RAIFFEISEN BANK INTERNATIONAL

REGULATORY DISCLOSURE REPORT 2017

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

Raiffeisen Bank International

Introduction

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

Pursuant to Article 11 of the CRR, RBI AG is subject to the CRR provisions not only as an individual credit institution but also a group.

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 2018 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.

Unless specified otherwise, the historical data (31 December 2016 - pro forma) is based on the Combined Bank (consideration of the merger) and amounts are shown in € thousand.

Regulatory Disclosure Report according to Capital Requirements Regulation (CRR)
Version 1.1

Raiffeisen Bank International AG

Registered office (also mailing address): Am Stadtpark 9, A-1030 Vienna, Austria

Telephone No.: +43-1-717 07-0

Editorial deadline

March 12, 2018

Editor

Group Regulatory Reporting (Editor) supported by Active Credit Management, ABF Financial Institutions, Balance Sheet Risk Management, Competence Center Compensation & Benefits, Group Capital Markets, Group Collateral Management & HO Credit Control, Group Financial Reporting, Group Supervisory Dialog, Group Sustainability Management, Integrated Risk Controlling, Integrated Risk Management, International Equity Investments, Market Risk Management, Retail Risk Methodology & Validation, Special Exposures Management Controlling, Validation/IRB Coordination

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

For a detailed description of RBI's risk strategies and processes, the structure and organization of the relevant risk management functions, as well as risk identification and risk management objectives and policies for each separate category of risk, please refer to the Risk Report in RBI Group's Annual Report.

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 Functional Regulation "RBI Group Risk Strategy and Group Risk Manual - Risk Oriented Bank Management" and its Supporting Documents 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, 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 sub-regions in CEE.

in € thousand	2017	Share
Central Europe	1,930,132	33%
Austria	1,647,000	28%
Southeastern Europe	1,227,575	21%
Eastern Europe	1,112,749	19%
Rest of World	1,000	0.0%
Total	**5,918,456**	**100.0%**

RBI's main business activities are within corporate banking, retail banking and other banking services. Investment banking and other market risk taking activities are limited in scope, with a substantial part of the market risk stemming from foreign currency denominated equity of subsidiaries. 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	2017	Share
Credit risk corporate customers	1,452,306	24.5%
Credit risk retail customers	1,435,510	24.2%
Operational risk	528,811	8.9%
Macroeconomic risk	486,521	8.2%
Market risk	439,715	7.4%
Credit risk sovereigns	386,529	6.5%
Participation risk	309,940	5.2%
Other tangible fixed assets	22,249	3.8%
FX risk capital position	209,146	3.5%
Credit risk financial institutions	152,927	2.6%
CVA risk	20,354	0.3%
Liquidity risk	1,901	0.0%
Risk buffer	282,307	4.8%
Total	**5,728,216**	**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 2017 the utilization of available risk capital (the ratio of economic capital to internal capital) amounted to 45 per cent, slightly down from 46 per cent as at year-end 2016.

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.

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 also due to personal commitment. The implementation of the principle of equal opportunities for equal performance starts with a recruiting process that applies equal standards without any prejudice or restrictions.

To further underscore the commitment to diversity, RBI's diversity vision and mission statement as well as daily implementation guidelines were published in July 2017. Therein, RBI presents its stance on this issue: "RBI believes that diversity adds value. Capitalizing on the opportunities from diversity provides long-term benefits to the company and its employees as well as to the economy and society as a whole. RBI is continuing Raiffeisen's 130 year success story as it embraces diversity. RBI actively and professionally harnesses the potential of diversity to give clients the best possible service as a strong partner and to position itself as an attractive employer."

Targets and target quota for the underrepresented gender

In 2014 RBI AG agreed to achieve within the next ten years a quota of at least 35 per cent for the underrepresented female gender in the area of the Supervisory Board, the Board of Management, and Tier 2 and 3 management on an overall basis. This quota was changed to 30 percent in 2017 because of organizational changes in the corporate structure due to the merger of RZB AG and RBI AG as well as the reduction in business in Asia. These factors are also reflected in the development of the RBI AG quota. RBI AG achieved a quota of 19 per cent as of 31 December 2017 (23 per cent as of 31 December 2016). The Nomination Committee has set itself a target of filling 35 per cent of the positions on the Supervisory Board, Management Board and in Tier 2 management at RBI with women by no later than 2024. The respective quota at 31 December 2017 is 29 percent.

