28.7%
Hong Kong	10,748	3.3%
Croatia	1,774,200	18.7%
Hungary	3,221,686	16.5%
Romania	1,828,912	9.6%
Russian Federation	5,399,243	5.7%
Singapore	842,356	13.7%
Slovakia	4,966,391	5.6%
United States	1,490,411	3.4%
Total	**51,852,545**	**9.4%**

Retail exposure – SME mortgage

PD classes according to Article 452 CRR in € thousand	Exposure	out of which loans	out of which undrawn commitments	RW (exposure weighted average) in %
1	0	0	0	0.0%
2	0	0	0	0.0%
3	0	0	0	0.0%
4	0	0	0	0.0%
5	0	0	0	0.0%
6	1,262	1,259	3	7.7%
7	0	0	0	0.0%
8	597	597	0	12.0%
9	0	0	0	0.0%
10	45,390	39,438	5,953	17.3%
11	503	503	0	21.9%
12	0	0	0	0.0%
13	37,204	35,754	1,450	28.2%
14	0	0	0	0.0%
15	25,765	25,151	614	38.1%
16	7,267	7,151	116	5.3%
17	0	0	0	0.0%
18	229	229	0	86.8%
19	10,924	10,535	389	74.7%
20	0	0	0	0.0%
21	6,683	5,934	749	106.0%
22	33	33	0	7.5%
23	3,908	3,886	21	150.1%
24	0	0	0	0.0%
25	0	0	0	0.0%
26	9,854	9,843	11	142.6%
27	17,595	17,591	4	37.4%
Total	**167,215**	**157,905**	**9,310**	**42.7%**

Retail exposure – PI mortgage

PD classes according to Article 452 CRR in € thousand	Exposure	out of which loans	out of which undrawn commitments	RW (exposure weighted average) in %
1	1,258,322	1,194,576	63,746	3.7%
2	0	0	0	0.0%
3	0	0	0	0.0%
4	536,706	511,370	25,336	7.6%
5	0	0	0	0.0%
6	191,495	191,296	199	10.1%
7	1,936,009	1,795,033	140,990	8.3%
8	51,788	51,719	69	15.7%
9	364,072	363,970	102	10.7%
10	1,264,101	1,165,131	98,970	15.5%
11	310,984	310,984	0	21.1%
12	628,426	593,038	35,388	22.6%
13	213,457	205,493	7,965	33.8%
14	93,998	93,997	0	40.1%
15	255,349	245,975	9,374	45.7%
16	186,090	182,123	3,967	56.9%
17	1,187	1,187	0	37.0%
18	156,077	154,780	1,297	74.1%
19	108,367	105,823	2,545	89.0%
20	73,364	73,043	320	105.4%
21	59,609	56,301	3,308	144.9%
22	51,029	50,033	996	121.2%
23	46,149	46,143	5	172.6%
24	16,618	16,598	20	155.8%
25	53,375	53,231	145	153.3%
26	140,389	139,756	634	146.3%
27	421,026	420,604	422	30.8%
Total	**8,417,987**	**8,022,203**	**395,799**	**24.6%**

Retail exposure – PI revolving

PD classes according to Article 452 CRR in € thousand	Exposure	out of which loans	out of which undrawn commitments	RW (exposure weighted average) in %
1	106,464	21,823	84,641	3.7%
2	0	0	0	0.0%
3	0	0	0	0.0%
4	38,767	11,103	27,664	8.6%
5	16,216	44	16,172	2.2%
6	0	0	0	0.0%
7	72,169	18,227	53,942	7.6%
8	77,447	13,036	64,411	3.6%
9	44,649	13,760	30,889	5.7%
10	100,356	20,190	80,165	7.9%
11	191,999	42,673	149,326	6.4%
12	135,230	69,659	65,571	11.3%
13	56,406	20,141	36,266	17.3%
14	28,564	13,310	15,254	19.3%
15	90,721	43,155	47,566	23.1%
16	40,021	24,471	15,550	35.1%
17	111,708	79,169	32,539	38.4%
18	4,192	2,482	1,711	51.4%
19	51,591	37,760	13,831	61.8%
20	11,054	6,755	4,299	69.3%
21	20,475	15,140	5,335	88.7%
22	8,504	6,783	1,721	111.6%
23	18,074	10,878	7,196	109.6%
24	1,006	978	28	158.2%
25	2,982	2,457	525	176.5%
26	11,085	9,845	1,241	165.1%
27	29,193	26,187	3,006	22.6%
Total	**1,268,873**	**510,026**	**758,847**	**23.3%**

Retail exposure – SME other

PD classes according to Article 452 CRR in € thousand	Exposure	out of which loans	out of which undrawn commitments	RW (exposure weighted average) in %
1	0	0	0	0.0%
2	0	0	0	0.0%
3	0	0	0	0.0%
4	0	0	0	0.0%
5	0	0	0	0.0%
6	0	0	0	0.0%
7	0	0	0	0.0%
8	0	0	0	0.0%
9	53,952	24	53,928	11.9%
10	37,050	25,870	11,180	22.1%
11	119	119	0	31.0%
12	19,865	9,800	10,066	33.1%
13	31,638	23,444	8,194	31.5%
14	76,371	41,521	34,850	39.1%
15	28,022	19,911	8,111	37.6%
16	107,297	81,573	25,724	56.6%
17	28,095	28,035	60	66.4%
18	28,518	24,956	3,562	76.8%
19	44,614	28,741	15,872	64.8%
20	48,260	43,379	4,881	70.4%
21	5,487	3,795	1,692	50.3%
22	32,342	29,187	3,155	79.9%
23	8,174	7,983	191	99.8%
24	3,129	2,585	544	85.3%
25	0	0	0	0.0%
26	22,371	20,689	1,682	111.7%
27	52,225	51,676	549	65.4%
Total	**627,530**	**443,287**	**184,244**	**55.2%**

Retail exposure – PI other

PD classes according to Article 452 CRR in € thousand	Exposure	out of which loans	out of which undrawn commitments	RW (exposure weighted average) in %
1	283,431	83,462	199,969	14.7%
2	0	0	0	0.0%
3	0	0	0	0.0%
4	109,658	65,688	43,970	23.7%
5	0	0	0	0.0%
6	0	0	0	0.0%
7	151,220	119,009	32,210	39.9%
8	1,907	1,860	47	23.9%
9	120	120	0	26.6%
10	194,242	181,481	12,761	46.6%
11	174,202	173,864	338	41.7%
12	320	163	157	38.3%
13	415,546	410,820	4,727	62.3%
14	174,948	174,909	39	70.6%
15	109,800	107,211	2,589	64.5%
16	184,363	183,264	1,099	84.7%
17	78,228	76,843	1,385	86.1%
18	22,631	22,568	63	89.7%
19	145,034	143,603	1,432	95.8%
20	4,642	4,642	0	103.3%
21	75,206	74,522	684	102.9%
22	26,809	26,405	405	109.5%
23	25,382	25,376	6	124.5%
24	9,817	9,722	95	140.4%
25	14,084	13,950	134	149.0%
26	52,809	52,556	253	173.7%
27	152,732	152,074	658	20.7%
Total	**2,407,132**	**2,104,111**	**303,021**	**60.9%**

Retail exposure by geographical view

Geographical break according to Article 452 (j) CRR in € thousand	Exposure	PD (exposure weighted average) in %
Bulgaria	1,014,699	10.1%
Czech Republic	3,784,869	6.2%
Hungary	949,869	20.6%
Romania	2,978,661	8.6%
Slovakia	4,160,639	3.8%
Total	**12,888,738**	**16.5%**

Equity exposure

PD classes according to Article 452 CRR in € thousand	Exposure	out of which loans	out of which undrawn commitments	RW (exposure weighted average) in %
1	0	0	0	0.0%
2	0	0	0	0.0%
3	0	0	0	0.0%
4	0	0	0	0.0%
5	0	0	0	0.0%
6	0	0	0	0.0%
7	57,991	0	0	111.9%
8	3,685	0	0	108.1%
9	0	0	0	0.0%
10	13	0	0	141.7%
11	6,709	0	0	155.2%
12	9,742	0	0	193.2%
13	344	0	0	224.7%
14	8	0	0	240.7%
15	2	0	0	264.1%
16	0	0	0	0.0%
17	0	0	0	0.0%
18	0	0	0	0.0%
19	3	0	0	263.0%
20	0	0	0	0.0%
21	0	0	0	0.0%
22	1	0	0	443.9%
23	317	0	0	490.0%
24	0	0	0	0.0%
25	0	0	0	0.0%
26	0	0	0	0.0%
27	554	0	0	0.0%
Total	**79,369**	**0**	**0**	**126.6%**

Equity exposure by geographical view

PD classes according to Article 452 CRR in € thousand	Exposure	PD (exposure weighted average) in %
Austria	9,748	0.2%
Czech Republic	36,988	0.1%
Croatia	1,473	37.8%
Hungary	10,060	0.8%
Slovakia	21,100	0.1%
Total	**79,369**	**0.9%**

The following table shows the actual specific credit risk adjustments by exposure classes during the reporting period:

Article 452 (g) CRR in € thousand	Specific credit risk adjustments 1/1/2015	Specific credit risk adjustments 31/12/2015	change in %
Exposures to central governments and central banks	208	55	(73.6)%
Exposures to institutions	121,127	123,656	2.1%
Exposures to corporates	2,613,004	2,793,023	6.9%
hereof specialised lending	171,316	193,612	13.0%
Retail exposures	737,215	496,107	(32.7)%
hereof secured by real estate	19,155	11,270	(41.2)%
Total	**3,471,554**	**3,412,841**	**(1.7)%**

Article 453 CRR Use of credit risk mitigation techniques

1 Management and recognition of credit risk mitigation

This chapter outlines the policies and processes for collateral valuation and management in RBI according to CRR. Besides the collateral mentioned herein, other collateral is also recognised on a single case basis as eligible if the minimum requirements of the CRR are fulfilled. Furthermore other types of collateral than mentioned herein are recognised for internal risk calculations.

For specialized lending, where the risk weight is calculated according to Article 158 para 6 CRR (Project Rating), the value of the collateral from the project itself is already included in the classification of the project within the risk categories of Article 158 para 6 CRR.

Collateral is only used for credit risk mitigation purposes, if the following conditions are fulfilled:

- the collateral is legally enforceable under the applicable jurisdiction
- sustainable market value of the collateral
- possibility of realization and willingness to realize
- there is no significant correlation between the quality of the secured exposure and the value of the collateral, i.e. the collateral value is not linked to the creditworthiness of the borrower

In case the currency of the collateral – that is the currency of the proceeds of the realization – is not identical to the currency of the exposure (currency mismatch), a volatility adjustment according to CRR is automatically calculated.

In case the maturity of the collateral is shorter than the maturity of the collateralized exposure (maturity mismatch), the credit protection is not recognised for credit risk mitigation purposes if the original maturity of the protection is less than one year or the residual maturity of the collateral is less than three months. In case the protection provider has an option to terminate the protection, the maturity of the protection shall be the time to the earliest date at which the collateral contract may be terminated. The calculation of maturity mismatches is done automatically according to the criteria of Article 239 CRR.

After a check of the legal validity of the collateral provided, it is entered into a special system for collateral management.
The collateral valuation is done by staff members who are independent from the credit decision process.

Regular evaluations ensure that the revaluation of the collateral takes place at least once a year. Minimum revaluation frequency for financial collateral is 6 months. If required (e.g. change of market situation) a revaluation is done more often. Regarding financial collateral, a revaluation at current market prices is done automatically on a daily basis. A longer revaluation interval leads to higher discounts.

2 Financial collateral

Financial collateral is used for credit risk mitigation purposes, if the minimum requirements according to CRR are fulfilled.

2.1 Type of collateral and valuation

2.1.1 Cash on deposit

As cash on deposit all kinds of accounts (fixed deposit, saving accounts, etc.) as well as savings books and cash assimilated instruments, like certificates of deposit, are taken into account.

Cash deposit held by the lending credit institution

The market value is the pledged amount in the relevant currency of the cash deposit. The revaluation is done automatically by the collateral management system. No haircut is applied for this collateral type. Any maturity or currency mismatch of the protection is considered automatically when linked to the secured exposure.

Cash deposit held by a third party bank

The market value is the pledged amount in the relevant currency of the cash deposit. Up to this pledged amount the probability of default (PD) of the borrower is replaced by the PD of the third party bank. Any maturity or currency mismatch of the protection is considered automatically when linked to the secured exposure.

2.1.2 Netting

On balance sheet netting agreements

In case of reciprocal balances with a counterparty (e.g. credit balances on some accounts and debit balances on others) and if a netting agreement is in place, the credit balance is used for credit risk mitigation purposes and therefore is linked to the exposure in calculations, if the minimum requirements according to CRR are fulfilled.

Master netting agreements covering repurchase transactions, securities or commodities lending or borrowing transactions and other capital market driven transactions

Transactions according to Article 196 CRR – especially repo and securities lending transactions – are managed in a department especially responsible for this kind of transaction using a special electronic data processing system. In order to recognize transactions for netting, only standard contracts fulfilling the minimum requirements according to CRR are used. Collateral provided within the scope of such transactions and borrowed securities or commodities have to fulfil the criteria of CRR.

2.1.3 Gold

The market value is the current market price of gold. The revaluation is done once a month using the haircut determined in CRR. Any maturity mismatch of the protection is considered automatically when linked to the secured exposure.

2.1.4 Debt securities

For the purpose of credit risk mitigation debt securities of the following issuers are taken into account:

- Central governments or central banks, which have been rated by a recognized rating agency or export credit agency, if the rating is equal or better than credit quality step 4 of the Standardized Approach
- Institutions, which have been rated by a recognized rating agency if the rating is equal or better than credit quality step 3 of the Standardized Approach
- Other issuers, which have been rated by a recognized rating agency if the rating is equal or better than credit quality step 3 of the Standardized Approach
- Debt securities rated with a short term rating by a recognized rating agency if the rating is equal or better than credit quality step 3 for short term claims of the Standardized Approach
- Debt securities issued by institutions which are not rated by a recognized rating agency, if the criteria according to CRR are fulfilled

The market value is the current market price on the stock exchange, which is updated automatically in the collateral management system. The haircut according to CRR is applied automatically. Any maturity or currency mismatch of the protection is considered automatically when linked to the secured exposure.

2.1.5 Equities and convertible bonds

Equities and convertible bonds listed on a recognized stock exchange are taken into account for credit risk mitigation purposes.

The market value of equities and convertible bonds is the current market price on the stock exchange. A revaluation is done automatically. The volatility adjustment for equities and convertible bonds listed on a recognized stock exchange is not based on external ratings. According to CRR the eligibility and the haircut depend on being listed on a recognized exchange and being included in a main index. Any maturity or currency mismatch of the protection is considered automatically when linked to the secured exposure.

2.1.6 Investment funds

Units in collective investment undertakings are recognised as eligible collateral if they have a daily public price quoted and the collective investment undertaking is limited to investments in eligible instruments according to CRR.

If the single positions/investments of the collective investment undertaking are known (through at least monthly delivery of the single positions), the weighted haircut of the single position haircuts (the positions in which the collective investment undertaking is actually invested) is taken. If the single eligible positions/investments of the collective investment undertaking are unknown, the haircut equals the highest haircut of the position, in which the collective investment undertaking is allowed to invest (concerning eligible positions).

If a maximum limit for investments of not eligible instruments is defined in the regulation for investments, the fund is eligible up to the defined part in which the fund must invest in eligible titles. The value of the shares in the investment fund which are provided as collateral has to be reduced by the respective percentage, before calculating the haircut according to CRR.

The market value is the published value/market price of the single certificates. Revaluation is done automatically. The haircut is calculated according to CRR once the collateral is entered into the collateral management system. The haircut is reviewed on a regular basis according to the single investment positions. In case the single investments are unknown or cannot be delivered on a monthly basis, the haircut is calculated upon the basis of the collective investment undertaking prospectus. Any maturity or currency mismatch of the protection is considered automatically when linked to the secured exposure.

2.2 Effect on credit risk mitigation

Apart from cash deposits held by a third party bank, all financial collateral provided as security reduce the LGD (Loss Given Default) to 0 per cent for the respective collateral market value reduced by the haircut according to the above described criteria. Regarding cash deposits held by a third party bank, the PD (Probability of Default) of the borrower is replaced by the PD of the third party bank.

3. Real estate collateral

For the purpose of credit risk mitigation residential real estate (i.e. real estate which is or will be occupied or let by the owner for residential purposes) and commercial real estate are used if the criteria and the minimum requirements of CRR are fulfilled.

3.1 Valuation

Real estate property is evaluated either at the market value or at the mortgage lending value, which is to be reduced according to the results of the evaluation, the pledged amount in the contract or prior-ranking charges, if necessary.

Market value is defined as the estimated amount for which the property could be sold on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion. Mortgage lending value is defined as the value of the property as determined by a prudent assessment of the future marketability of the property taking into account long-term sustainable aspects of the property, normal and local market conditions, the current use and alternative appropriate uses of the property. Speculative elements shall not be taken into account in the assessment of the mortgage lending value.

The property valuation is based either on appraisal reports by external independent appraisers or on internal valuations done by competent staff members who are independent from the credit decision process.

The valuation is done according to generally recognised appraisal methods, mostly using the Income Capitalization Approach; if applicable on an individual basis the valuation is done using the Sales Comparison Approach or Cost Approach.

Any maturity or currency mismatch of the protection is considered automatically when linked to the secured exposure.

3.2 Effect of credit risk mitigation

Up to the amount of the collateral value after deduction of a necessary over collateralization level of 140 per cent and evaluated upon the above mentioned criteria, the LGD (Loss Given Default) is reduced for senior claims to 35%. In case no full collateralization exists, the exposure is split into a collateralized part (considering the 140 per cent over collateralization level) and an uncollateralized part. In case the collateral value is below 30 per cent of the exposure no LGD reduction is applied.

As an alternative to the LGD reduction described above a 50 per cent risk weight is assigned to the part of the exposure fully collateralized by residential or commercial real estate property according to Article 230 CRR. The term "fully collateralized" means up to the amount of 125 per cent regarding residential real estate property and 200 per cent regarding commercial real estate property.

4 Receivables

Account receivables are used for credit risk mitigation purposes, if they are linked to a commercial transaction or transactions with an original maturity of less than or equal to one year. Receivables in connection with securitizations, sub-participations or credit derivatives or receivables of affiliated companies are not taken into account. All receivables must fulfill the minimum requirements of CRR.

4.1 Valuation

Market value is the receivables amount derived from the list of receivables submitted by the accounting department of the borrower on a regular basis. Those lists of receivables are subject to regular reviews.

Any maturity or currency mismatch of the protection is considered automatically when linked to the secured exposure.

4.2 Effect of credit risk mitigation

The LGD (Loss Given Default) evaluated based upon the above mentioned criteria, is reduced for senior claims to 35 per cent in case of an over collateralization of 125 per cent. In case no full collateralization exists, the exposure is split into a collateralized part (considering the 125 per cent over collateralization level) with a LGD of 35 per cent and an uncollateralized part with a LGD of 45 per cent.

5 Unfunded credit protection

All kinds of guarantees given by the below mentioned protection providers and fulfilling the minimum requirements according to CRR are considered as unfunded credit protection.

5.1 Valuation

For the purpose of credit risk mitigation, liabilities of the following protection providers are taken into account:

- Central governments and central banks
- Regional governments
- Multilateral development banks
- International organizations, claims on which are treated with a risk weight of 0 per cent under the Standardized Approach
- Public sector entities, claims on which are treated as claims on institutions or central governments under the Standardized Approach
- Institutions
- Other corporate entities, including parent companies and subsidiaries as well as affiliated companies. The most important protection providers in this regard are central governments, institutions and other corporate entities

5.2 Valuation

The value of the unfunded credit protection is the guaranteed amount; that is the amount the protection provider has to pay if an event of default occurs. An accurate review of the economic capacity of the protection provider is a precondition for the valuation.

Any maturity or currency mismatch of the protection is considered automatically when linked to the secured exposure.

5.3 Effect of the credit risk mitigation

For the guaranteed amount the PD (Probability of Default) of the protection provider is taken into account for risk weighted asset calculation instead of the PD of the borrower.

5.4 Unfunded credit protection with a counter guarantee

In case an exposure is secured by an unfunded credit protection, which itself is counter guaranteed by another unfunded credit protection of one of the following protection providers, the PD of the counter guarantor is taken into consideration for RWA (Risk Weighted Assets) calculation, if all requirements of CRR are fulfilled. The same applies to a counter guarantee of another credit protection provider (other than the below mentioned), if this counter guarantee is directly counter guaranteed by one of the following protection providers and the requirements of CRR are fulfilled:

- Central governments and central banks
- Regional governments or local authorities
- Multilateral development banks
- International Organizations
- Public sector entities, claims on which are treated according to Article 116 CRR

6 Credit derivatives

Credit Default Swaps, Total Return Swaps and Credit Linked Notes (to the extent of their cash funding) and instruments that are composed of such credit derivatives or that are economically effectively similar, are recognized as eligible for the purpose of credit risk mitigation if the minimum requirements according to CRR are fulfilled.

6.1 Valuation

The value of the credit derivative is the guaranteed amount, which the counterparty has to pay, if an event of default/credit event occurs. An accurate review of the economic capacity of the protection provider is a precondition for the valuation. Any maturity or currency mismatch of the protection is considered automatically when linked to the secured exposure.

6.2 Effect of credit risk mitigation

The effect of credit risk mitigation corresponds to the effect of unfunded credit protection, except for Credit Linked Notes, which are treated like cash collateral.

7 Quantitative disclosure

The exposure value covered by eligible credit risk mitigants after the application of volatility adjustments for each asset class is presented in the following table:

Article 453 lit (a) - (g) in € thousand	Other physical collaterals	Mortgage collaterals	Unfunded Credit Protection	Financial collaterals
Standardized approach - exposure classes	**0**	**1,515,653**	**638,183**	**2,013,987**
Exposures to central governments and central banks	0	0	481,292	22,471
Exposures to regional governments or local authorities	0	0	0	9
Exposures to public sector entities	0	0	0	0
Exposures to multilateral development banks	0	0	0	198
Exposures to international organisations	0	0	0	0
Exposures to institutions	0	0	7,615	1,623,932
Exposures to corporates	0	0	126,162	354,930
Retail exposures	0	0	0	0
Exposures secured by mortgages on immovable property	0	1,291,697	0	9,901
Exposures in default	0	223,956	19,023	2,545
Exposures associated with particularly high risk	0	0	0	0
Exposures in the form of covered bonds	0	0	0	0
Exposures to institutions and corporates with a short-term credit assessment	0	0	0	0
Exposures in the form of units or shares in collective investment undertakings ('CIUs')	0	0	0	0
Equity exposures	0	0	0	0
Other items	0	0	4,091	0
Items representing securitization positions	0	0	0	0
IRB approach - exposure classes	**692,495**	**1,584,936**	**4,631,743**	**9,203,927**
Exposures to central governments and central banks			403,466	2,134
Exposures to institutions	68,323	3,962	696,502	6,055,355
Exposures to corporates	624,172	1,580,974	3,531,775	3,146,438
Retail exposures	0	0	0	0
Equity exposures	0	0	0	0
Items representing securitization positions	0	0	0	0

Article 454 CRR
Use of the Advanced Measurement Approaches to operational risk

Article 454 CRR does not apply to RBI as currently all units of the Group are in Standardized Approach.

Article 455 CRR
Use of Internal Market Risk Models

VaR model

Scope of permission and characteristics of the model

In RBI an internal model for measuring market risks has been in place since 2010.

The method used is a hybrid simulation (Monte Carlo/historical) with 5,000 scenarios for the following risk factors: FX rates, interest rates (IR), selected equities for managed capital guarantee products (CPPI and OBPI), CDS and bond spreads including treasury basis spreads (BS). For vega risk the hybrid method is used as well, and applied to selected points on the surfaces of implied FX and interest rate volatilities.

Scenario generation is based on a two year time series: the volatility estimator is influenced 80 per cent by the short-term local volatility and 20 per cent by unweighted long-term volatility. Vega scenarios (also 5,000) are created separately and are also applied to the positions separately from the simulated changes in basic risk factors (FX, IR, BS). All VaR figures are calculated daily for an overnight time horizon and a confidence level of 99 per cent, i.e. VaR denotes the maximum loss that will statistically not be exceeded with a 99 per cent confidence level on the next day. Positions of the regulatory trading book are delivered by the front office systems on a daily basis. The repricing of the positions is done by means of a full revaluation.

The internal value-at-risk model was approved for the calculation of the capital requirement for market risks of RBI AG at single-entity level by the Austrian banking regulator for the general risk of debt instruments as well as the foreign-exchange risk (including gold positions) including vega risk. Two immaterial model changes were approved by the ECB in 2015. Both are concerned with model improvements following turbulent market developments (CHF FX rate development, negative interest rates).

Stressed VaR

The stressed VaR is calculated as the application of a historical (equally weighted 1 year) time-series of returns to the current portfolio. The historical period is chosen in such a way that it causes the largest VaR (when selected) for the portfolio positions given at present. Generating the scenarios for stressed VaR is not as straightforward as for VaR, because adjustments preserving the standard deviation of the returns and avoiding negative interest rates are necessary in order to apply historical returns to current market values. Total risk calculated by the internal model with significance for the regulatory capital requirements is based on VaR for FX, IR, BS, and vega as well as stressed VaR FXIRBS and stressed VarVega according to CRR Art. 364.

Stress testing

A comprehensive stress testing concept complements the internal model VaR and sensitivity risk figures, which also constitute the market risk limit system. The stress tests reflect potential present value changes for pre-defined scenarios. The results with respect to market risk concentrations shown by these stress tests are reported to the Market Risk Committee on a weekly basis and taken into account when setting limits. Stress test reports for individual portfolios are included in the daily market risk reporting.

The market risk stress tests range from single risk factor changes (relative or absolute shifts, curve steepenings or flattenings, volatility surface deformations like skews etc.) to simultaneous changes of several risk factors. For example, currencies and interest rate curves are grouped reflecting economic interdependencies of countries, respectively potential expected contagion in a crisis scenario; credit spread curves are grouped by industry and rating (investment grade vs. speculative grade) and underlying risk factors are stressed in combination with changes to their implied volatilities. Furthermore, event-driven historical or hypothetical scenarios like government debt crises, oil price shocks etc. are implemented as needed.

Combinations of risk factors in given stress scenarios:

Stressed risk factors	FX	IR	Credit spreads	Implied Vols (FX. IR)	Equities
FX	X	X	X	X	
IR		X	X	X	X
Credit spreads			X		
Implied Vols (FX, IR)				X	
Equities					X

Back-testing and validation approaches

The risk measurement approaches employed are verified – besides analyzing returns qualitatively – on an ongoing basis through backtesting and statistical validation techniques.

Hypothetical and actual back-testing

For back-testing two comparisons are performed:

The “clean” or hypothetic backtesting is the comparison of VaR figures (VaRFXIRBS + VarVega) vs. the theoretical profit and loss figures showing the hypothetical returns that the bank would have realized due to the actual changes in market parameters on the next day. The back-testing results in the past showed that the internal market risk model quickly reacts to changing market conditions.

The “dirty” or actual backtesting is done using the profit and loss (P&L) results of the front office systems. Due to the fact that the internal model is only approved for a restricted scope of market risks (FX and general interest rate risk including treasury basis spread but not other credit spreads; FX and IR vega risk, but no equity and specific interest rate risk), the hypothetical P&L figures of the internal model differ somewhat from the economic P&L figures, which include components that are not part of the VaR of the regulatory trading book.

A separate process has been set-up to deliver P&L figures broken down into their single components in terms of single deal level and type of origin, where possible. This way, intraday P&L can be excluded, because it is not reflected in the VaR calculation, which is based on a snapshot of market data once a day for the end-of-day positions. The rather theoretical distinction between the gain/loss stemming from a change in the interest rate (discount/forward) curve and the gain/loss stemming from a change in the credit quality reflected in spread widening or narrowing is not reasonably feasible in the front office systems. Consequently, subportfolios containing credit spread products are exempt from the dirty backtesting procedure just as the equity linked guarantee products are.

Continuous model validation

Complementary to the legally required methodology of back-testing and the daily risk management task of checking the model input side for anomalies (e.g. qualitative maintenance of market data used for deriving risk factors) a periodic validation programme is used to ensure the soundness of fundamental model assumptions and long-term parameters:

Statistical tests like the Kolmogorov-Smirnov test are used to check whether the hypothetical back-testing P&L is properly distributed as expected if the model works correctly. Supporting validation reports help in e.g. detecting stale time-series, volatility regime changes, and deviations from the model target. For the validation of specific model parameters like the random time change, the scaling methodology and the SVI fit for implied volatilities, further tests are performed. Outcomes are treated according to the validation policy of the market risk department. If model weaknesses are identified, they are improved accordingly.

The regulatory trading book

The scope of the regulatory trading book was defined as part of the regulatory approval process for the internal model for market risk and is the basis for the selection criteria of the positions used in the capital calculation.

Defining criteria for trading book positions are laid down in the market risk management Group directive as well as in the rulebook of the risk taking trading department. These criteria influence the department / desk strategies, the range of approved products, and subsequently the associated risk limits.

The procedure ensuring that all FX risk and trading positions are included in the internal model capital calculation is anchored in the set-up of the market risk aggregation and reporting framework. Maintaining and keeping this framework up-to-date with respect to any portfolio and/or organizational changes is part of the daily market risk management tasks, supported by an automated system of checking procedures. The trading rulebook along with standardized as well as user-definable reports and ad-hoc analysis results provided by market risk management to risk takers and senior management allow for a timely and active management of trading positions.

Valuation

The basis for a Group-wide aligned valuation process is provided by the fair value measurement rulebook, containing e.g., the applicable pricing hierarchy and procedures necessary in case of illiquidity, along with the establishment of the Valuation Jour-fixe at RBI head office. The latter is the decision making body for RBI responsible for e.g. approvals, reviews and / or changes of valuation procedures, valuation models, and pricing parameters.

The valuation of new products including the treatment of the pricing (availability of liquid pricing sources, respectively appropriate pricing parameters) is an integral part of the Product Approval Process.

Quantitative disclosure

The following table shows the highest, lowest and mean VaR (99 per cent, ten days) for the regulatory trading book:

Article 455 (d) CRR in € thousands	VaR (total)	stressed VaR (total)
highest	(25,124)	(15,483)
lowest	(1,364)	(2,847)
mean	(5,039)	(6,216)
31.12.2015	(4,535)	(4,489)

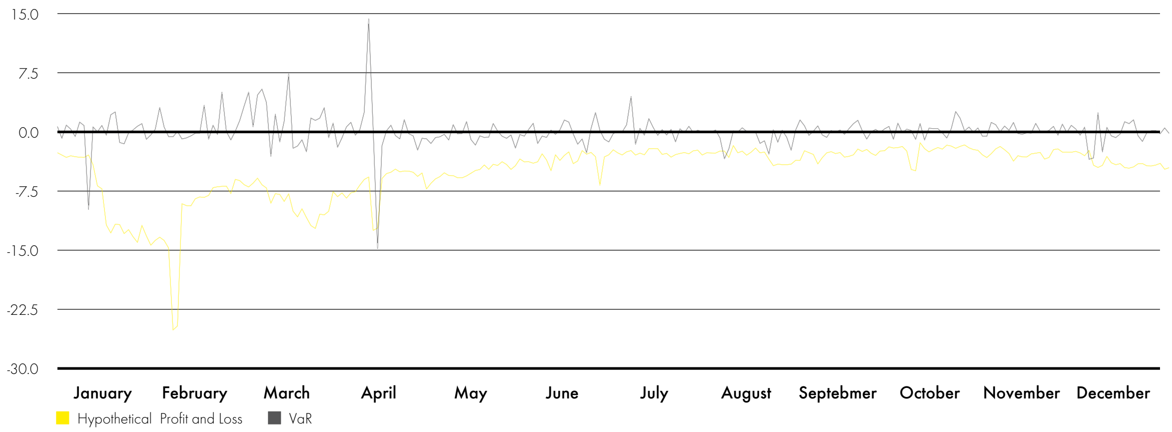
The elements of the total capital requirement are presented in the following table:

Article 455 (e) CRR in € thousands	a) max(VaRT(1), VaRavg*mc)	VaRt(1) (10d)	VaRavg*mc	b) max(sVaRT(1), sVaRavg*ms)	sVaRt(1) (10d)	sVaRavg*ms
31.12.2015	31,079	14,342	31,079	46,721	14,197	46,721

The following table shows the comparison of the daily value at risk vs. one-day changes of the portfolio's value:

Comparison of the daily VaR vs. one-day changes of the portfolio's value

in € million



In 2015 RBI observed 4 backtesting violations due to significant turbulence on the markets, mainly on the FX markets. The approximate 20% devaluation of the EUR against the CHF as well as the CNY devaluation and RUB volatility led to the backtesting violations. Compared to 2014, the high VaR numbers were also the results of these developments on the markets.

The sharp appreciation of the CHF in early 2015 also caused VaR figures comparable in magnitude to the Stressed VaR for a short period of time.

Annex 1

Management Board

As of 31 December 2015, the management board of RBI consisted of six members.