To further improve the framework conditions for work and career, RBI continuously endeavors to reconcile day-to-day work schedules and family responsibilities as far as possible. Working arrangements such as flexible working hours, part-time and home-office working are offered in accordance with the statutory provisions, while some locations have company kindergartens with employee-friendly opening hours. Among other things, these aim to facilitate effective management of maternity leave, which should encourage women to return to work. RBI adopts a positive stance towards paternity leave and considers it an important means of strengthening equality. In order to build on management skills among employees, RBI offers targeted training and continuing education programs, which proved popular among all employees. In 2017, women made up 34 per cent of the participants in RBI AG's basic leadership program, 38 per cent in the Talent Lab for managers and 23 per cent in the Group-wide advanced leadership program.

RBI AG launched the initiative "Diversity 2020" in 2016 and continued it with a number of programs in 2017. One of the core issues targeted by the diversity initiative is the empowerment of women. In particular, it aims to increase the number of women in top management positions. Extensive communication measures were implemented to further raise awareness and highlight the importance of this issue as well as to ensure maximum transparency for the initiative. Management positions are advertised and not filled until there is at least one qualified female candidate. Potentially suitable female candidates are actively approached if needed to meet this goal. If no women apply for the position, it can be filled from the male applicants after waiting for one month. Documents needed for interviews or hearings are anonymized in order to ensure greater objectivity in the selection process. Subconscious prejudices are a significant factor preventing the appointment of women to management positions, among other things. Voluntary training courses to raise awareness in this area have already been conducted in groups. An online training module is currently in development. In addition, RBI AG supports arrangements such as part-time management in order to overcome structural barriers. It also sees gender-specific mentoring as an important tool for increasing the representation of women in management positions. To expand on this, an in-house course on the "empowerment of women" was offered to female managers, twelve "Leadership Talents" or "Emerging Leadership Talents" successfully completed the first course in May 2017. The second course started in November 2017.

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 2017 four 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 on an ad hoc basis 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 with respect to capitalization and liquidity.

Risk Reports

On Group level the various risk reports address the development of the Group's portfolios and resulting risks to the risk committees, the Management Board and the Supervisory Board. Risk-type specific risk reports (i.e. credit risk, market risk, operational risk, liquidity risk, etc.) are complemented by the ICAAP Report (going concern and target rating perspective) and the Report on the Integrated Stress Test, which aggregate the risk measurements from the various risk types and compare them with the available capital or risk taking capacity.

The quarterly Supervisory Board Risk Report summarizes the main results and findings of the various risk-type specific risk reports and the ICAAP Report, with a particular focus on the risk developments in the last quarter, as well as the utilization of the risk taking capacity (going concern and target rating perspective) in relation to the approved Group risk appetite and the risk tolerance level. The Report for the Risk Committee of the Supervisory Board goes further into detail and also discusses the Group's risk appetite, its implementation, risk-adequate pricing, and the risk-adequacy of the remuneration system.

The ICAAP Report provides a monthly analysis to the Group Risk Committee (GRC) and the Management Board of the development of the overall risk situation in the target rating perspective (Economic Capital 99.92%, 1 year) and the going concern perspective (VaR 95%, 1 year), the development of the respective coverage potential (internal capital and risk taking capacity), broken down from the Group level to a single unit view, and comparing the actual development with the economic capital budget.

Furthermore, the ICAAP Report also contains forecast calculations of risk and capital figures to identify potential events and developments which could influence the ongoing business strategy of RBI Group.

The monthly Trigger Monitoring Report provides analysis regarding the current development of the Group by means of several ratios relating to different areas (e.g. Pillar I ratios, ICAAP figures, NPE ratios, profitability ratios, etc.). The ratios and thresholds for these figures are set out within the recovery plan for RBI Group (RBI Group Recovery Plan). The monthly presentation takes place in the GRC.

The semi-annual Report on the Results from the Integrated Stress Test provides an analysis to the GRC and the Management Board in particular about the effect of the multi-year stress scenario on the CET1 ratio in relation to the Risk Tolerance Level that is defined in Chapter 3.1. "Group Risk Appetite" in this document. In addition the maximum provisioning rate and NPE ratio, set out in the NPE and Risk Cost Strategy for the Group, are tested.

The Group Credit Risk Report provides comprehensive information to the GRC and the Management Board on the development of credit exposures including foreign currency exposures, defaulted and forborne exposure, and special exposures management. It covers the areas of corporate, retail, FI and sovereign over the last quarter. Broken down from the Group level exposure and risk, developments are reported on unit and segment level. This includes also the utilization of portfolio thresholds on country level, the development of customer ratings, average probabilities of default, collateralization, forbearance, and credit concentrations measures.

The Group Credit Risk Report also includes the FX Lending Report, which is focused on foreign currency exposures to customers that are considered unhedged. It provides the GRC and the Management Board with an analysis of the risk profile of the Group's foreign currency lending and includes the retail business, the corporate business and unhedged non-bank FIs on head office level. The FX Lending Report is also part of the Supervisory Board Risk Reports and the Report for the Risk Committee of the Supervisory Board.

The Group Credit Risk Report also provides the GRC and the Management Board with an analysis of the development of the Group's defaulted exposure over the last quarter. Broken down into unit and segment level, the development is further segregated into gross inflows and outflows of defaulted exposure, including an analysis of the largest inflows and outflows of defaulted exposure as well as forbearance cases.

The NPE Dashboard, which is presented to the Management Board, is a report on the fulfillment of the set targets, the reason for deviations and the actions needed to be taken (in case significant deviations are observed) in relation to the Group NPE and Risk Costs Strategy.

The weekly Market Risk Committee reports on the development of profit and loss, the risks calculated and the limit utilization, as well as the results of scenario analyses and stress tests with respect to market risks.

The monthly Group Asset/Liquidity Committee reports on the liquidity situation including the LCR and the NSFR on Group level, for the Liquidity Union Vienna, at the head office, and for selected units. The going concern and time-to-wall analysis are also provided on material currency level.

Quantitative disclosure

The LCR disclosure template and the accompanying qualitative information on liquidity risk can be found in Annex 2.

Article 436 CRR
Scope of application

Pursuant to Article 11 of the CRR, RBI is supervised by the ECB on a consolidated basis and is subject to the CRR provisions not only as an individual credit institution but also as a group.

The consolidated group is defined as 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

Completion of merger with RZB AG

Following the Extraordinary General Meeting of RBI AG in January 2017, which approved the merger with Raiffeisen Zentralbank Österreich AG (RZB AG) by a majority of 99.4 per cent, the merger was entered in the commercial register on 18 March 2017, thereby taking effect. In the course of the RBI AG capital increase, which was also entered in the commercial register, the shareholders of RZB AG were given new shares by way of consideration for the assets transferred in the merger. The total number of RBI AG shares issued is therefore now 328,939,621 compared to 292,979,038 previously.

The merger of RZB AG into RBI AG increased the number of consolidated companies by 175 specialized financial institution subsidiaries. The effect of the merger on equity amounted to € 519 million.

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.

Similarly 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.

Of 232 Group units, 123 are domiciled in Austria and 109 abroad. They comprise 28 banks, 147 financial institutions, 16 providers of banking related services, 10 financial holding companies and 31 other companies. Due to the insignificance for the assets, financial situation and earnings, 241 subsidiaries were omitted from 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.

A list of companies, which includes information on the accounting and the regulatory consolidation method for each entity, can be found in Annex 3.

Consolidated group according to regulatory requirements

There were 204 companies (including branches) in the RBI CRR Group as at 31 December 2017.

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. 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 96 units 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.

At equity valuation

An associated company is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of an entity in which shares are held. There exists no control or joint management of decision making processes. As a rule, significant influence is assumed if the Group holds 20 to 50 per cent of the voting rights. When judging whether the Group has the ability to exert a significant influence on another entity, the existence and the effect of potential voting rights which are actually usable or convertible are taken into account. Further parameters for judging significant influence are, for example, the representation in executive committees and supervisory boards (Supervisory Board in Austrian Joint Stock companies) of the entity and material business dealings with the entity. Shares in associated companies are valued at equity.

A list of companies which are valued at equity can be found in Annex 3.

Companies deducted from the total capital

According to CRR Article 36 (1) f-l 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 common equity tier 1 capital.