Karl Sevelda

Directorships in RBI AG:	Management Board: Member (CEO)	
Number of directorships held in Supervisory Board and Management Board according to Art. 435 para 2 lit a CRR		
	Number of Directorships	Number of Directorships according to sec 5 para 1 lit 9a BWG
Supervisory Board:	13	2
Management Board:	1	1
Knowledge, skills and competences according to Art. 435 para 2 lit b CRR		
Academic background	Doctor's degree	
Professional Qualification	Corporate Finance and Export Finance Creditanstalt-Bankverein	1977-1983
	Secretary to the Federal Minister for Trade and Industry	1983-1985
	Creditanstalt-Bankverein (London and New York)	1985
	- Head of Export Finance Department - Deputy Head of Corporate Finance Division - Head of Corporate Finance Division - Head of Multinational Corporates Division - Head of Corporate Banking Division (in addition to above-mentioned responsibility) Creditanstalt-Bankverein	1986-1997
	Member of the Board, Corporate Customers and Corporate, Trade and Export Finance worldwide, Raiffeisen Zentralbank Österreich AG	1998-2010
	Deputy CEO, Raiffeisen Bank International AG	2010-2013
	CEO, Raiffeisen Bank International AG	since June 2013

Johann Strobl

Directorships in RBI AG:	Management Board: Member	
Number of directorships held in Supervisory Board and Management Board according to Art. 435 para 2 lit a CRR		
	Number of Directorships	Number of Directorships according to sec 5 para 1 lit 9a BWG
Supervisory Board:	7	0
Management Board:	2	1
Knowledge, skills and competences according to Art. 435 para 2 lit b CRR		
Academic background	Doctors Degree	
Professional Qualification	Assistant Professor, Vienna University of Economics and Business	1983-1988
	Domestic Money Market and Asset Liability Management, Creditanstalt	1989-1992
	Deputy Head of Domestic Money Market and Asset Liability Management, Creditanstalt	1992-1996
	Head of Market Risk Management, Creditanstalt	1997
	Head of Risk Controlling, Bank Austria	1998-2000
	Head of Treasury and Capital Markets, Bank Austria	2001-2002
	Member of HVB Divisional Board responsible for Risk Controlling and Asset Liability Management, Bank Austria	2003
	Member of the Board, Bank Austria	2004-2007
	Member of the Board, Raiffeisen Zentralbank Österreich AG	2007-June 2015
	Member of the Board (CRO), Raiffeisen Bank International AG	since 2010
	Member of the Board (Deputy CEO), Raiffeisen Bank International AG	since June 2013

Klemens Breuer

Directorships in RBI AG:	Management Board: Member	
Number of directorships held in Supervisory Board and Management Board according to Art. 435 para 2 lit a CRR		
	Number of Directorships	Number of Directorships according to sec 5 para 1 lit 9a BWG
Supervisory Board:	10	1
Management Board:	1	1
Knowledge, skills and competences according to Art. 435 para 2 lit b CRR		
Academic background	Master's degree (Mag.)	
Professional Qualification	Trainee Programme "Junior-Broker" with Bierbaum & Co. (Düsseldorf/Frankfurt am Main)	1993-1995
	Global Markets/Money Markets, Deutsche Bank AG (Düsseldorf/Frankfurt am Main)	1995-1999
	Head of Liquidity Management Group Treasury Deutsche Bank AG (Frankfurt am Main/London)	1999-2001
	Treasurer, Deutsche Bank AG (Frankfurt am Main)	2001-2004
	Head of Asset Liability Management Global Markets/Global Finance, Deutsche Bank AG (Frankfurt am Main)	2004-2005
	Head of Liquidity Management Group Treasury WestLB AG (Düsseldorf)	2005-2006
	Managing Director, Head of Treasury, WestLB AG (Düsseldorf)	2006-2007
	Group Treasurer and Member of the Divisional Board, WestLB AG (Düsseldorf)	2007-2008
	Member of the Managing Board, WestLB AG	2008-2012
	Member of the Board (Global Markets), Raiffeisen Bank International AG	since April 2012
	Member of the Board (Retail Banking), Raiffeisen Bank International AG	since April 2015

Martin Grüll

Directorships in RBI AG:	Management Board: Member (CFO)	
Number of directorships held in Supervisory Board and Management Board according to Art. 435 para 2 lit a CRR		
	Number of Directorships	Number of Directorships according to sec 5 para 1 lit 9a BWG
Supervisory Board:	7	0
Management Board:	5	1
Knowledge, skills and competences according to Art. 435 para 2 lit b CRR		
Academic background	Master's degree (Mag.)	
Professional Qualification	Deputy Manager, International Loan Dept., Raiffeisen Zentralbank Österreich AG	1982-1987
	Vice President Head of International Loan Division Raiffeisen Zentralbank Österreich AG	1987-1988
	Senior Vice President Head of International Corporate Banking Raiffeisen Zentralbank Österreich AG	1988-1998
	Member of Managing Board, Bank Austria Handelsbank	1998-1999
	Chairman of Managing Board, Bank Austria Handelsbank	1999-2002
	Executive Manager (Central and Eastern Europe), Bank Austria Creditanstalt	2001
	Group Executive Manager (Central and Eastern Europe) Bank Austria Creditanstalt	2002-2004
	Member of the Board (CFO), Raiffeisen International Bank Holding AG	2005-2010
	Member of the Board (CFO), Raiffeisen Bank International AG	since 2010

Peter Lennkh

Directorships in RBI AG:	Management Board: Member	
Number of directorships held in Supervisory Board and Management Board according to Art. 435 para 2 lit a CRR		
	Number of Directorships	Number of Directorships according to sec 5 para 1 lit 9a BWG
Supervisory Board:	18	0
Management Board:	3	1
Knowledge, skills and competences according to Art. 435 para 2 lit b CRR		
Academic background	Master's degree (Mag.)	
Professional Qualification	Account Manager International Finance, Raiffeisen Zentralbank Österreich AG	1988-1990
	Head of International Project Finance Department, Creditanstalt Leasing Wien	1990-1991
	Deputy Board member in charge of Credit Risk Management and Austrian Corporate Customers Raiffeisenbank Czech Republic	1992-1996
	RZB Networkbank Management: setting up Raiffeisenbank Russia and Raiffeisenbank Ukraine Raiffeisen Zentralbank Österreich AG	1997-1998
	Division Head International Corporate Customers, Raiffeisen Zentralbank Österreich AG	1998-1999
	Head of Trade and Export Finance, Raiffeisen Zentralbank Österreich AG	1999-2004
	Member of the Board responsible for Corporate Customer Business und Network Coordination Raiffeisen International Bank-Holding AG	2004-2010
	Member of the Board (Network Management), Raiffeisen Bank International AG	2010-2013
	Member of the Board (Corporate Business), Raiffeisen Bank International AG	since October 2013

Andreas Gschwentner

Directorships in RBI AG:	Management Board: Member	
Number of directorships held in Supervisory Board and Management Board according to Art. 435 para 2 lit a CRR		
	Number of Directorships	Number of Directorships according to sec 5 para 1 lit 9a BWG
Supervisory Board:	18	0
Management Board:	3	1
Knowledge, skills and competences according to Art. 435 para 2 lit b CRR		
Academic background	Master's degree (Mag.)	
Professional Qualification	Managing Director, BuE	1994-1997
	Senior Consultant, Denkstatt	1997-2000
	Executive Director (Head of Banking Operations), Bank Austria Creditanstalt Romania	2000-2001
	Executive Director (COO), Bank Austria / HVB Bank Serbia and Montenegro	2001-2005
	Deputy Chairman (COO) Unicredit Tiriac Bank Romania	2005-2007
	Member of the Board (COO), Unicredit Bank Russia	2007-2010
	Member of the Board (COO), Raiffeisen Bank Aval	2010- June 2015
	Member of the Board (COO), Raiffeisen Bank International	since July 2015

Aris Bogdaneris

Directorships in RBI AG:	Management Board: Member	
Number of directorships held in Supervisory Board and Management Board according to Art. 435 para 2 lit a CRR		
	Number of Directorships	Number of Directorships according to sec 5 para 1 lit 9a BWG
Supervisory Board:	8	0
Management Board:	1	1
Knowledge, skills and competences according to Art. 435 para 2 lit b CRR		
Academic background	Master's degree	
Professional Qualification	Credit Analyst, Citicorp North America (Canada)	1988-1990
	Associate Banker, ABN AMRO, Corporate Finance (Hungary)	1992-1995
	Corporate Auditor, General Electric Company (USA)	1995-1998
	Six Sigma Leader, Budapest Bank (Hungary)	1998-2000
	COO, Budapest Bank	2000-2003
	Deputy CEO, Retail Banking, Budapest Bank	2001-2003
	CEO and Chairman of the Board, Budapest Bank	2003-2004
	Member of the Board (Retail Banking), Raiffeisen International	2004-2010
	Member of the Board (Retail Banking and COO), Raiffeisen Bank International	2010 - March 2015

Supervisory Board

As of 31 December 2015, the following persons were members of the supervisory board of RBI:

Dr. Walter Rothensteiner

Directorships in RBI AG:	Supervisory Board: Chairman	
Number of directorships held in Supervisory Board and Management Board according to Art. 435 para 2 lit a CRR		
	Number of Directorships	Number of Directorships according to § 28a para 5 nr 5 BWG
Supervisory Board:	9	1
Management Board:	1	1
Knowledge, skills and competences according to Art. 435 para 2 lit b CRR		
Academic background	Commercial Sciences (Dr.)	
Professional Qualification	Raiffeisenlandesbank Niederösterreich-Wien AG, last position Member of the Board	1975-1990
	Member of the Board Leipnik-Lundenburger Industrie AG	1987-1995
	AGRANA-Beteiligungs-AG, last position Member of the Board	1991-1994
	Chairman of the Board RZB AG	since 1995
	Chairman Österreichischer Raiffeisenverband	since 2012

Erwin Hameseder

Directorships in RBI AG:	Supervisory Board: Deputy Chairman Audit, Nomination, Personnel, Remuneration, Risk and Working Committee: Deputy Chairman	
Number of directorships held in Supervisory Board and Management Board according to Art. 435 para 2 lit a CRR		
	Number of Directorships	Number of Directorships according to § 28a para 5 nr 5 BWG
Supervisory Board:	15	4
Management Board:	0	0
Knowledge, skills and competences according to Art. 435 para 2 lit b CRR		
Academic background	Law (Mag.)	
Professional Qualification	Managing Functions Raiffeisenlandesbank NÖ-Wien reg.Gen.m.b.H.	1987-1994
	Member of the Board Raiffeisenlandesbank NÖ-Wien reg.Gen.m.b.H.	1994-2001
	Director General Raiffeisen-Holding NÖ-Wien reg.Gen.m.b.H.	2001-2012
	Director General Raiffeisenlandesbank NÖ-Wien AG	2007-2012
	Chairman Raiffeisen-Holding NÖ-Wien reg.Gen.m.b.H.	since 2012
	Chairman of the Supervisory Board Raiffeisen Zentralbank Österreich AG	since 2012
	Chairman of the Supervisory Board Raiffeisenlandesbank NÖ-Wien AG	since 2014

Heinrich Schaller

Directorships in RBI AG:	Supervisory Board: Second Deputy Chairman Audit, Nomination, Personnel, Remuneration, Risk and Working Committee: Second Deputy Chairman	
Number of directorships held in Supervisory Board and Management Board according to Art. 435 para 2 lit a CRR		
	Number of Directorships	Number of Directorships according to § 28a para 5 nr 5 BWG
Supervisory Board:	11	1
Management Board:	1	1
Knowledge, skills and competences according to Art. 435 para 2 lit b CRR		
Academic background	Law (Dr.)	
Professional Qualification	Raiffeisen Zentralbank Österreich AG	1987-2000
	Raiffeisenlandesbank Oberösterreich AG	2000-2006
	Member of the Management Board Raiffeisenlandesbank Oberösterreich AG	2004-2006
	Chairman of Wiener Börse	2006-2012
	Member of the Management Board Raiffeisenlandesbank Oberösterreich AG	2012
	Chairman of the Management Board Raiffeisenlandesbank Oberösterreich AG	since 2012

Martin Schaller

Directorships in RBI AG:	Supervisory Board: Third Deputy Chairman Audit, Nomination, Personnel, Remuneration, Risk and Working Committee: Third Deputy Chairman		
Number of directorships held in Supervisory Board and Management Board according to Art. 435 para 2 lit a CRR			
	Number of Directorships	Number of Directorships according to § 28a para 5 nr 5 BWG	
Supervisory Board:	6	1	
Management Board:	1	1	
Knowledge, skills and competences according to Art. 435 para 2 lit b CRR			
Academic background	Commercial Sciences (Mag.), Political Sciences and Journalism (Mag.)		
Professional Qualification	Traineeprogramm Creditanstalt – Bankverein		1991-1993
	Treasury Creditanstalt and Department Group Treasury Bank Austria AG		1993-2001
	Head of Department Treasury/Financial Markets Raiffeisenlandesbank Oberösterreich AG		2001-2012
	Chairman of the Supervisory Board Kepler-Fonds KAG		2004-2012
	Member of the Board Raiffeisen-Landesbank Steiermark AG		2012-2013
	Member of the Supervisory Board Raiffeisen Kapitalanlage-GmbH		since 2012
	Member of the Supervisory Board Raiffeisen Bausparkasse GmbH		2012-2014
	Member of the Supervisory Board Raiffeisen Wohnbaubank AG		2012-2014
	Various Directorships as Chairman and Member of Supervisory Board in affiliated companies of Raiffeisen-Landesbank Steiermark AG		since 2013
	Director General Raiffeisen-Landesbank Steiermark AG		since 2013

Klaus Buchleitner

Directorships in RBI AG:	Supervisory Board: Member		
Number of directorships held in Supervisory Board and Management Board according to Art. 435 para 2 lit a CRR			
	Number of Directorships	Number of Directorships according to § 28a para 5 nr 5 BWG	
Supervisory Board:	10	1	
Management Board:	2	1	
Knowledge, skills and competences according to Art. 435 para 2 lit b CRR			
Academic background	Law (Mag.) Insead, Fontainbleau (MBA)		
Professional Qualification	Controlling and Strategic Management, Girozentrale Bank AG		1989-1994
	Head of Division RWA Raiffeisen Ware Austria AG		1995-1996
	Member of the Board RWA Raiffeisen Ware Austria AG		1997-2002
	Chairman of the Board RWA Raiffeisen Ware Austria AG		2002-2012
	Chairman of the Board Raiffeisen-Holding NÖ-Wien reg.Gen.m.b.H. and Chairman of the Board RLB NÖ-Wien AG		since 2012

Kurt Geiger

Directorships in RBI AG:	Supervisory Board: Member		
Number of directorships held in Supervisory Board and Management Board according to Art. 435 para 2 lit a CRR			
	Number of Directorships	Number of Directorships according to § 28a para 5 nr 5 BWG	
Supervisory Board:	4	3	
Management Board:	0	0	
Knowledge, skills and competences according to Art. 435 para 2 lit b CRR			
Academic background	Law (Dr.jur.)		
Professional Qualification	Development Projects for French Africa, Kreditanstalt für Wiederaufbau (Frankfurt)		1972-1974
	Head of Export Leasing, Deutsche Anlagen Leasing (Mainz)		1974-1975
	Various Management positions in New York City, London & Hong Kong, Chase Manhattan Bank		1975-1989
	Managing Director International, HSBC (London)		1976-1989
	- Head of Financial Institutions & Private Equity - Chairman Equity Committee European Bank for Reconstruction and Development (London)		1993-2008

Michael Höllerer

Directorships in RBI AG:	Supervisory Board: Member	
Number of directorships held in Supervisory Board and Management Board according to Art. 435 para 2 lit a CRR		
	Number of Directorships	Number of Directorships according to § 28a para 5 nr 5 BWG
Supervisory Board:	8	1
Management Board:	1	1
Knowledge, skills and competences according to Art. 435 para 2 lit b CRR		
Academic background	Law (Mag.)	
Professional Qualification	Head of Department Financial Market Authority (Vienna)	2004-2006
	Head of Management Secretariat Raiffeisen Zentralbank Österreich AG	2006-2008
	Expert in the cabinet of the Federal Minister Federal Ministry of Finance	2008-2012
	Head of General Secretariat Raiffeisen Zentralbank Österreich AG	2012-2015
	Managing Director Raiffeisen Capital Management	2015-2015
	Member of the Board Raiffeisen Zentralbank Österreich AG	since July 2015

Günther Reibersdorfer

Directorships in RBI AG:	Supervisory Board: Member	
Number of directorships held in Supervisory Board and Management Board according to Art. 435 para 2 lit a CRR		
	Number of Directorships	Number of Directorships according to § 28a para 5 nr 5 BWG
Supervisory Board:	5	2
Management Board:	2	1
Knowledge, skills and competences according to Art. 435 para 2 lit b CRR		
Academic background	Economic Sciences (Mag., Dr.)	
Professional Qualification	Assistant to the Director General Raiffeisenverband Salzburg eGen.	1982-1989
	Head of Human Ressources and Eduction and Training, Raiffeisenverband Salzburg eGen.	1989-1998
	Head of Group Management and Management Office Raiffeisenverband Salzburg eGen.	1999-2001
	Chairman of the Board Raiffeisenverband Salzburg eGen.	since 2001
	Director General Raiffeisenverband Salzburg eGen.	since 2005

Johannes Schuster

Directorships in RBI AG:	Supervisory Board: Member Audit, Nomination, Personnel, Remuneration, Risk and Working Committee: Member	
Number of directorships held in Supervisory Board and Management Board according to Art. 435 para 2 lit a CRR		
	Number of Directorships	Number of Directorships according to § 28a para 5 nr 5 BWG
Supervisory Board:	11	0
Management Board:	1	1
Knowledge, skills and competences according to Art. 435 para 2 lit b CRR		
Academic background	Business Administration (Dr.)	
Professional Qualification	Raiffeisenlandesbank Oberösterreich reg. Gen.m.b.H.	1995-1998
	RZB AG, Head of Department Sektorbüro	1999-2005
	RZB AG, Head of Division Sektorbüro & Vorstandssekretariat	2005-2010
	RZB AG, Member of the Board	since 2010

Bettina Selden

Directorships in RBI AG:	Supervisory Board: Member		
Number of directorships held in Supervisory Board and Management Board according to Art. 435 para 2 lit a CRR			
	Number of Directorships	Number of Directorships according to § 28a para 5 nr 5 BWG	
Supervisory Board:	1	1	
Management Board:	0	0	
Knowledge, skills and competences according to Art. 435 para 2 lit b CRR			
Academic background	Master's degree (Mag.)		
Professional Qualification	Head of division export guarantee Oesterreichische Kontrollbank AG		1975-1994
	Member of the Board, PRISMA Kreditversicherungs-AG		1995-2013
	Deputy Chairwoman of the Supervisory Board Euler Hermes Ungarn, Kreditversicherung		1996-2010
	Chairwoman of the Supervisory Board, OeKB Südosteuropa Holding Ges.m.b.H.		2005-2012
	Member of the Board, OeKB EH Beteiligungs- und Management AG		2008-2013

Annex 2

Scope of CRR Group of Raiffeisen Bank International (Article 436 CRR)

Company Name	Country Code	Share %	Type
Fully consolidated			
AMYKOS RBI Leasing-Immobilien GmbH, Vienna	AT	81.25	Financial Institution
AO Raiffeisenbank, Moscow	RU	100.00	Credit Institution
BAILE Handels- und Beteiligungsgesellschaft m.b.H., Vienna	AT	100.00	Financial Institution
Baumgartner Höhe RBI Leasing-Immobilien GmbH, Vienna	AT	81.25	Financial Institution
BUILDING BUSINESS CENTER DOO NOVI SAD, Novi Sad	RS	100.00	Financial Institution
Bulevard Centar BBC Holding d.o.o., Beograd	RS	100.00	Company with ancillary banking services
CINOVA RBI Leasing-Immobilien GmbH, Vienna	AT	81.25	Financial Institution
CJSC Mortgage Agent Raiffeisen 01, Moscow	RU	0.00	Company with ancillary banking services
DAV Holding Ltd., Budapest	HU	100.00	Financial Institution
Doplnková dôchodková spolocnost Tatra banky, a.s., Bratislava	SK	78.78	Financial Institution
Eastern European Invest GmbH, Vienna	AT	100.00	Financial Institution
Eastern European Invest Holding GmbH, Vienna	AT	100.00	Financial Institution
ELIOT, a.s., Bratislava	SK	78.78	Company with ancillary banking services
FCC Office Building SRL, Bucharest	RO	100.00	Company with ancillary banking services
Floreasca City Center Verwaltung Kft., Budapest	HU	100.00	Financial Institution
FWR Russia Funding B.V., Amsterdam	NL	0.00	Financial Institution
Golden Rainbow International Limited, Tortola	VG	100.00	Financial Institution
Harmadik Vagyonkezelő Kft., Budapest	HU	100.00	Company with ancillary banking services
HYPO Capital Management AG, Vienna	AT	100.00	Financial Institution
Infrastruktur Heilbad Sauerbrunn GmbH, Vienna	AT	81.25	Financial Institution
Infrastruktur Heilbad Sauerbrunn RBI-Leasing GmbH & Co.KG., Bad Sauerbrunn	AT	81.25	Financial Institution
JLLC "Raiffeisen-leasing", Minsk	BY	83.92	Financial Institution
Kathrein Privatbank Aktiengesellschaft, Vienna	AT	100.00	Credit Institution
Lexxus Services Holding GmbH, Vienna	AT	100.00	Financial Holding Company
Limited Liability Company Raiffeisen Leasing Aval, Kiev	UA	93.49	Financial Institution
LLC "ARES Nedvizhimost", Moscow	RU	50.00	Company with ancillary banking services
OOO Raiffeisen-Leasing, Moscow	RU	87.50	Financial Institution
Park City real estate Holding d.o.o., Novi Sad	RS	100.00	Company with ancillary banking services
PERSES RBI Leasing-Immobilien GmbH, Vienna	AT	81.25	Financial Institution
Pointon Investment Limited, Limassol	CY	100.00	Company with ancillary banking services
Priorbank JSC, Minsk	BY	87.74	Credit Institution
PRODEAL, a.s., Bratislava	SK	78.78	Financial Institution
R.L.H. Holding GmbH, Vienna	AT	100.00	Financial Institution
Raiffeisen Bank Aval JSC, Kiev	UA	0.68	Credit Institution

Company Name	Country Code	Share %	Type
Raiffeisen Bank d.d. Bosna i Hercegovina, Sarajevo	BA	100.00	Credit Institution
Raiffeisen Bank International AG, Vienna	AT	0.00	Credit Institution
Raiffeisen Bank Kosovo J.S.C., Pristina	KO	100.00	Credit Institution
Raiffeisen Bank Polska S.A., Warszawa	PL	100.00	Credit Institution
Raiffeisen Bank S.A., Bucharest	RO	99.93	Credit Institution
Raiffeisen Bank Sh.a., Tirane	AL	100.00	Credit Institution
Raiffeisen Bank Zrt., Budapest	HU	100.00	Credit Institution
Raiffeisen banka a.d., Novi Beograd	RS	100.00	Credit Institution
Raiffeisen Banka d.d., Maribor	SI	99.74	Credit Institution
Raiffeisen CEE Region Holding GmbH, Vienna	AT	100.00	Financial Holding Company
Raiffeisen Centrobank AG, Vienna	AT	100.00	Credit Institution
Raiffeisen CIS Region Holding GmbH, Vienna	AT	100.00	Financial Holding Company
Raiffeisen consulting d.o.o., Zagreb	HR	100.00	Financial Institution
Raiffeisen Factoring Ltd., Zagreb	HR	100.00	Financial Institution
Raiffeisen FinCorp, s.r.o., Praha	CZ	75.00	Financial Institution
Raiffeisen Ingatlan Vagyonkezelő Kft., Budapest	HU	100.00	Company with ancillary banking services
Raiffeisen Insurance Agency Sp.z.o.o, Warsaw	PL	100.00	Company with ancillary banking services
Raiffeisen International Invest Holding GmbH, Vienna	AT	100.00	Financial Holding Company
Raiffeisen International Liegenschaftsbesitz GmbH, Vienna	AT	100.00	Company with ancillary banking services
Raiffeisen Leasing Bulgaria OOD, Sofia	BG	81.13	Financial Institution
Raiffeisen Leasing d.o.o. Sarajevo, Sarajevo	BA	87.25	Financial Institution
Raiffeisen Leasing d.o.o., Ljubljana	SI	75.00	Financial Institution
Raiffeisen Leasing d.o.o., Belgrade	RS	87.50	Financial Institution
Raiffeisen Leasing IFN S.A., Bucharest	RO	87.46	Financial Institution
Raiffeisen Leasing Kosovo LLC, Pristina	KO	92.50	Financial Institution
Raiffeisen Leasing sh.a., Tirane	AL	93.75	Financial Institution
Raiffeisen Lízing Zrt., Budapest	HU	87.50	Financial Institution
Raiffeisen Mandatory and Voluntary Pension Funds Management Company Plc., Zagreb	HR	100.00	Financial Institution
Raiffeisen Property Holding International GmbH, Vienna	AT	100.00	Financial Institution
Raiffeisen Property Lízing Zrt, Budapest	HU	100.00	Company with ancillary banking services
Raiffeisen Real Estate Fund	HU	0.00	Financial Institution
Raiffeisen Rent DOO, Belgrade	RS	75.00	Financial Institution
Raiffeisen RS Beteiligungs GmbH, Vienna	AT	100.00	Financial Holding Company
Raiffeisen SEE Region Holding GmbH, Vienna	AT	100.00	Financial Holding Company
Raiffeisen stambena stedionica d.d., Zagreb	HR	100.00	Credit Institution
Raiffeisenbank (Bulgaria) EAD, Sofia	BG	100.00	Credit Institution
Raiffeisenbank a.s., Praha	CZ	75.00	Credit Institution
Raiffeisenbank Austria d.d., Zagreb	HR	100.00	Credit Institution
Raiffeisen-Leasing d.o.o., Zagreb	HR	87.50	Financial Institution
Raiffeisen-Leasing International Gesellschaft m.b.H., Vienna	AT	75.00	Financial Institution
Raiffeisen-Leasing Lithuania UAB, Vilnius	LT	83.02	Financial Institution
Raiffeisen-Leasing Polska S.A., Warsaw	PL	100.00	Financial Institution
RAIFFEISEN-LEASING REAL ESTATE Sp. z o.o., Warsaw	PL	100.00	Financial Institution
Raiffeisen-Leasing, s.r.o., Praha	CZ	75.00	Financial Institution
Raiffeisen-RBHU Holding GmbH, Vienna	AT	100.00	Financial Holding Company
RB International Finance (Hong Kong) Ltd., Hong Kong	HK	100.00	Financial Institution
RB International Finance (USA) LLC, New York	US	100.00	Financial Institution
RB International Investment Asia Limited, Labuan F.T.	MY	100.00	Financial Institution
RB International Markets (USA) LLC, New York	US	100.00	Financial Institution
RBI KI Beteiligungs GmbH, Vienna	AT	100.00	Financial Holding Company
RBI IB Beteiligungs GmbH, Vienna	AT	100.00	Financial Holding Company
RBI LEA Beteiligungs GmbH, Vienna	AT	100.00	Financial Institution
RBI Leasing GmbH, Vienna	AT	81.25	Financial Institution
RBI LGG Holding GmbH, Vienna	AT	100.00	Financial Institution
RBI PE Handels- und Beteiligungs GmbH, Vienna	AT	100.00	Financial Institution

Company Name	Country Code	Share %	Type
REC Alpha LLC, Kiev	UA	100.00	Company with ancillary banking services
Regional Card Processing Center s.r.o., Bratislava	SK	100.00	Company with ancillary banking services
RIEEF Headoffice, Amsterdam	NL	0.00	Financial Institution
RIRE Holding GmbH, Vienna	AT	100.00	Company with ancillary banking services
RLI Holding Gesellschaft m.b.H., Vienna	AT	75.00	Financial Institution
ROOF Poland Leasing 2014 Ltd, Dublin	IE	0.00	Financial Institution
Roof Russia DPR Finance Company S.A., Luxembourg	LU	0.00	Financial Institution
RSC Raiffeisen Service Center GmbH, Vienna	AT	50.00	Company with ancillary banking services
RZB Finance (Jersey) III Ltd, St. Helier	JE	100.00	Financial Institution
RZB Finance (Jersey) IV Limited, St. Helier	JE	100.00	Financial Institution
S.A.I. Raiffeisen Asset Management S.A., Bucharest	RO	99.92	Financial Institution
S.C. PLUSFINANCE ESTATE 1 S.R.L., Bucharest	RO	100.00	Company with ancillary banking services
S-SPV'' d.o.o. Sarajevo, Sarajevo	BA	87.25	Financial Institution
Tatra Asset Management, správ. spol., a.s., Bratislava	SK	78.78	Financial Institution
Tatra banka, a.s., Bratislava	SK	78.78	Credit Institution
Tatra Residence, s. r. o., Bratislava	SK	78.78	Company with ancillary banking services
Tatra-Leasing, s.r.o., Bratislava	SK	78.39	Financial Institution
TOO Raiffeisen Leasing Kazakhstan, Almaty	KZ	75.00	Financial Institution
Ukrainian Processing Center PJSC, Kiev	UA	100.00	Company with ancillary banking services
Vindalo Properties Limited, Limassol	CY	100.00	Company with ancillary banking services
ZUNO BANK AG, Vienna	AT	100.00	Credit Institution

Deminimis Art 19 (1) and (2) CRR			
"A-SPV" d.o.o. Sarajevo, Sarajevo	BA	100.00	Financial Institution
"E-SPV'' d.o.o. Sarajevo, Sarajevo	BA	100.00	Company with ancillary banking services
"Immobilien Invest" Limited Liability Company, Moscow	RU	100.00	Financial Institution
"K-SPV" d.o.o. Sarajevo, Sarajevo	BA	100.00	Financial Institution
Centralised Raiffeisen International Services & Payments S.R.L., Bucharest	RO	100.00	Financial Holding Company
Chronos Property, s.r.o., Prague	CZ	100.00	Company with ancillary banking services
CRISTAL PALACE Property s.r.o., Prague	CZ	100.00	Financial Institution
DAV Management Kft., Budapest	HU	100.00	Financial Institution
DAV-ESTATE Kft., Budapest	HU	100.00	Financial Institution
DAV-LAND Kft., Budapest	HU	100.00	Financial Institution
Dione Property s.r.o., Prague	CZ	100.00	Financial Institution
Dubravcice, s.r.o., Bratislava	SK	100.00	Financial Institution
Easy Develop s.r.o., Prague	CZ	100.00	Financial Institution
Eos Property, s.r.o., Prague	CZ	100.00	Financial Institution
Extra Year Investments Limited, Tortola	VG	100.00	Financial Institution
Holeckova Property s.r.o., Prague	CZ	100.00	Financial Institution
Hyperion Property, s.r.o., Prague	CZ	100.00	Company with ancillary banking services
ICS Raiffeisen Leasing s.r.l, Kischinau	MD	100.00	Financial Institution
Iris Property, s.r.o., Prague	CZ	100.00	Company with ancillary banking services
Kathrein & Co. Trust Holding GmbH, Vienna	AT	100.00	Company with ancillary banking services
Kathrein & Co. Vermögensverwaltung GmbH, Vienna	AT	100.00	Company with ancillary banking services
Leasing Poland Sp.z.o.o., Warsaw	PL	100.00	Company with ancillary banking services

Company Name	Country Code	Share %	Type
Limited Liability Company REC GAMMA, Kiev	UA	100.00	Company with ancillary banking services
LOTA Handels- und Beteiligungs-GmbH, Vienna	AT	100.00	Company with ancillary banking services
MOVEO Raiffeisen-Leasing GmbH, Vienna	AT	100.00	Financial Institution
Ofion Property, s.r.o., Prague	CZ	100.00	Financial Institution
OOO "Tkatskoye", Moscow	RU	100.00	Financial Institution
OOO "Vneshleasing", Moscow	RU	100.00	Financial Institution
OOO Raiffeisen Capital Asset Management Company, Moscow	RU	100.00	Financial Institution
Ötödik Vagyonkezelő Kft., Budapest	HU	99.99	Financial Institution
PLUSFINANCE LAND S.R.L., Bucharest	RO	100.00	Financial Institution
PLUSFINANCE OFFICE S.R.L., Bucharest	RO	100.00	Company with ancillary banking services
PLUSFINANCE RESIDENTIAL S.R.L., Bucharest	RO	100.00	Financial Institution
Raiffeisen (Beijing) Investment Management Co., Ltd., Bejing	CN	50.00	Company with ancillary banking services
Raiffeisen Asset Management (Bulgaria) EAD, Sofia	BG	100.00	Company with ancillary banking services
Raiffeisen Assistance doo Sarajevo, Sarajevo	BA	100.00	Company with ancillary banking services
Raiffeisen Autó Lízing Kft., Budapest	HU	100.00	Company with ancillary banking services
Raiffeisen Befektetési Alapkezelõ Zrt., Budapest	HU	100.00	Company with ancillary banking services
Raiffeisen Biztosításközvetítö Kft., Budapest	HU	100.00	Financial Institution
Raiffeisen Bonus Ltd., Zagreb	HR	100.00	Financial Institution
Raiffeisen Capital a.d. Banja Luka, Banja Luka	BA	100.00	Financial Institution
Raiffeisen Financial Services Polska Sp. z o.o., Warsaw	PL	100.00	Financial Institution
Raiffeisen Future AD Beograd drustvo za upravljanje dobrovoljnim penzijskim fondom, Belgrade	RS	100.00	Financial Institution
Raiffeisen Gazdasági Szolgáltató Zrt., Budapest	HU	100.00	Financial Institution
Raiffeisen Insurance and Reinsurance Broker S.R.L, Bucharest	RO	100.00	Financial Institution
RAIFFEISEN INSURANCE BROKER EOOD, Sofia	BG	25.00	Financial Institution
Raiffeisen Insurance Broker Kosovo L.L.C., Pristina	KO	51.00	Financial Institution
RAIFFEISEN INVEST AD DRUSTVO ZA UPRAVLJANJE INVESTICIONIM FONDOVIMA BEOGRAD, Belgrade	RS	100.00	Financial Institution
Raiffeisen Invest d.o.o., Zagreb	HR	100.00	Financial Institution
Raiffeisen Invest Drustvo za upravljanje fondovima d.o.o Sarajevo, Sarajevo	BA	100.00	Financial Institution
Raiffeisen INVEST Sh.a., Tirana	AL	100.00	Financial Institution
Raiffeisen investicni spolecnost a.s., Prague	CZ	100.00	Financial Institution
Raiffeisen Investment Advisory GmbH, Vienna	AT	100.00	Financial Institution
Raiffeisen Investment Ltd., Moscow	RU	100.00	Financial Institution
Raiffeisen Investment Polska sp.z.o.o., Warsaw	PL	100.00	Financial Institution
Raiffeisen Solutions Spółka z ograniczoną odpowiedzialnością, Warsaw	PL	100.00	Financial Institution
RAIFFEISEN SPECIAL ASSETS COMPANY d.o.o. Sarajevo, Sarajevo	BA	100.00	Financial Institution
Raines Property, s.r.o., Prague	CZ	100.00	Company with ancillary banking services
RB Kereskedhőáz Kft., Budapest	HU	100.00	Financial Institution
RB Szolgáltató Központ Kft. - RBSC Kft., Nyíregyháza	HU	100.00	Financial Institution
REAL ESTATE RENT 2 DOO, Belgrade	RS	100.00	Financial Institution
Real Estate Rent 4, Belgrade	RS	100.00	Financial Institution
RL Leasing Gesellschaft m.b.H., Eschborn	DE	50.00	Financial Institution
RLOL ESTATE 1 d.o.o. Belgrade (SCG), Belgrade	RS	100.00	Financial Institution
RLRE Beta Property, s.r.o., Prague	CZ	100.00	Company with ancillary banking services
RLRE Eta Property, s.r.o., Prague	CZ	100.00	Financial Institution