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 applicable minimum capital requirements or liquidity requirements or due to other requirements from local regulators. In some countries, the prior approval of the respective local regulator for the distribution of own funds is required.

The Ukrainian National Bank implemented temporary foreign currency control restrictions. Besides other restrictions there are certain limitations applicable for credit institutions to purchase foreign currency for the transfer of foreign currency dividends to foreign investors abroad i.e. repatriation of dividends for the previous years in foreign currency to a foreign investor abroad is currently limited to an amount of USD 7 mn equivalent / month.

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.

Quantitative disclosure

EU LI1 in € thousand	Carrying values as reported in published financial statements	Carrying values under scope of regulatory consolidation	Carrying values of items				
			Subject to the credit risk framework	Subject to the CCR framework	Subject to the securitisation framework	Subject to the market risk framework	Not subject to capital requirements or subject to deduction from capital
Assets	**135,146,339**	**134,982,592**	**120,893,374**	**13,365,950**	**2,948,054**	**4,894,965**	**736,607**
Cash reserve	13,329,782	13,329,763	13,367,645				
Loans and advances to banks	14,358,246	14,317,624	5,658,518	8,097,765		3,988,361	
Loans and advances to customers	81,232,353	81,429,256	81,288,798	1,475,027	2,520,444		
Impairment losses on loans and advances	(3,102,348)	(3,098,564)	(3,134,971)				
Trading assets	3,941,757	3,944,082		2,916,222		906,604	
Derivatives	936,710	936,710		876,936			
Financial investments	19,627,884	19,747,857	19,923,526		427,610		
Companies valued at equity	728,945	720,052	720,693				
Intangible fixed assets	720,935	729,514					729,514
Tangible fixed assets	1,540,194	1,165,977	1,264,762				
Other assets	1,831,881	1,760,320	1,804,402				7,093
Liabilities	**135,146,339**	**134,982,592**	**0**	**0**	**0**	**4,446,223**	**0**
Deposits from banks	22,291,431	22,211,348				274,808	
Deposits from customers	84,831,440	84,980,553				0	
Debt securities issued	5,885,137	5,884,338				0	
Provisions for liabilities and charges	1,010,410	926,544				0	
Trading liabilities	4,256,546	4,256,447				4,171,415	
Derivatives	362,439	362,329				0	
Other liabilities	1,479,610	1,349,407				0	
Subordinated capital	3,787,977	3,783,306				0	
Consolidated equity	8,820,946	8,851,510				0	
Consolidated profit	1,116,056	1,111,592				0	
Minority interests	659,732	620,605				0	
Additional Tier 1	644,615	644,615				0	

Article 437 CRR
Total capital

Reconciliation of financials in legal and regulatory consolidation

Differences between balance sheet positions in the audited financial statements and the regulatory capital calculation are based on the different consolidation scopes. For further information on the scope of consolidation used please refer to Annex 3.

Capital

Capital base in € thousand	2017
Equity according to the group's balance sheet	10,607,717
Institutional protection scheme (IPS)	(170,558)
Non-controlling interests	620,605
Minority adjustments due to Basel III	(200,060)
Anticipated dividend	(203,943)
Deconsolidation of insurance companies	0
Associated companies consolidated according to purchase method	0
Value changes in own financial liabilities	61,338
Cash flow hedges	51,637
Additional value adjustments	(64,969)
Goodwill	(109,480)
Deferred tax assets	0
Intangible assets	(765,937)
Other adjustments	12,671
Total tier 1 capital	**9,839,021**
Tier 2 instruments	2,881,500
Net provisions for reported IRB credit exposure	191,661
Shares deducted from tier 2 capital	0
Other adjustments	(20,324)
Total tier 2 capital	**3,052,837**
Total capital base	**12,891,858**

Statement of financial position

Assets in € thousand	IFRS scope 2017	Effects - scope of consolidiation	Regulatory scope 2017
Cash reserve	13,329,782	(19)	13,329,763
Loans and advances to banks	14,358,246	(40,621)	14,317,624
Loans and advances to customers	81,232,353	196,903	81,429,256
Impairment losses on loans and advances	(3,102,348)	3,784	(3,098,564)
Trading assets	3,941,757	2,325	3,944,082
Derivatives	936,710	0	936,710
Financial investments	19,627,884	119,973	19,747,857
Investments in associates	728,945	(8,892)	720,052
Intangible fixed assets	720,935	8,579	729,514
Tangible fixed assets	1,540,194	(374,217)	1,165,977
Other assets	1,831,881	(71,561)	1,760,320
Total assets	**135,146,339**	**(163,747)**	**134,982,592**