Company Name	Country Code	Share %	Type
RLRE Hotel Ellen, s.r.o., Prague	CZ	100.00	Financial Institution
RLRE Jota Property, s.r.o., Prague	CZ	100.00	Financial Institution
RLRE Orion Property s.r.o., Prague	CZ	100.00	Company with ancillary banking services
RLRE Ypsilon Property, s.r.o., Prague	CZ	100.00	Company with ancillary banking services
SAM-House Kft, Budapest	HU	100.00	Company with ancillary banking services
SCT Kárász utca Ingatlankezelő Kft., Budapest	HU	100.00	Company with ancillary banking services
SCTF Szentendre Ingatlanforgalmazó és Ingatlanfejlesztő Kft., Budapest	HU	100.00	Financial Institution
Sirius Property, s.r.o., Prague	CZ	100.00	Financial Institution
Tatra Office, s.r.o., Bratislava	SK	100.00	Company with ancillary banking services
TL leasing, s.r.o., Bratislava	SK	100.00	Company with ancillary banking services
Transaction System Servis, s.r.o., Prague	CZ	100.00	Financial Institution
UPC Real, s.r.o., Prague	CZ	100.00	Financial Institution

Deducted from own funds			
Fondul de Garantare a Creditului Rural S.A., Bucharest	RO	33.33	Financial Institution
Biroul de Credit S.A., Bucharest	RO	13.19	Financial Institution
ICS Raiffeisen Leasing s.r.l, Chisinau	MD	100.00	Financial Institution
RC Gazdasági és Adótanácsadó Zrt., Budapest	HU	22.22	Financial Institution
Raiffeisen Banca pentru Locuinte S.A., Bucharest	RO	33.32	Credit Institution
Unitary insurance enterprise "Priorlife", Minsk	BY	100.00	Financial Institution
Raiffeisen Pension Insurance d.d., Zagreb	HR	100.00	Financial Institution
LLC "Insurance Company 'Raiffeisen Life", Moscow	RU	25.00	Financial Institution
Alpenbank Aktiengesellschaft, Innsbruck	AT	0.00	Financial Institution
Society for Worldwide Interbank Financial Telekommunication scrl, La Hulpe	BE	0.51	Financial Institution
The Zagreb Stock Exchange joint stock company, Zagreb	HR	3.29	Financial Institution
Garantiqa Hitelgarancia ZRt., Budapest	HU	0.15	Financial Institution
Society for Worldwide Interbank Financial Telekommunication scrl, La Hulpe	BE	0.51	Financial Institution
INVESTOR COMPENSATION FUND, Bucharest	RO	0.44	Financial Institution
Transilvania LEASING S.A., Brasov	RO	0.59	Financial Institution
Island Capital Ltd., Hamilton	BM	0.71	Financial Institution
Europäischer Investitionsfonds, Brussels	BE		
EBA Euro Banking Association, Frankfurt	DE		

Annex 3

The following tables present the terms and conditions of RBI's capital instruments according to Article 437 (b) CRR. If "N/A" is inserted, the question is not applicable.

Capital instruments' main features	Raiffeisen Bank International AG	RZB Finance (Jersey) III Limited	RZB Finance (Jersey) IV Limited
Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	AT0000606306	XS0193631040	XS0253262025
Governing law(s) of the instrument	Austrian Law	The Capital Notes will be governed by and construed in accordance with the law of Jersey. The Support Agreement will be governed by and construed in accordance with English law save that the provisions concerning the ranking of the Support Agreement above will be governed by and construed in accordance with Austrian law and those provisions set out in Condition 4(f) (Non-cumulative interest payments) above and determinations in respect of amounts of Distributable Profits will be governed and construed in accordance with Austrian law.	The Capital Notes and all matters arising from or connected with the Capital Notes are governed by, and shall be construed in accordance with, English law, save that determination in respect of the Distributable Profits and amounts payable in the event of the liquidation of RZB will be construed in accordance with Austrian law. The Support Agreement will be governed by, and construed in accordance with English law save that Clause 2.1.2 (Limitations on Liquidation Distributions) and Clause 2.4 (Ranking of Obligations) shall be governed by, and construed in accordance with Austrian law.
Regulatory treatment			
Transitional CRR rules	Common Equity Tier 1	Additional Tier 1	Additional Tier 1
Post-transitional CRR rules	Common Equity Tier 1	In-eligible	In-eligible
Eligible at solo/(sub-)consolidated/solo & (sub-)consolidated	Solo and (Sub-)Consolidated	(Sub-)consolidated	(Sub-)consolidated
Instrument type (types to be specified by each jurisdiction)	Non-par bearer shares	Perpetual Non-cumulative Subordinated Floating Rate Capital Notes having the benefit of a support agreement entered into with Raiffeisen Zentralbank Österreich AG	Non-cumulative Subordinated Perpetual Callable Step-up Fixed to Floating Rate Capital Notes having the benefit of a support agreement entered into with Raiffeisen Zentralbank Österreich AG
Amount recognised in regulatory capital (currency in million, as of most recent reporting date)	EUR 891,742,289	EUR 70,440,714	EUR 238,435,686
Nominal amount of instrument	EUR 893,586,066	EUR 90,475,000	EUR 306,250,000
Issue price	N/A	100%	100%
Redemption price	N/A	100%	100%
Accounting classification	Equity	Liability - amortised cost	Liability - amortised cost
Original date of issuance	N/A	15 June 2004	16 May 2006
Perpeptual or dated	Perpetual	Perpetual	Perpetual
Original maturity date	N/A	No maturity	No maturity
Issuer call subjet to prior supervisory approval	N/A	Yes	Yes
Optional call date, contingent call dates, and redemption amount	N/A	15.06.2009; in addition tax and regulatory call rights; redemption price;	16.05.2016; in addition tax and regulatory call rights; redemption price;
Subsequent call dates, if applicable	N/A	Semi-annually	Quarterly
Coupons / dividends			
Fixed or floating dividend/coupon	Floating	Floating	Fixed to floating
Coupon rate and any related index	N/A	1.02%	5.17%
Existence of a dividend stopper	N/A	No	No
Fully discretionary, partially discretionary or Mandatory (in terms of timing)	N/A	Mandatory - Link to Distributable Profits	Mandatory - Link to Distributable Profits
Fully discretionary, partially discretionary or Mandatory (in terms of amount)	N/A	Mandatory - Link to Distributable Profits	Mandatory - Link to Distributable Profits
Existence of step up or other incentive to redeem	N/A	No	Yes
Noncumulative or cumulative	N/A	Non-cumulative	Non-cumulative
Convertible or non-convertible	N/A	Non-convertible	Non-convertible
If convertible, conversion trigger (s)	N/A	N/A	N/A
If convertible, fully or partially	N/A	N/A	N/A
If convertible, conversion rate	N/A	N/A	N/A
If convertible, Mandatory or optional conversion	N/A	N/A	N/A
If convertible, specifiy instrument type convertible into	N/A	N/A	N/A
If convertible, specifiy issuer of instrument it converts into	N/A	N/A	N/A
Write-down features	N/A	No	No
If write-down, write-down trigger (s)	N/A	N/A	N/A
If write-down, full or partial	N/A	N/A	N/A
If write-down, permanent or temporary	N/A	N/A	N/A
If temporary write-down, description of write-up mechanism	N/A	N/A	N/A
Position in subordination hierachy in liquidation (specify instrument type immediately senior to instrument)	N/A	Tier 2	Tier 2
Non-compliant transitioned features	N/A	No	No
If yes, specifiy non-compliant features	N/A	N/A	N/A

Capital instruments' main features	Raiffeisen Bank International AG	Raiffeisen Bank International AG	Raiffeisen Bank International AG
Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	XS0843322750	CH0212937210	XS1001668950
Governing law(s) of the instrument	German law	German law	German law
Regulatory treatment			
Transitional CRR rules	Tier 2	Tier 2	Tier 2
Post-transitional CRR rules	Tier 2	Tier 2	Tier 2
Eligible at solo/(sub-)consolidated/solo & (sub-)consolidated	Solo and (Sub-)Consolidated	Solo and (Sub-)Consolidated	Solo and (Sub-)Consolidated
Instrument type (types to be specified by each jurisdiction)	Tier 2 instrument according to Article 63 CCR	Tier 2 instrument according to Article 63 CCR	Tier 2 instrument according to Article 63 CCR
Amount recognised in regulatory capital (currency in million, as of most recent reporting date)	EUR 288.114.000	EUR 230.733.733	EUR 232.700.000
Nominal amount of instrument	EUR 290.318.000	CHF 250,000,000 / EUR 230,733,733	EUR 232.700.000
Issue price	100%	101%	100%
Redemption price	100%	100%	100%
Accounting classification	Liabiliaty - amortised cost/Liability - fair value option	Liabiliaty - amortised cost/Liability - fair value option	Liabiliaty - amortised cost/Liability - fair value option
Original date of issuance	29 October 2012	24 May 2013	18 December 2013
Perpeptual or dated	Dated	Dated	Dated
Original maturity date	27 April 2024	24 May 2023	18 June 2024
Issuer call subjet to prior supervisory approval	Yes	Yes	Yes
Optional call date, contingent call dates, and redemption amount	27 April 2018, tax call, regulatory call, principal amount	24 May 2018, tax call, regulatory call, principal amount	18 June 2019, tax call, regulatory call, principal amount
Subsequent call dates, if applicable	No	No	No
Coupons / dividends			
Fixed or floating dividend/coupon	Fixed Rate Notes with reset	Fixed Rate with reset	Fixed Rate with reset
Coupon rate and any related index	5.875% / 5Y Swap + 4.84%	4% / 5Y Swap Rate + 3.6175%	5.163% / 5Y Swap Rate + 3.9%
Existence of a dividend stopper	No	No	No
Fully discretionary, partially discretionary or Mandatory (in terms of timing)	Mandatory	Mandatory	Mandatory
Fully discretionary, partially discretionary or Mandatory (in terms of amount)	Mandatory	Mandatory	Mandatory
Existence of step up or other incentive to redeem	No	No	No
Noncumulative or cumulative	Non-cumulative	Non-cumulative	Non-cumulative
Convertible or non-convertible	Non-convertible	Non-convertible	Non-convertible
If convertible, conversion trigger (s)	N/A	N/A	N/A
If convertible, fully or partially	N/A	N/A	N/A
If convertible, conversion rate	N/A	N/A	N/A
If convertible, Mandatory or optional conversion	N/A	N/A	N/A
If convertible, specifiy instrument type convertible into	N/A	N/A	N/A
If convertible, specifiy issuer of instrument it converts into	N/A	N/A	N/A
Write-down features	No	No	No
If write-down, write-down trigger (s)	N/A	N/A	N/A
If write-down, full or partial	N/A	N/A	N/A
If write-down, permanent or temporary	N/A	N/A	N/A
If temporary write-down, description of write-up mechanism	N/A	N/A	N/A
Position in subordination hierachy in liquidation (specify instrument type immediately senior to instrument)	Instrument ranks senior to CET1 and AT1	Instrument ranks senior to CET1 and AT1	Instrument ranks senior to CET1 and AT1
Non-compliant transitioned features	No	No	No
If yes, specifiy non-compliant features	N/A	N/A	N/A

Capital instruments' main features	Raiffeisen Bank International AG	Raiffeisen Bank International AG	Raiffeisen Bank International AG
Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	XS1034950672	CH0194405343	XS0981632804
Governing law(s) of the instrument	German law	German law	German law
Regulatory treatment			
Transitional CRR rules	Tier 2	Tier 2	Tier 2
Post-transitional CRR rules	Tier 2	Tier 2	Tier 2
Eligible at solo/(sub-)consolidated/solo & (sub-)consolidated	Solo and (Sub-)Consolidated	Solo and (Sub-)Consolidated	Solo and (Sub-)Consolidated
Instrument type (types to be specified by each jurisdiction)	Tier 2 instrument according to Article 63 CCR	Tier 2 instrument according to Article 63 CCR	Tier 2 instrument according to Article 63 CCR
Amount recognised in regulatory capital (currency in million, as of most recent reporting date)	EUR 498.800.000	EUR 230.733.733	EUR 497.200.000
Nominal amount of instrument	EUR 500.000.000	CHF 250,000,000 / EUR 230,733,733	EUR 500.000.000
Issue price	100%	100%	100%
Redemption price	100%	100%	100%
Accounting classification	Liabiliaty - amortised cost/Liability - fair value option	Liabiliaty - amortised cost/Liability - fair value option	Liabiliaty - amortised cost/Liability - fair value option
Original date of issuance	21 February 2014	24 October 2012	16 October 2013
Perpeptual or dated	Dated	Dated	Dated
Original maturity date	21 February 2025	24 October 2022	16 October 2023
Issuer call subjet to prior supervisory approval	Yes	No	Yes
Optional call date, contingent call dates, and redemption amount	21 February 2020, tax call, regulatory call, principal amount	No	tax call, regulatory call, principal amount
Subsequent call dates, if applicable	No	No	No
Coupons / dividends			
Fixed or floating dividend/coupon	Fixed Rate with reset	Fixed Rate	Fixed Rate
Coupon rate and any related index	4.50% / 5Y EUR MidSwap + 3.30%	4,75%	6,00%
Existence of a dividend stopper	No	No	No
Fully discretionary, partially discretionary or Mandatory (in terms of timing)	Mandatory	Mandatory	Mandatory
Fully discretionary, partially discretionary or Mandatory (in terms of amount)	Mandatory	Mandatory	Mandatory
Existence of step up or other incentive to redeem	No	No	No
Noncumulative or cumulative	Non-cumulative	Non-cumulative	Non-cumulative
Convertible or non-convertible	Non-convertible	Non-convertible	Non-convertible
If convertible, conversion trigger (s)	N/A	N/A	N/A
If convertible, fully or partially	N/A	N/A	N/A
If convertible, conversion rate	N/A	N/A	N/A
If convertible, Mandatory or optional conversion	N/A	N/A	N/A
If convertible, specifiy instrument type convertible into	N/A	N/A	N/A
If convertible, specifiy issuer of instrument it converts into	N/A	N/A	N/A
Write-down features	No	No	No
If write-down, write-down trigger (s)	N/A	N/A	N/A
If write-down, full or partial	N/A	N/A	N/A
If write-down, permanent or temporary	N/A	N/A	N/A
If temporary write-down, description of write-up mechanism	N/A	N/A	N/A
Position in subordination hierachy in liquidation (specify instrument type immediately senior to instrument)	Instrument ranks senior to CET1 and AT1	Instrument ranks senior to CET1 and AT1	Instrument ranks senior to CET1 and AT1
Non-compliant transitioned features	No	No	No
If yes, specifiy non-compliant features	N/A	N/A	N/A