Liabilities and equity in € thousand	IFRS scope 2017	Effects - scope of consolidiation	Regulatory scope 2017
Deposits from banks	22,291,431	(80,083)	22,211,348
Deposits from customers	84,831,440	149,113	84,980,553
Debt securities issued	5,885,137	(799)	5,884,338
Provisions for liabilites and charges	1,010,410	(83,867)	926,544
Trading liabilities	4,256,546	(100)	4,256,447
Derivatives	362,439	(110)	362,329
Other liabilities	1,479,610	(130,203)	1,349,407
Subordinated capital	3,787,977	(4,671)	3,783,306
Equity	11,241,350	(13,028)	11,228,321
Consolidated equity	8,820,946	30,563	8,851,510
Consolidated profit	1,116,056	(4,464)	1,111,592
Minority interests	659,732	(39,127)	620,605
Additional tier 1	644,615	0	644,615
Total equity and liabilities	**135,146,339**	**(163,747)**	**134,982,592**

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	31/12/2017 transitional	Phase-out	31/12/2017 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)	5,973,858	0	5,973,858
2	Retained earnings	26 (1) (c)	6,153,683		6,153,683
3	Accumulated other comprehensive income (and any other reserves)	26 (1)	(2,641,786)	(13,029)	(2,628,757)
5	Minority interests (amount allowed in consolidated CET1)	84, 479, 480	421,071	22,972	444,043
6	**Common equity tier 1 (CET1) capital before regulatory adjustments**		**9,906,826**	**9,944**	**9,942,827**
	Common equity tier 1 (CET1) capital: regulatory adjustments				
7	Additional value adjustments (negative amount)	34, 105	(64,969)		(64,969)
8	Intangible assets (net of related tax liability)	36 (1) (b), 37, 472 (4)	(583,611)	145,903	(729,514)
10	Deferred tax assets that rely on future profitability excluding those arising from temporary difference (net of related tax liability where the conditions in Article 38 (3) are met) (negative amount)	36 (1) (c), 38, 472 (5)	(7,093)		(7,093)
11	Fair value reserves related to gains or losses on cash flow hedges	33 (a)	51,637		51,637
12	Negative amounts resulting from the calculation of expected loss amounts	36 (1) (d), 40, 159, 472 (6)	(61,055)	15,264	(76,319)
14	Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	33 (1) (b) (c)	61,338		61,338
16	Direct and indirect holdings by an institution of own CET1 instruments (negative amount)	36 (1) (f), 42, 472 (8)			
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)	(36,672)		(36,672)
20c	hereof: securitization positions (negative amount)	36 (1) (k) (ii) 243 (1) (b) 244 (1) (b) 258	(36,672)		(36,672)
27	Qualifying AT1 deductions that exceeds the AT1 capital of the institution (negative amount)	36 (1) (j)			
28	**Total regulatory adjustments to common equity tier 1 (CET1)**		**(640,426)**	**161,167**	**(801,592)**
29	**Common equity tier 1 (CET1) capital**		**9,266,401**		**9,141,235**