Capital instruments' main features	Raiffeisen Bank International AG	Raiffeisen Bank International AG	Raiffeisen Bank International AG
Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	XS0619437147	AT0000285473	AT000B010657
Governing law(s) of the instrument	German law		Austrian Law
Regulatory treatment			
Transitional CRR rules	Tier 2	Tier 2	Tier 2
Post-transitional CRR rules	Tier 2	Tier 2	Tier 2
Eligible at solo/(sub-)consolidated/solo & (sub-)consolidated	Solo and (Sub-)Consolidated	Solo and (Sub-)Consolidated	Solo and (Sub-)Consolidated
Instrument type (types to be specified by each jurisdiction)	Tier 2 instrument according to Article 63 CCR	Tier 2 instrument according to Article 63 CCR	Tier 2 instrument according to Article 63 CCR
Amount recognised in regulatory capital (currency in million, as of most recent reporting date)	EUR 499.700.000	EUR 20.000.000	EUR 49.290.000
Nominal amount of instrument	EUR 500.000.000	EUR 20.000.000	EUR 2.000.000
Issue price	99%	100%	100%
Redemption price	100%		
Accounting classification	Liabiliaty - amortised cost/Liability - fair value option	Liabiliaty - amortised cost/Liability - fair value option	Liabiliaty - amortised cost/Liability - fair value option
Original date of issuance	18 May 2011	28 September 2005	01 July 2008
Perpeptual or dated	Dated	Dated	Dated
Original maturity date	18 May 2021	28 September 2035	30 June 2020
Issuer call subjet to prior supervisory approval	No		No
Optional call date, contingent call dates, and redemption amount	No	28 September 2025, 100%	No
Subsequent call dates, if applicable	No	No	No
Coupons / dividends			
Fixed or floating dividend/coupon	Fixed Rate	Fixed Rate	Fixed Rate
Coupon rate and any related index	6,63%	4,50%	4,71%
Existence of a dividend stopper	No	No	No
Fully discretionary, partially discretionary or Mandatory (in terms of timing)	Mandatory	Mandatory	Mandatory
Fully discretionary, partially discretionary or Mandatory (in terms of amount)	Mandatory	Mandatory	Mandatory
Existence of step up or other incentive to redeem	No	No	No
Noncumulative or cumulative	Non-cumulative	Non-cumulative	Non-cumulative
Convertible or non-convertible	Non-convertible	Non-convertible	Non-convertible
If convertible, conversion trigger (s)	N/A	N/A	N/A
If convertible, fully or partially	N/A	N/A	N/A
If convertible, conversion rate	N/A	N/A	N/A
If convertible, Mandatory or optional conversion	N/A	N/A	N/A
If convertible, specifiy instrument type convertible into	N/A	N/A	N/A
If convertible, specifiy issuer of instrument it converts into	N/A	N/A	N/A
Write-down features	No	No	No
If write-down, write-down trigger (s)	N/A	N/A	N/A
If write-down, full or partial	N/A	N/A	N/A
If write-down, permanent or temporary	N/A	N/A	N/A
If temporary write-down, description of write-up mechanism	N/A	N/A	N/A
Position in subordination hierachy in liquidation (specify instrument type immediately senior to instrument)	Instrument ranks senior to CET1 and AT1	Instrument ranks senior to CET1 and AT1	Instrument ranks senior to CET1 and AT1
Non-compliant transitioned features	No	No	No
If yes, specifiy non-compliant features	N/A	N/A	N/A

Capital instruments' main features	Raiffeisen Bank International AG	Raiffeisen Bank International AG	Raiffeisen Bank International AG
Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	AT000B010301	AT000B010434	AT000B010442
Governing law(s) of the instrument	Austrian Law	Austrian Law	Austrian Law
Regulatory treatment			
Transitional CRR rules	Tier 2	Tier 2	Tier 2
Post-transitional CRR rules	Tier 2	Tier 2	Tier 2
Eligible at solo/(sub-)consolidated/solo & (sub-)consolidated	Solo and (Sub-)Consolidated	Solo and (Sub-)Consolidated	Solo and (Sub-)Consolidated
Instrument type (types to be specified by each jurisdiction)	Tier 2 instrument according to Article 63 CCR	Tier 2 instrument according to Article 63 CCR	Tier 2 instrument according to Article 63 CCR
Amount recognised in regulatory capital (currency in million, as of most recent reporting date)	EUR 2.954.844	EUR 3.793.254	EUR 5.867.431
Nominal amount of instrument	EUR 17.700.000	EUR 11.983.534	EUR 20.723.267
Issue price	65%	62%	62%
Redemption price			
Accounting classification	Liabiliaty - amortised cost/Liability - fair value option	Liabiliaty - amortised cost/Liability - fair value option	Liabiliaty - amortised cost/Liability - fair value option
Original date of issuance	23 April 2007	18 December 2007	21 December 2007
Perpeptual or dated	Dated	Dated	Dated
Original maturity date	31 October 2016	31 July 2017	31 May 2017
Issuer call subjet to prior supervisory approval	No	No	No
Optional call date, contingent call dates, and redemption amount	No	No	No
Subsequent call dates, if applicable	No	No	No
Coupons / dividends			
Fixed or floating dividend/coupon	Zero Coupon	Zero Coupon	Zero Coupon
Coupon rate and any related index	0,00%	0,00%	0,00%
Existence of a dividend stopper	No	No	No
Fully discretionary, partially discretionary or Mandatory (in terms of timing)	Mandatory	Mandatory	Mandatory
Fully discretionary, partially discretionary or Mandatory (in terms of amount)	Mandatory	Mandatory	Mandatory
Existence of step up or other incentive to redeem	No	No	No
Noncumulative or cumulative	Non-cumulative	Non-cumulative	Non-cumulative
Convertible or non-convertible	Non-convertible	Non-convertible	Non-convertible
If convertible, conversion trigger (s)	N/A	N/A	N/A
If convertible, fully or partially	N/A	N/A	N/A
If convertible, conversion rate	N/A	N/A	N/A
If convertible, Mandatory or optional conversion	N/A	N/A	N/A
If convertible, specifiy instrument type convertible into	N/A	N/A	N/A
If convertible, specifiy issuer of instrument it converts into	N/A	N/A	N/A
Write-down features	No	No	No
If write-down, write-down trigger (s)	N/A	N/A	N/A
If write-down, full or partial	N/A	N/A	N/A
If write-down, permanent or temporary	N/A	N/A	N/A
If temporary write-down, description of write-up mechanism	N/A	N/A	N/A
Position in subordination hierachy in liquidation (specify instrument type immediately senior to instrument)	Instrument ranks senior to CET1 and AT1	Instrument ranks senior to CET1 and AT1	Instrument ranks senior to CET1 and AT1
Non-compliant transitioned features	No	No	No
If yes, specifiy non-compliant features	N/A	N/A	N/A

Capital instruments' main features	Raiffeisen Bank International AG	Raiffeisen Bank International AG	Raiffeisen Bank International AG
Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	AT000B010665	AT000B010889	AT000B011143
Governing law(s) of the instrument	Austrian Law	Austrian Law	Austrian Law
Regulatory treatment			
Transitional CRR rules	Tier 2	Tier 2	Tier 2
Post-transitional CRR rules	Tier 2	Tier 2	Tier 2
Eligible at solo/(sub-)consolidated/solo & (sub-)consolidated	Solo and (Sub-)Consolidated	Solo and (Sub-)Consolidated	Solo and (Sub-)Consolidated
Instrument type (types to be specified by each jurisdiction)	Tier 2 instrument according to Article 63 CCR	Tier 2 instrument according to Article 63 CCR	Tier 2 instrument according to Article 63 CCR
Amount recognised in regulatory capital (currency in million, as of most recent reporting date)	EUR 34.472.085	EUR 22.000.000	EUR 9.303.395
Nominal amount of instrument	EUR 36.300.000	EUR 22.000.000	EUR 15.500.000
Issue price	100%	88%	100%
Redemption price		100%	100%
Accounting classification	Liabiliaty - amortised cost/Liability - fair value option	Liabiliaty - amortised cost/Liability - fair value option	Liabiliaty - amortised cost/Liability - fair value option
Original date of issuance	01 October 2008	10 November 2008	02 January 2009
Perpeptual or dated	Dated	Dated	Dated
Original maturity date	30 September 2020	31 October 2023	31 December 2018
Issuer call subjet to prior supervisory approval	No	No	No
Optional call date, contingent call dates, and redemption amount	No	No	No
Subsequent call dates, if applicable	No	No	No
Coupons / dividends			
Fixed or floating dividend/coupon	Fixed Rate	Fixed Rate	Fixed Rate
Coupon rate and any related index	4,71%	4,50%	4,97%
Existence of a dividend stopper	No	No	No
Fully discretionary, partially discretionary or Mandatory (in terms of timing)	Mandatory	Mandatory	Mandatory
Fully discretionary, partially discretionary or Mandatory (in terms of amount)	Mandatory	Mandatory	Mandatory
Existence of step up or other incentive to redeem	No	No	No
Noncumulative or cumulative	Non-cumulative	Non-cumulative	Non-cumulative
Convertible or non-convertible	Non-convertible	Non-convertible	Non-convertible
If convertible, conversion trigger (s)	N/A	N/A	N/A
If convertible, fully or partially	N/A	N/A	N/A
If convertible, conversion rate	N/A	N/A	N/A
If convertible, Mandatory or optional conversion	N/A	N/A	N/A
If convertible, specifiy instrument type convertible into	N/A	N/A	N/A
If convertible, specifiy issuer of instrument it converts into	N/A	N/A	N/A
Write-down features	No	No	No
If write-down, write-down trigger (s)	N/A	N/A	N/A
If write-down, full or partial	N/A	N/A	N/A
If write-down, permanent or temporary	N/A	N/A	N/A
If temporary write-down, description of write-up mechanism	N/A	N/A	N/A
Position in subordination hierachy in liquidation (specify instrument type immediately senior to instrument)	Instrument ranks senior to CET1 and AT1	Instrument ranks senior to CET1 and AT1	Instrument ranks senior to CET1 and AT1
Non-compliant transitioned features	No	No	No
If yes, specifiy non-compliant features	N/A	N/A	N/A

Capital instruments' main features	Raiffeisen Bank International AG	Raiffeisen Bank International AG	Raiffeisen Bank International AG
Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	AT000B010947	AT000B010954	AT000B010962
Governing law(s) of the instrument	Austrian Law	Austrian Law	Austrian Law
Regulatory treatment			
Transitional CRR rules	Tier 2	Tier 2	Tier 2
Post-transitional CRR rules	Tier 2	Tier 2	Tier 2
Eligible at solo/(sub-)consolidated/solo & (sub-)consolidated	Solo and (Sub-)Consolidated	Solo and (Sub-)Consolidated	Solo and (Sub-)Consolidated
Instrument type (types to be specified by each jurisdiction)	Tier 2 instrument according to Article 63 CCR	Tier 2 instrument according to Article 63 CCR	Tier 2 instrument according to Article 63 CCR
Amount recognised in regulatory capital (currency in million, as of most recent reporting date)	EUR 8.777.793	EUR 4.822.137	EUR 13.000.000
Nominal amount of instrument	EUR 15.050.000	EUR 4.900.000	EUR 13.000.000
Issue price	100%	100%	100%
Redemption price	100%	100%	100%
Accounting classification	Liabiliaty - amortised cost/Liability - fair value option	Liabiliaty - amortised cost/Liability - fair value option	Liabiliaty - amortised cost/Liability - fair value option
Original date of issuance	01 December 2008	01 December 2008	01 December 2008
Perpeptual or dated	Dated	Dated	Dated
Original maturity date	30 November 2018	30 November 2020	30 November 2023
Issuer call subjet to prior supervisory approval	No	No	No
Optional call date, contingent call dates, and redemption amount	No	No	No
Subsequent call dates, if applicable	No	No	No
Coupons / dividends			
Fixed or floating dividend/coupon	Fixed Rate	Fixed Rate	Fixed Rate
Coupon rate and any related index	5,00%	5,00%	5,30%
Existence of a dividend stopper	No	No	No
Fully discretionary, partially discretionary or Mandatory (in terms of timing)	Mandatory	Mandatory	Mandatory
Fully discretionary, partially discretionary or Mandatory (in terms of amount)	Mandatory	Mandatory	Mandatory
Existence of step up or other incentive to redeem	No	No	No
Noncumulative or cumulative	Non-cumulative	Non-cumulative	Non-cumulative
Convertible or non-convertible	Non-convertible	Non-convertible	Non-convertible
If convertible, conversion trigger (s)	N/A	N/A	N/A
If convertible, fully or partially	N/A	N/A	N/A
If convertible, conversion rate	N/A	N/A	N/A
If convertible, Mandatory or optional conversion	N/A	N/A	N/A
If convertible, specifiy instrument type convertible into	N/A	N/A	N/A
If convertible, specifiy issuer of instrument it converts into	N/A	N/A	N/A
Write-down features	No	No	No
If write-down, write-down trigger (s)	N/A	N/A	N/A
If write-down, full or partial	N/A	N/A	N/A
If write-down, permanent or temporary	N/A	N/A	N/A
If temporary write-down, description of write-up mechanism	N/A	N/A	N/A
Position in subordination hierachy in liquidation (specify instrument type immediately senior to instrument)	Instrument ranks senior to CET1 and AT1	Instrument ranks senior to CET1 and AT1	Instrument ranks senior to CET1 and AT1
Non-compliant transitioned features	No	No	No
If yes, specifiy non-compliant features	N/A	N/A	N/A

Capital instruments' main features	Raiffeisen Bank International AG	Raiffeisen Bank International AG	Raiffeisen Bank International AG
Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	AT000B011150	AT000B011168	HP0CD130905_1
Governing law(s) of the instrument	Austrian Law	Austrian Law	
Regulatory treatment			
Transitional CRR rules	Tier 2	Tier 2	Tier 2
Post-transitional CRR rules	Tier 2	Tier 2	Tier 2
Eligible at solo/(sub-)consolidated/solo & (sub-)consolidated	Solo and (Sub-)Consolidated	Solo and (Sub-)Consolidated	Solo and (Sub-)Consolidated
Instrument type (types to be specified by each jurisdiction)	Tier 2 instrument according to Article 63 CCR	Tier 2 instrument according to Article 63 CCR	Tier 2 instrument according to Article 63 CCR
Amount recognised in regulatory capital (currency in million, as of most recent reporting date)	EUR 7.850.000	EUR 10.800.000	EUR 3.000.000
Nominal amount of instrument	EUR 7.850.000	EUR 10.800.000	EUR 3.000.000
Issue price	100%	100%	100%
Redemption price	100%	100%	100%
Accounting classification	Liabiliaty - amortised cost/Liability - fair value option	Liabiliaty - amortised cost/Liability - fair value option	Liabiliaty - amortised cost/Liability - fair value option
Original date of issuance	02 January 2009	02 January 2009	15 September 2005
Perpeptual or dated	Dated	Dated	Dated
Original maturity date	31 December 2020	29 December 2023	15 September 2025
Issuer call subjet to prior supervisory approval	No	No	No
Optional call date, contingent call dates, and redemption amount	No	No	No
Subsequent call dates, if applicable	No	No	No
Coupons / dividends			
Fixed or floating dividend/coupon	Fixed Rate	Fixed Rate	Fixed Rate
Coupon rate and any related index	4,97%	5,30%	4,22%
Existence of a dividend stopper	No	No	No
Fully discretionary, partially discretionary or Mandatory (in terms of timing)	Mandatory	Mandatory	Mandatory
Fully discretionary, partially discretionary or Mandatory (in terms of amount)	Mandatory	Mandatory	Mandatory
Existence of step up or other incentive to redeem	No	No	No
Noncumulative or cumulative	Non-cumulative	Non-cumulative	Non-cumulative
Convertible or non-convertible	Non-convertible	Non-convertible	Non-convertible
If convertible, conversion trigger (s)	N/A	N/A	N/A
If convertible, fully or partially	N/A	N/A	N/A
If convertible, conversion rate	N/A	N/A	N/A
If convertible, Mandatory or optional conversion	N/A	N/A	N/A
If convertible, specifiy instrument type convertible into	N/A	N/A	N/A
If convertible, specifiy issuer of instrument it converts into	N/A	N/A	N/A
Write-down features	No	No	No
If write-down, write-down trigger (s)	N/A	N/A	N/A
If write-down, full or partial	N/A	N/A	N/A
If write-down, permanent or temporary	N/A	N/A	N/A
If temporary write-down, description of write-up mechanism	N/A	N/A	N/A
Position in subordination hierachy in liquidation (specify instrument type immediately senior to instrument)	Instrument ranks senior to CET1 and AT1	Instrument ranks senior to CET1 and AT1	Instrument ranks senior to CET1 and AT1
Non-compliant transitioned features	No	No	No
If yes, specifiy non-compliant features	N/A	N/A	N/A

Capital instruments' main features	Raiffeisen Bank International AG	Raiffeisen Bank International AG	Raiffeisen Bank International AG
Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	AT000B011192	AT000B012042	AT000B012067
Governing law(s) of the instrument	Austrian Law	Austrian Law	Austrian Law
Regulatory treatment			
Transitional CRR rules	Tier 2	Tier 2	Tier 2
Post-transitional CRR rules	Tier 2	Tier 2	Tier 2
Eligible at solo/(sub-)consolidated/solo & (sub-)consolidated	Solo and (Sub-)Consolidated	Solo and (Sub-)Consolidated	Solo and (Sub-)Consolidated
Instrument type (types to be specified by each jurisdiction)	Tier 2 instrument according to Article 63 CCR	Tier 2 instrument according to Article 63 CCR	Tier 2 instrument according to Article 63 CCR
Amount recognised in regulatory capital (currency in million, as of most recent reporting date)	EUR 7.416.867	EUR 97.500.000	EUR 93.400.000
Nominal amount of instrument	EUR 13.200.000	EUR 97.500.000	EUR 93.400.000
Issue price	100%	100%	100%
Redemption price	100%	174%	173%
Accounting classification	Liabiliaty - amortised cost/Liability - fair value option	Liabiliaty - amortised cost/Liability - fair value option	Liabiliaty - amortised cost/Liability - fair value option
Original date of issuance	22 October 2008	03 May 2010	01 September 2010
Perpeptual or dated	Dated	Dated	Dated
Original maturity date	22 October 2018	29 April 2022	30 August 2022
Issuer call subjet to prior supervisory approval	No	No	No
Optional call date, contingent call dates, and redemption amount	No	No	No
Subsequent call dates, if applicable	No	No	No
Coupons / dividends			
Fixed or floating dividend/coupon	Floating Rate	Fixed Rate	Fixed Rate
Coupon rate and any related index	1Y Euribor + 1.7%, floored by 0.125%	4,74%	4,67%
Existence of a dividend stopper	No	No	No
Fully discretionary, partially discretionary or Mandatory (in terms of timing)	Mandatory	Mandatory	Mandatory
Fully discretionary, partially discretionary or Mandatory (in terms of amount)	Mandatory	Mandatory	Mandatory
Existence of step up or other incentive to redeem	No	No	No
Noncumulative or cumulative	Non-cumulative	Non-cumulative	Non-cumulative
Convertible or non-convertible	Non-convertible	Non-convertible	Non-convertible
If convertible, conversion trigger (s)	N/A	N/A	N/A
If convertible, fully or partially	N/A	N/A	N/A
If convertible, conversion rate	N/A	N/A	N/A
If convertible, Mandatory or optional conversion	N/A	N/A	N/A
If convertible, specifiy instrument type convertible into	N/A	N/A	N/A
If convertible, specifiy issuer of instrument it converts into	N/A	N/A	N/A
Write-down features	No	No	No
If write-down, write-down trigger (s)	N/A	N/A	N/A
If write-down, full or partial	N/A	N/A	N/A
If write-down, permanent or temporary	N/A	N/A	N/A
If temporary write-down, description of write-up mechanism	N/A	N/A	N/A
Position in subordination hierachy in liquidation (specify instrument type immediately senior to instrument)	Instrument ranks senior to CET1 and AT1	Instrument ranks senior to CET1 and AT1	Instrument ranks senior to CET1 and AT1
Non-compliant transitioned features	No	No	No
If yes, specifiy non-compliant features	N/A	N/A	N/A