Line	in € thousand	Reference	31/12/2017 transitional	Phase-out	31/12/2017 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)	90,475	(90,475)	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	635,680	(4,509)	640,189
36	**Additional tier 1 (AT1) capital before regulatory adjustments**		**726,155**	**(94,984)**	**640,189**
	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)	(153,535)	153,535	0
43	**Total regulatory adjustments to Additional tier 1 (AT1) capital**		**(153,535)**	**153,535**	**0**
44	**Additional tier 1 (AT1) capital**		**572,621**	**58,551**	**640,189**
45	**Tier 1 capital (T1 = CET1 + AT1)**		**9,839,021**	**58,551**	**9,781,424**
			0		0
	Tier 2 (T2) capital: instruments and provisions				
46	Capital instruments and the related share premium accounts	62, 63	2,841,500		2,841,500
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	27,307	15,115	12,192
50	Credit risk adjustments	62 (c) & (d)	191,661		191,661
51	**Tier 2 (T2) capital before regulatory adjustments**		**3,060,468**		**3,045,353**
	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)		(7,632)	7,632	0
57	**Total regulatory adjustments to tier 2 (T2) capital**		**(7,632)**	**7,632**	**0**
			0		0
58	Tier 2 (T2) capital		3,052,837	7,632	3,045,353
59	Total capital (TC = T1 + T2)		12,891,858	66,183	12,826,777
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)		71,902,171		71,902,171
60	**Total risk-weighted assets**		**71,902,171**		**71,902,171**
	Capital ratios and buffers				
61	Common equity tier 1 (as a percentage of total risk exposure amount)	92 (2) (a), 465	12.89%		12.71%
62	Tier 1 (as a percentage of total risk exposure amount)	92 (2) (b), 465	13.68%		13.60%
63	Total capital (as a percentage of total risk exposure amount)	92 (2) (c)	17.93%		17.84%
64	Institution specific buffer requirement (CET1 requirement in accordance with article 92 (1) (a) plus capital conservation and countercyclical buffer requirements plus a systemic risk buffer, plus systemically important institution buffer expressed as a percentage of total risk exposure amount)	CRD 128, 129, 140	1,322,342	2,058,534	3,380,876
65	hereof: capital conservation buffer requirement		898,777	898,777	1,797,554
66	hereof: countercyclical buffer requirement		64,054	81,224	145,278
67	hereof: systemic risk buffer requirement		359,511	1,078,533	1,438,043
68	Common Equity tier 1 available to meet buffers (as a percentage of risk exposure amount)	CRD 128	1.84%		4.70%

Line	in € thousand	Reference	31/12/2017 transitional	Phase-out	31/12/2017 fully loaded
	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)	103,091		103,091
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)	561,826		561,826
75	Deferred tax assets arising from temporary difference (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)	66,407		66,407
	Applicable caps on the inclusion of provisions in tier 2				
77	Cap on inclusion of credit risk adjustments in T2 under standardized approach	62	349,377		349,377
79	Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach	62	191,661		191,661

Amounts for market making purposes (CET 1, AT1 and T2) are directly deducted from the respective capital positions.

Summary of the main features of regulatory capital items

As at 31 December 2017, total capital amounted to € 12,892 million, representing an increase of € 1,088 million compared to the 2016 year-end figure. Common equity tier 1 (after deductions) increased € 662 million in the same period, mainly due to the inclusion of the results for 2017, while the proposed dividend of € 204 million accordingly reduced it. The impact on the common equity tier 1 ratio (fully loaded) was 28 basis points. The application of the CRR transitional provisions at the start of 2017 had a negative impact. Tier 1 capital (after deductions) increased by € 1,235 million to € 9,839 million, notably due to the issue of € 650 million of perpetual additional tier 1 capital (AT1) in July 2017. In contrast, tier 2 capital declined € 147 million to € 3,053 million due to maturing capital instruments.

Based on total risk, the common equity tier 1 ratio (transitional) was 12.9 per cent, with a total capital ratio (transitional) of 17.9 per cent. Excluding the transitional provisions as defined in the CRR, the common equity tier 1 ratio (fully loaded) stood at 12.7 per cent and the total capital ratio (fully loaded) was 17.8 per cent.

Capital instruments

For details regarding capital instruments please refer to Annex 4.

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 over the lifespan of the company. All included instruments are fully eligible under Article 28 CRR. Regarding changes in equity in the reporting period, please refer to the table "Statement of changes in equity" in the consolidated financial statements of the RBI Annual Report 2017.

Tier 1 capital

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

Tier 2 capital

Total tier 2 capital after deductions amounted € 3,053 million, mainly consisting of subordinated capital. Moreover, any excess of loan loss provisions 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 2017 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 requirements
Total risk weighted assets	**71,902,171**	**5,752,174**
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	**59,893,697**	**4,791,496**
Standardized approach (SA)	**27,950,121**	**2,236,010**
Exposure classes excluding securitization positions	27,946,276	2,235,702
Central governments or central banks	1,105,473	88,438
Regional governments or local authorities	102,934	8,235
Public sector entities	44,208	3,537
Multilateral Development Banks	0	0
International organizations	0	0
Institutions	309,058	24,725
Corporates	7,402,309	592,185
Retail	5,602,135	448,171
Secured by mortgages on immovable property	7,841,675	627,334
Exposure in default	759,614	60,769
Items associated with particularly high risk	0	0
Covered bonds	14,981	1,198
Claims on institutions and corporates with a short-term credit assessment	0	0
Collective investments undertakings (CIU)	37,704	3,016
Equity	2,037,548	163,004
Other items	2,688,637	215,091
Securitization positions	3,846	308
Hereof: Resecuritization	0	0

in € thousand	Risk weighted exposure	Capital requirements
Internal ratings based approach (IRB)	**31,943,576**	**2,555,486**
IRB approaches when neither own estimates of LGD nor conversion factors are used	**26,208,549**	**2,096,684**
Central governments and central banks	1,018,927	81,514
Institutions	1,163,634	93,091
Corporates - SME	3,722,489	297,799
Corporates - Specialized Lending	4,133,194	330,656
Breakdown by risk weights of total exposure under specialized lending slotting criteria:		
Risk weight: 0%	0	0
Risk weight: 50%	530,628	42,450
Risk weight: 70%	2,084,151	166,732
Of which: in category 1	1,876,415	150,113
Risk weight: 90%	729,399	58,352
Risk weight: 115%	552,104	44,168
Risk weight: 250%	236,913	18,953
Corporates – Other	16,170,304	1,293,624
IRB approaches when own estimates of LGD and/or conversion factors are used	**5,323,613**	**425,889**
Central governments and central banks	0	0
Institutions	0	0
Corporates – SME	0	0
Corporates - Specialized Lending	0	0
Corporates – Other	0	0
Retail - Secured by real estate SME	75,713	6,057
Retail - Secured by real estate non-SME	2,410,586	192,847
Retail - Qualifying revolving	342,437	27,395
Retail - Other SME	350,390	28,031
Retail - Other non-SME	2,144,487	171,559
Equity	178,028	14,242
Simple risk weight approach	1,665	133
Private equity exposure	0	0
Exchange traded equity exposure	0	0
Other equity exposure	1,665	133
PD/LGD approach	176,363	14,109
Equity exposure subject to risk weights	0	0
Securitization positions	233,385	18,671
Hereof: Resecuritization	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	**68**	**5**
Settlement/delivery risk in the non-trading book	0	0
Settlement/delivery risk in the trading book	68	5
Total risk exposure amount for position, foreign exchange and commodities risk	**3,451,395**	**276,112**
Risk exposure amount for position, foreign exchange and commodities risks under standardized approaches (SA)	**2,377,670**	**190,214**
Traded debt instruments	1,607,713	128,617
Equity	427,419	34,194
Particular approach for position risk in CIUs	8,354	668
Foreign Exchange	324,463	25,957
Commodities	9,720	778
Risk exposure amount for position, foreign exchange and commodities risks under internal models (IM)	**1,073,725**	**85,898**
Total risk exposure amount for operational risk	**8,302,588**	**664,207**
OpR basic indicator approach (BIA)	0	0
OpR standardized (STA) / Alternative standardized (ASA) approaches	4,093,794	327,504
OpR advanced measurement approaches (AMA)	4,208,794	336,704
Additional risk exposure amount due to fixed overheads	**0**	**0**
Total risk exposure amount for credit valuation adjustments	**254,423**	**20,354**
Advanced method	0	0
Standardized method	254,423	20,354
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 requirements
Other risk exposure amounts	**0**	**0**
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 exposure	0	0
Hereof: Due to modified risk weights for targeting asset bubbles in residential and commercial property	0	0
Hereof: Due to intra financial sector exposure	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 table below provides a further breakdown as well as a comparison with RWA amounts of last year. The total capital requirement amounted to € 5,752 million as at 31 December 2017, an increase of € 319 million compared to year-end 2016. The total capital requirement for credit risk amounted to € 4,812 million, corresponding to a rise of € 322 million. The increase was primarily based on an inorganic effect due to the higher risk weighting for loans collateralized by real estate in Poland, as well as new business in the Czech Republic and Slovakia, which increased risk-weighted assets by € 3,992 million in total. The inorganic effect in Poland impacted the Common Equity Tier 1 ratio (fully loaded) by minus 54 basis points. The total capital requirement for position risk in bonds, equities, commodities and currencies showed an increase of € 60 million, largely attributable to exchange rate fluctuations in the internal model and to the increase in bond positions in Russia. The decline of € 63 million in the total capital requirement for operational risk to € 664 million was attributable to the full application of the advanced measurement approach.