Capital instruments' main features	Raiffeisen Bank International AG	Raiffeisen Bank International AG	Raiffeisen Bank International AG
Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	HP0CD130905_1	HP0FD050905_2	HP0FSS030206_2
Governing law(s) of the instrument			
Regulatory treatment			
Transitional CRR rules	Tier 2	Tier 2	Tier 2
Post-transitional CRR rules	Tier 2	Tier 2	Tier 2
Eligible at solo/(sub-)consolidated/solo & (sub-)consolidated	Solo and (Sub-)Consolidated	Solo and (Sub-)Consolidated	Solo and (Sub-)Consolidated
Instrument type (types to be specified by each jurisdiction)	Tier 2 instrument according to Article 63 CCR	Tier 2 instrument according to Article 63 CCR	Tier 2 instrument according to Article 63 CCR
Amount recognised in regulatory capital (currency in million, as of most recent reporting date)	EUR 2.000.000	EUR 20.000.000	EUR 112.267
Nominal amount of instrument	EUR 3.000.000	EUR 20.000.000	EUR 5.000.000
Issue price	100%	100%	100%
Redemption price	100%	100%	100%
Accounting classification	Liabiliaty - amortised cost/Liability - fair value option	Liabiliaty - amortised cost/Liability - fair value option	Liabiliaty - amortised cost/Liability - fair value option
Original date of issuance	15 September 2005	15 September 2005	10 February 2006
Perpeptual or dated	Dated	Dated	Dated
Original maturity date	15 September 2025	15 December 2025	10 February 2016
Issuer call subjet to prior supervisory approval	No	No	No
Optional call date, contingent call dates, and redemption amount	No	No	No
Subsequent call dates, if applicable	No	No	No
Coupons / dividends			
Fixed or floating dividend/coupon	Fixed Rate	Fixed Rate	Fixed Rate
Coupon rate and any related index	4,22%	4,00%	4,04%
Existence of a dividend stopper	No	No	No
Fully discretionary, partially discretionary or Mandatory (in terms of timing)	Mandatory	Mandatory	Mandatory
Fully discretionary, partially discretionary or Mandatory (in terms of amount)	Mandatory	Mandatory	Mandatory
Existence of step up or other incentive to redeem	No	No	No
Noncumulative or cumulative	Non-cumulative	Non-cumulative	Non-cumulative
Convertible or non-convertible	Non-convertible	Non-convertible	Non-convertible
If convertible, conversion trigger (s)	N/A	N/A	N/A
If convertible, fully or partially	N/A	N/A	N/A
If convertible, conversion rate	N/A	N/A	N/A
If convertible, Mandatory or optional conversion	N/A	N/A	N/A
If convertible, specifiy instrument type convertible into	N/A	N/A	N/A
If convertible, specifiy issuer of instrument it converts into	N/A	N/A	N/A
Write-down features	No	No	No
If write-down, write-down trigger (s)	N/A	N/A	N/A
If write-down, full or partial	N/A	N/A	N/A
If write-down, permanent or temporary	N/A	N/A	N/A
If temporary write-down, description of write-up mechanism	N/A	N/A	N/A
Position in subordination hierachy in liquidation (specify instrument type immediately senior to instrument)	Instrument ranks senior to CET1 and AT1	Instrument ranks senior to CET1 and AT1	Instrument ranks senior to CET1 and AT1
Non-compliant transitioned features	No	No	No
If yes, specifiy non-compliant features	N/A	N/A	N/A

Capital instruments' main features	Raiffeisen Bank International AG	Raiffeisen Bank International AG	Raiffeisen Bank International AG
Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	HP0FD050905_2	HPOCD130905_1	HP0FD080905_1
Governing law(s) of the instrument			
Regulatory treatment			
Transitional CRR rules	Tier 2	Tier 2	Tier 2
Post-transitional CRR rules	Tier 2	Tier 2	Tier 2
Eligible at solo/(sub-)consolidated/solo & (sub-)consolidated	Solo and (Sub-)Consolidated	Solo and (Sub-)Consolidated	Solo and (Sub-)Consolidated
Instrument type (types to be specified by each jurisdiction)	Tier 2 instrument according to Article 63 CCR	Tier 2 instrument according to Article 63 CCR	Tier 2 instrument according to Article 63 CCR
Amount recognised in regulatory capital (currency in million, as of most recent reporting date)	EUR 20.000.000	EUR 10.000.000	EUR 10.000.000
Nominal amount of instrument	EUR 20.000.000	EUR 10.000.000	EUR 10.000.000
Issue price	100%	100%	100%
Redemption price	100%	100%	100%
Accounting classification	Liabiliaty - amortised cost/Liability - fair value option	Liabiliaty - amortised cost/Liability - fair value option	Liabiliaty - amortised cost/Liability - fair value option
Original date of issuance	15 September 2005	13 September 2005	13 September 2005
Perpeptual or dated	Dated	Dated	Dated
Original maturity date	15 December 2025	13 September 2023	13 September 2023
Issuer call subjet to prior supervisory approval	No	No	No
Optional call date, contingent call dates, and redemption amount	No	No	No
Subsequent call dates, if applicable	No	No	No
Coupons / dividends			
Fixed or floating dividend/coupon	Fixed Rate	Fixed Rate	Fixed Rate
Coupon rate and any related index	4,00%	4,00%	4,00%
Existence of a dividend stopper	No	No	No
Fully discretionary, partially discretionary or Mandatory (in terms of timing)	Mandatory	Mandatory	Mandatory
Fully discretionary, partially discretionary or Mandatory (in terms of amount)	Mandatory	Mandatory	Mandatory
Existence of step up or other incentive to redeem	No	No	No
Noncumulative or cumulative	Non-cumulative	Non-cumulative	Non-cumulative
Convertible or non-convertible	Non-convertible	Non-convertible	Non-convertible
If convertible, conversion trigger (s)	N/A	N/A	N/A
If convertible, fully or partially	N/A	N/A	N/A
If convertible, conversion rate	N/A	N/A	N/A
If convertible, Mandatory or optional conversion	N/A	N/A	N/A
If convertible, specifiy instrument type convertible into	N/A	N/A	N/A
If convertible, specifiy issuer of instrument it converts into	N/A	N/A	N/A
Write-down features	No	No	No
If write-down, write-down trigger (s)	N/A	N/A	N/A
If write-down, full or partial	N/A	N/A	N/A
If write-down, permanent or temporary	N/A	N/A	N/A
If temporary write-down, description of write-up mechanism	N/A	N/A	N/A
Position in subordination hierachy in liquidation (specify instrument type immediately senior to instrument)	Instrument ranks senior to CET1 and AT1	Instrument ranks senior to CET1 and AT1	Instrument ranks senior to CET1 and AT1
Non-compliant transitioned features	No	No	No
If yes, specifiy non-compliant features	N/A	N/A	N/A

Capital instruments' main features	Raiffeisen Bank International AG	Raiffeisen Bank International AG	Raiffeisen Bank International AG
Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	HP0MCD130905_1	HP0SCSSI190107	AT000B012125
Governing law(s) of the instrument			Austrian Law
Regulatory treatment			
Transitional CRR rules	Tier 2	Tier 2	Tier 2
Post-transitional CRR rules	Tier 2	Tier 2	Tier 2
Eligible at solo/(sub-)consolidated/solo & (sub-)consolidated	Solo and (Sub-)Consolidated	Solo and (Sub-)Consolidated	Solo and (Sub-)Consolidated
Instrument type (types to be specified by each jurisdiction)	Tier 2 instrument according to Article 63 CCR	Tier 2 instrument according to Article 63 CCR	Tier 2 instrument according to Article 63 CCR
Amount recognised in regulatory capital (currency in million, as of most recent reporting date)	EUR 2.500.000	EUR 7.000.000	EUR 83.100.000
Nominal amount of instrument	EUR 2.500.000	EUR 7.000.000	EUR 83.100.000
Issue price	100%	100%	100%
Redemption price	100%	100%	
Accounting classification	Liabiliaty - amortised cost/Liability - fair value option	Liabiliaty - amortised cost/Liability - fair value option	Liabiliaty - amortised cost/Liability - fair value option
Original date of issuance	27 September 2005	26 January 2007	01 December 2010
Perpeptual or dated	Dated	Dated	Dated
Original maturity date	27 September 2035	26 January 2027	30 November 2022
Issuer call subjet to prior supervisory approval	No	No	No
Optional call date, contingent call dates, and redemption amount	27 September 2025, 100%	22 January 2019, 100%	No
Subsequent call dates, if applicable	No	No	No
Coupons / dividends			
Fixed or floating dividend/coupon	Fixed Rate	Fixed Rate	Inflation Linked Zero-bond
Coupon rate and any related index	4,50%	5,02%	((Inflation end/Inflation beginnning) - 1)*100%, floored by 64,4%
Existence of a dividend stopper	No	No	No
Fully discretionary, partially discretionary or Mandatory (in terms of timing)	Mandatory	Mandatory	Mandatory
Fully discretionary, partially discretionary or Mandatory (in terms of amount)	Mandatory	Mandatory	Mandatory
Existence of step up or other incentive to redeem	No	No	No
Noncumulative or cumulative	Non-cumulative	Non-cumulative	Non-cumulative
Convertible or non-convertible	Non-convertible	Non-convertible	Non-convertible
If convertible, conversion trigger (s)	N/A	N/A	N/A
If convertible, fully or partially	N/A	N/A	N/A
If convertible, conversion rate	N/A	N/A	N/A
If convertible, Mandatory or optional conversion	N/A	N/A	N/A
If convertible, specifiy instrument type convertible into	N/A	N/A	N/A
If convertible, specifiy issuer of instrument it converts into	N/A	N/A	N/A
Write-down features	No	No	No
If write-down, write-down trigger (s)	N/A	N/A	N/A
If write-down, full or partial	N/A	N/A	N/A
If write-down, permanent or temporary	N/A	N/A	N/A
If temporary write-down, description of write-up mechanism	N/A	N/A	N/A
Position in subordination hierachy in liquidation (specify instrument type immediately senior to instrument)	Instrument ranks senior to CET1 and AT1	Instrument ranks senior to CET1 and AT1	Instrument ranks senior to CET1 and AT1
Non-compliant transitioned features	No	No	No
If yes, specifiy non-compliant features	N/A	N/A	N/A

Capital instruments' main features	Raiffeisen Bank International AG	Raiffeisen Bank International AG	Raiffeisen Bank International AG
Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	MCSSI010207_1	XS0120255137	XS0146284442
Governing law(s) of the instrument		German Law	German Law
Regulatory treatment			
Transitional CRR rules	Tier 2	Tier 2	Tier 2
Post-transitional CRR rules	Tier 2	Tier 2	Tier 2
Eligible at solo/(sub-)consolidated/solo & (sub-)consolidated	Solo and (Sub-)Consolidated	Solo and (Sub-)Consolidated	Solo and (Sub-)Consolidated
Instrument type (types to be specified by each jurisdiction)	Tier 2 instrument according to Article 63 CCR	Tier 2 instrument according to Article 63 CCR	Tier 2 instrument according to Article 63 CCR
Amount recognised in regulatory capital (currency in million, as of most recent reporting date)	EUR 1.000.000	EUR 24.863.164	EUR 19.726.875
Nominal amount of instrument	EUR 1.000.000	EUR 25.000.000	EUR 23.000.000
Issue price	100%	100%	91%
Redemption price	100%		100%
Accounting classification	Liabiliaty - amortised cost/Liability - fair value option	Liabiliaty - amortised cost/Liability - fair value option	Liabiliaty - amortised cost/Liability - fair value option
Original date of issuance	05 February 2007	19 December 2000	15 April 2002
Perpeptual or dated	Dated	Dated	Dated
Original maturity date	05 February 2027	21 December 2020	15 April 2020
Issuer call subjet to prior supervisory approval	No	No	No
Optional call date, contingent call dates, and redemption amount	05 February 2017	No	No
Subsequent call dates, if applicable	05 February 2022	No	No
Coupons / dividends	100,00%		
Fixed or floating dividend/coupon	Fixed Rate	Floating Rate	Floating Rate
Coupon rate and any related index	5,26%	CMS 10Y1Y	3mEuribor
Existence of a dividend stopper	No	No	No
Fully discretionary, partially discretionary or Mandatory (in terms of timing)	Mandatory	Mandatory	Mandatory
Fully discretionary, partially discretionary or Mandatory (in terms of amount)	Mandatory	Mandatory	Mandatory
Existence of step up or other incentive to redeem	No	No	No
Noncumulative or cumulative	Non-cumulative	Non-cumulative	Non-cumulative
Convertible or non-convertible	Non-convertible	Non-convertible	Non-convertible
If convertible, conversion trigger (s)	N/A	N/A	N/A
If convertible, fully or partially	N/A	N/A	N/A
If convertible, conversion rate	N/A	N/A	N/A
If convertible, Mandatory or optional conversion	N/A	N/A	N/A
If convertible, specifiy instrument type convertible into	N/A	N/A	N/A
If convertible, specifiy issuer of instrument it converts into	N/A	N/A	N/A
Write-down features	No	No	No
If write-down, write-down trigger (s)	N/A	N/A	N/A
If write-down, full or partial	N/A	N/A	N/A
If write-down, permanent or temporary	N/A	N/A	N/A
If temporary write-down, description of write-up mechanism	N/A	N/A	N/A
Position in subordination hierachy in liquidation (specify instrument type immediately senior to instrument)	Instrument ranks senior to CET1 and AT1	Instrument ranks senior to CET1 and AT1	Instrument ranks senior to CET1 and AT1
Non-compliant transitioned features	No	No	No
If yes, specifiy non-compliant features	N/A	N/A	N/A

Capital instruments' main features	Raiffeisen Bank International AG	Raiffeisen Bank International AG	Raiffeisen Bank International AG
Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	CSSI130407_1	FSSCMSFL0905081	SSD_20130801_01
Governing law(s) of the instrument			German Law
Regulatory treatment			
Transitional CRR rules	Tier 2	Tier 2	Tier 2
Post-transitional CRR rules	Tier 2	Tier 2	Tier 2
Eligible at solo/(sub-)consolidated/solo & (sub-)consolidated	Solo and (Sub-)Consolidated	Solo and (Sub-)Consolidated	Solo and (Sub-)Consolidated
Instrument type (types to be specified by each jurisdiction)	Tier 2 instrument according to Article 63 CCR	Tier 2 instrument according to Article 63 CCR	Tier 2 instrument according to Article 63 CCR
Amount recognised in regulatory capital (currency in million, as of most recent reporting date)	EUR 10.000.000	EUR 1.009.584	EUR 5.000.000
Nominal amount of instrument	EUR 10.000.000	EUR 1.500.000	EUR 5.000.000
Issue price	100%	100%	100%
Redemption price	100%	100%	100%
Accounting classification	Liabiliaty - amortised cost/Liability - fair value option	Liabiliaty - amortised cost/Liability - fair value option	Liabiliaty - amortised cost/Liability - fair value option
Original date of issuance	23 April 2007	12 May 2009	07 August 2013
Perpeptual or dated	Dated	Dated	Dated
Original maturity date	23 April 2027	12 May 2019	07 August 2028
Issuer call subjet to prior supervisory approval	No	No	Yes
Optional call date, contingent call dates, and redemption amount	23 April 2019, 100%	No	No
Subsequent call dates, if applicable	No	No	No
Coupons / dividends	1		
Fixed or floating dividend/coupon	Fixed Rate	Floating	Fixed Rate
Coupon rate and any related index	5,18%	EUR CMS 10Y/1Y + 3.626%, floored by 6.85%	5,45%
Existence of a dividend stopper	No	No	No
Fully discretionary, partially discretionary or Mandatory (in terms of timing)	Mandatory	Mandatory	Mandatory
Fully discretionary, partially discretionary or Mandatory (in terms of amount)	Mandatory	Mandatory	Mandatory
Existence of step up or other incentive to redeem	No	No	No
Noncumulative or cumulative	Non-cumulative	Non-cumulative	Non-cumulative
Convertible or non-convertible	Non-convertible	Non-convertible	Non-convertible
If convertible, conversion trigger (s)	N/A	N/A	N/A
If convertible, fully or partially	N/A	N/A	N/A
If convertible, conversion rate	N/A	N/A	N/A
If convertible, Mandatory or optional conversion	N/A	N/A	N/A
If convertible, specifiy instrument type convertible into	N/A	N/A	N/A
If convertible, specifiy issuer of instrument it converts into	N/A	N/A	N/A
Write-down features	No	No	No
If write-down, write-down trigger (s)	N/A	N/A	N/A
If write-down, full or partial	N/A	N/A	N/A
If write-down, permanent or temporary	N/A	N/A	N/A
If temporary write-down, description of write-up mechanism	N/A	N/A	N/A
Position in subordination hierachy in liquidation (specify instrument type immediately senior to instrument)	Instrument ranks senior to CET1 and AT1	Instrument ranks senior to CET1 and AT1	Instrument ranks senior to CET1 and AT1
Non-compliant transitioned features	No	No	No
If yes, specifiy non-compliant features	N/A	N/A	N/A

Capital instruments' main features	Raiffeisen Bank International AG	Raiffeisen Bank International AG	Raiffeisen Bank International AG
Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	HP0FD080905_1	HP0FSS030206_1	HP0FSS030206_1
Governing law(s) of the instrument			
Regulatory treatment			
Transitional CRR rules	Tier 2	Tier 2	Tier 2
Post-transitional CRR rules	Tier 2	Tier 2	Tier 2
Eligible at solo/(sub-)consolidated/solo & (sub-)consolidated	Solo and (Sub-)Consolidated	Solo and (Sub-)Consolidated	Solo and (Sub-)Consolidated
Instrument type (types to be specified by each jurisdiction)	Tier 2 instrument according to Article 63 CCR	Tier 2 instrument according to Article 63 CCR	Tier 2 instrument according to Article 63 CCR
Amount recognised in regulatory capital (currency in million, as of most recent reporting date)	EUR 2.000.000	EUR 10.000.000	EUR 10.000.000
Nominal amount of instrument	EUR 10.000.000	EUR 10.000.000	EUR 10.000.000
Issue price	100%	100%	100%
Redemption price	100%	100%	100%
Accounting classification	Liabiliaty - amortised cost/Liability - fair value option	Liabiliaty - amortised cost/Liability - fair value option	Liabiliaty - amortised cost/Liability - fair value option
Original date of issuance	13 September 2005	13 February 2006	13 February 2006
Perpeptual or dated	Dated	Dated	Dated
Original maturity date	13 September 2023	13 February 2024	13 February 2024
Issuer call subjet to prior supervisory approval	No	No	No
Optional call date, contingent call dates, and redemption amount	No	No	No
Subsequent call dates, if applicable	No	No	No
Coupons / dividends			
Fixed or floating dividend/coupon	Fixed Rate	Fixed Rate	Fixed Rate
Coupon rate and any related index	4,00%	4,24%	4,24%
Existence of a dividend stopper	No	No	No
Fully discretionary, partially discretionary or Mandatory (in terms of timing)	Mandatory	Mandatory	Mandatory
Fully discretionary, partially discretionary or Mandatory (in terms of amount)	Mandatory	Mandatory	Mandatory
Existence of step up or other incentive to redeem	No	No	No
Noncumulative or cumulative	Non-cumulative	Non-cumulative	Non-cumulative
Convertible or non-convertible	Non-convertible	Non-convertible	Non-convertible
If convertible, conversion trigger (s)	N/A	N/A	N/A
If convertible, fully or partially	N/A	N/A	N/A
If convertible, conversion rate	N/A	N/A	N/A
If convertible, Mandatory or optional conversion	N/A	N/A	N/A
If convertible, specifiy instrument type convertible into	N/A	N/A	N/A
If convertible, specifiy issuer of instrument it converts into	N/A	N/A	N/A
Write-down features	No	No	No
If write-down, write-down trigger (s)	N/A	N/A	N/A
If write-down, full or partial	N/A	N/A	N/A
If write-down, permanent or temporary	N/A	N/A	N/A
If temporary write-down, description of write-up mechanism	N/A	N/A	N/A
Position in subordination hierachy in liquidation (specify instrument type immediately senior to instrument)	Instrument ranks senior to CET1 and AT1	Instrument ranks senior to CET1 and AT1	Instrument ranks senior to CET1 and AT1
Non-compliant transitioned features	No	No	No
If yes, specifiy non-compliant features	N/A	N/A	N/A

Capital instruments' main features	Raiffeisen Bank International AG	Raiffeisen Bank International AG	RAIFFEISENBANK a.s.
Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	SSD_20130814_01	SSD_20130814_01	CZ0003702961
Governing law(s) of the instrument	German Law	German Law	Czech law - 190/2004 Sb.
Regulatory treatment			
Transitional CRR rules	Tier 2	Tier 2	Tier2
Post-transitional CRR rules	Tier 2	Tier 2	Tier2
Eligible at solo/(sub-)consolidated/solo & (sub-)consolidated	Solo and (Sub-)Consolidated	Solo and (Sub-)Consolidated	solo & (sub-)consolidated
Instrument type (types to be specified by each jurisdiction)	Tier 2 instrument according to Article 63 CCR	Tier 2 instrument according to Article 63 CCR	Capital instrument
Amount recognised in regulatory capital (currency in million, as of most recent reporting date)	EUR 10.000.000	EUR 10.000.000	EUR 2.520.570
Nominal amount of instrument	EUR 10.000.000	EUR 10.000.000	EUR 4.624.491
Issue price	98%	98%	100%
Redemption price	100%	100%	EUR 4.624.491
Accounting classification	Liabiliaty - amortised cost/Liability - fair value option	Liabiliaty - amortised cost/Liability - fair value option	Financial liability
Original date of issuance	21 August 2013	21 August 2013	21 November 2011
Perpeptual or dated	Dated	Dated	dated
Original maturity date	21 August 2023	21 August 2023	21 September 2018
Issuer call subjet to prior supervisory approval	Yes	Yes	No
Optional call date, contingent call dates, and redemption amount	No	No	No
Subsequent call dates, if applicable	No	No	No
Coupons / dividends			
Fixed or floating dividend/coupon	Fixed Rate	Fixed Rate	Float
Coupon rate and any related index	5,30%	5,30%	6M PRIBOR + 2.50 %
Existence of a dividend stopper	No	No	No
Fully discretionary, partially discretionary or Mandatory (in terms of timing)	Mandatory	Mandatory	Mandatory
Fully discretionary, partially discretionary or Mandatory (in terms of amount)	Mandatory	Mandatory	Mandatory
Existence of step up or other incentive to redeem	No	No	no
Noncumulative or cumulative	Non-cumulative	Non-cumulative	noncumulative
Convertible or non-convertible	Non-convertible	Non-convertible	non-convertible
If convertible, conversion trigger (s)	N/A	N/A	N/A
If convertible, fully or partially	N/A	N/A	N/A
If convertible, conversion rate	N/A	N/A	N/A
If convertible, Mandatory or optional conversion	N/A	N/A	N/A
If convertible, specifiy instrument type convertible into	N/A	N/A	N/A
If convertible, specifiy issuer of instrument it converts into	N/A	N/A	N/A
Write-down features	No	No	no
If write-down, write-down trigger (s)	N/A	N/A	N/A
If write-down, full or partial	N/A	N/A	N/A
If write-down, permanent or temporary	N/A	N/A	N/A
If temporary write-down, description of write-up mechanism	N/A	N/A	N/A
Position in subordination hierachy in liquidation (specify instrument type immediately senior to instrument)	Instrument ranks senior to CET1 and AT1	Instrument ranks senior to CET1 and AT1	subordinate bonds
Non-compliant transitioned features	No	No	no
If yes, specifiy non-compliant features	N/A	N/A	N/A

Capital instruments' main features	Raiffeisen Bank International AG	Raiffeisen Bank International AG	Raiffeisen Bank International AG
Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	SSD_20150422_01	SSD_20150430_01	SSD_201506626_01
Governing law(s) of the instrument	Austrian Law	Austrian Law	Austrian Law
Regulatory treatment			
Transitional CRR rules	Tier 2	Tier 2	Tier 2
Post-transitional CRR rules	Tier 2	Tier 2	Tier 2
Eligible at solo/(sub-)consolidated/solo & (sub-)consolidated	Solo and (Sub-)Consolidated	Solo and (Sub-)Consolidated	Solo and (Sub-)Consolidated
Instrument type (types to be specified by each jurisdiction)	Tier 2 instrument according to Article 63 CCR	Tier 2 instrument according to Article 63 CCR	Tier 2 instrument according to Article 63 CCR
Amount recognised in regulatory capital (currency in million, as of most recent reporting date)	EUR 52.000.000	EUR 9.991.489	EUR 4.107.612
Nominal amount of instrument	EUR 52.000.000	CZK 270,000,000 / EUR 9,991,489	CZK 111,000,000 / EUR 4,107,612
Issue price	100%	98%	98%
Redemption price	100%	100%	100%
Accounting classification	Liabiliaty - amortised cost/Liability - fair value option	Liabiliaty - amortised cost/Liability - fair value option	Liabiliaty - amortised cost/Liability - fair value option
Original date of issuance	24 April 2015	04 May 2015	03 July 2015
Perpeptual or dated	Dated	Dated	Dated
Original maturity date	24 April 2025	04 May 2025	03 July 2025
Issuer call subjet to prior supervisory approval	Yes	Yes	Yes
Optional call date, contingent call dates, and redemption amount	24 April 2020 100%	No	No
Subsequent call dates, if applicable	No	No	No
Coupons / dividends			
Fixed or floating dividend/coupon	Fixed to Floating Rate	Fixed Rate	Fixed Rate
Coupon rate and any related index	1Y-5Y: 5.2%; 6Y-10Y: 3mEuribor + 5%, min. 5%	5,40%	5,40%
Existence of a dividend stopper	No	No	No
Fully discretionary, partially discretionary or Mandatory (in terms of timing)	Mandatory	Mandatory	Mandatory
Fully discretionary, partially discretionary or Mandatory (in terms of amount)	Mandatory	Mandatory	Mandatory
Existence of step up or other incentive to redeem	No	No	No
Noncumulative or cumulative	Non-cumulative	Non-cumulative	Non-cumulative
Convertible or non-convertible	Non-convertible	Non-convertible	Non-convertible
If convertible, conversion trigger (s)	N/A	N/A	N/A
If convertible, fully or partially	N/A	N/A	N/A
If convertible, conversion rate	N/A	N/A	N/A
If convertible, Mandatory or optional conversion	N/A	N/A	N/A
If convertible, specifiy instrument type convertible into	N/A	N/A	N/A
If convertible, specifiy issuer of instrument it converts into	N/A	N/A	N/A
Write-down features	No	No	No
If write-down, write-down trigger (s)	N/A	N/A	N/A
If write-down, full or partial	N/A	N/A	N/A
If write-down, permanent or temporary	N/A	N/A	N/A
If temporary write-down, description of write-up mechanism	N/A	N/A	N/A
Position in subordination hierachy in liquidation (specify instrument type immediately senior to instrument)	Instrument ranks senior to CET1 and AT1	Instrument ranks senior to CET1 and AT1	Instrument ranks senior to CET1 and AT1
Non-compliant transitioned features	No	No	No
If yes, specifiy non-compliant features	N/A	N/A	N/A

Capital instruments' main features	RAIFFEISENBANK a.s.	Raiffeisen Bank Aval (UA)	Raiffeisen Bausparkasse Gesellschaft m.b.H.
Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	CZ0003702953	N/A	AT0000443551
Governing law(s) of the instrument	Czech law - 190/2004 Sb.	the laws of England and Wales	German law
Regulatory treatment			
Transitional CRR rules	N/A	N/A	Tier 2
Post-transitional CRR rules	N/A	N/A	Tier 2
Eligible at solo/(sub-)consolidated/solo & (sub-)consolidated	N/A	yes	
Instrument type (types to be specified by each jurisdiction)	Capital instrument	Tier 2 capital according CCR	
Amount recognised in regulatory capital (currency in million, as of most recent reporting date)	EUR 670.940	EUR 0	EUR 617.132
Nominal amount of instrument	EUR 4.624.491	USD 50.000.000	EUR 5.500.000
Issue price	100%	margin of 9.25% pa over Libor	100%
Redemption price	EUR 4.624.491	N/A	100%
Accounting classification	Financial liability		
Original date of issuance	21 September 2011	17 July 2005	23 July 2004
Perpeptual or dated	dated	dated	dated
Original maturity date	21 September 2016	15 December 2015	23 July 2016
Issuer call subjet to prior supervisory approval	No	Yes	No
Optional call date, contingent call dates, and redemption amount	No	N/A	
Subsequent call dates, if applicable	No	N/A	No
Coupons / dividends			5,30%
Fixed or floating dividend/coupon	Fix	floating	Fixed Rate
Coupon rate and any related index	4,75%	Libor + 3%	5,30%
Existence of a dividend stopper	No	N/A	Yes
Fully discretionary, partially discretionary or Mandatory (in terms of timing)	Mandatory	Mandatory	Mandatory
Fully discretionary, partially discretionary or Mandatory (in terms of amount)	Mandatory	Mandatory	Mandatory
Existence of step up or other incentive to redeem	no	No	No
Noncumulative or cumulative	noncumulative	N/A	
Convertible or non-convertible	non-convertible	N/A	No
If convertible, conversion trigger (s)	N/A	N/A	No
If convertible, fully or partially	N/A	N/A	No
If convertible, conversion rate	N/A	N/A	No
If convertible, Mandatory or optional conversion	N/A	N/A	No
If convertible, specifiy instrument type convertible into	N/A	N/A	No
If convertible, specifiy issuer of instrument it converts into	N/A	N/A	No
Write-down features	no	N/A	No
If write-down, write-down trigger (s)	N/A	N/A	No
If write-down, full or partial	N/A	N/A	No
If write-down, permanent or temporary	N/A	N/A	No
If temporary write-down, description of write-up mechanism	N/A	N/A	No
Position in subordination hierachy in liquidation (specify instrument type immediately senior to instrument)	subordinate bonds	N/A	No
Non-compliant transitioned features	no	N/A	No
If yes, specifiy non-compliant features	N/A	N/A	No

Capital instruments' main features	Raiffeisen Bausparkasse Gesellschaft m.b.H.	Raiffeisen Bank Aval (UA)
Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	AT0000443577	N/A
Governing law(s) of the instrument	German law	the laws of England and Wales
Regulatory treatment		
Transitional CRR rules	Tier 2	N/A
Post-transitional CRR rules	Tier 2	N/A
Eligible at solo/(sub-)consolidated/solo & (sub-)consolidated		yes
Instrument type (types to be specified by each jurisdiction)		Tier 2 capital according CCR
Amount recognised in regulatory capital (currency in million, as of most recent reporting date)	EUR 7.491.785	EUR 0
Nominal amount of instrument	EUR 30.000.000	USD 20.000.000
Issue price	100%	margin of 5.75% pa over Libor
Redemption price	100%	N/A
Accounting classification		
Original date of issuance	31 March 2005	3 December 2004
Perpeptual or dated	dated	dated
Original maturity date	31 March 2017	15 December 2015
Issuer call subjet to prior supervisory approval	No	Yes
Optional call date, contingent call dates, and redemption amount		N/A
Subsequent call dates, if applicable	No	N/A
Coupons / dividends	4,63%	
Fixed or floating dividend/coupon	Fixed Rate	floating
Coupon rate and any related index	4,63%	Libor + 3%
Existence of a dividend stopper	Yes	N/A
Fully discretionary, partially discretionary or Mandatory (in terms of timing)	Mandatory	Mandatory
Fully discretionary, partially discretionary or Mandatory (in terms of amount)	Mandatory	Mandatory
Existence of step up or other incentive to redeem	No	No
Noncumulative or cumulative		N/A
Convertible or non-convertible	No	N/A
If convertible, conversion trigger (s)	No	N/A
If convertible, fully or partially	No	N/A
If convertible, conversion rate	No	N/A
If convertible, Mandatory or optional conversion	No	N/A
If convertible, specifiy instrument type convertible into	No	N/A
If convertible, specifiy issuer of instrument it converts into	No	N/A
Write-down features	No	N/A
If write-down, write-down trigger (s)	No	N/A
If write-down, full or partial	No	N/A
If write-down, permanent or temporary	No	N/A
If temporary write-down, description of write-up mechanism	No	N/A
Position in subordination hierachy in liquidation (specify instrument type immediately senior to instrument)	No	N/A
Non-compliant transitioned features	No	N/A
If yes, specifiy non-compliant features	No	N/A