EU OV1	RWAs		Minimum capital requirements
in € thousand	31/12/2017	31/12/2016	31/12/2017
Credit risk (excluding CCR)	**57,373,731**	**52,952,272**	**4,589,898**
Of which the standardized approach	26,515,683	25,622,956	2,121,255
Of which the foundation IRB (FIRB) approach	25,532,770	22,938,012	2,042,622
Of which the advanced IRB (AIRB) approach	5,323,613	4,389,683	425,889
Of which equity IRB under the simple risk-weighted approach or the IMA	1,665	1,621	133
CCR	**1,211,366**	**1,496,423**	**96,909**
Of which mark to market	956,943	1,107,571	76,555
Of which original exposure	0	0	0
Of which the standardized approach	0	0	0
Of which internal model method (IMM)	0	0	0
Of which risk exposure amount for contributions to the default fund of a CCP	0	0	0
Of which CVA	254,423	388,852	20,354
Settlement risk	**68**	**1,587**	**5**
Securitization exposures in the banking book (after the cap)	**237,231**	**229,122**	**18,978**
Of which IRB approach	233,385	229,122	18,671
Of which IRB supervisory formula approach (SFA)			0
Of which internal assessment approach (IAA)			0
Of which standardized approach	3,846	0	308
Market risk	**3,451,395**	**2,697,331**	**276,112**
Of which the standardized approach	2,377,670	1,919,323	190,214
Of which IMA	1,073,725	778,008	85,898
Large exposures	**0**	**0**	**0**
Operational risk	**8,302,588**	**9,090,198**	**664,207**
Of which basic indicator approach	0	0	0
Of which standardized approach	4,093,794	3,995,941	327,504
Of which advanced measurement approach	4,208,794	5,094,258	336,704
Amounts below the thresholds for deduction (subject to 250% risk weight)	**1,325,793**	**1,443,699**	**106,063**
Floor adjustment	**0**	**0**	**0**
Total	**71,902,171**	**67,910,633**	**5,752,174**

EU CR10 in € thousand Regulatory categories	Remaining maturity	Specialized lending On-balance sheet amount	Off-balance sheet amount	Risk weight	Exposure amount	RWAs	Expected losses
Category 1	Less than 2.5 years	909,920	314,110	50%	1,061,255	530,628	0
	Equal to or more than 2.5 years	2,498,595	326,674	70%	2,680,593	1,876,415	10,722
Category 2	Less than 2.5 years	229,214	106,426	70%	296,766	207,736	1,187
	Equal to or more than 2.5 years	788,236	97,726	90%	810,443	729,399	6,484
Category 3	Less than 2.5 years	13,962	8,203	115%	13,994	16,093	392
	Equal to or more than 2.5 years	377,837	123,788	115%	466,096	536,011	13,051
Category 4	Less than 2.5 years	21,741	706	250%	21,775	54,438	1,742
	Equal to or more than 2.5 years	72,653	589	250%	72,990	182,476	5,839
Category 5	Less than 2.5 years	248,526	879	-	248,554	0	124,277
	Equal to or more than 2.5 years	137,523	1,512	-	137,849	0	68,925
Total	**Less than 2.5 years**	**1,423,363**	**430,325**		**1,642,345**	**808,895**	**127,598**
	Equal to or more than 2.5 years	**3,874,845**	**550,289**		**4,167,971**	**3,324,300**	**105,020**

EU CR11 in € thousand Categories	Equities under the simple risk-weighted approach On-balance sheet amount	Off-balance sheet amount	Risk weight	Exposure amount	RWAs	Capital requirements
Private equity exposures	0	0	190%	0	0	0
Exchange-traded equity exposures	0	0	290%	0	0	0
Other equity exposures	450	0	370%	450	1,665	133
Total	**450**	**0**		**450**	**1,665**	**133**

EU INS1	31/12/2017
Holdings of own funds instruments of a financial sector entity where the institution has a significant investment not deducted from own funds (before risk-weighting)	530,317
Total RWAs	**1,325,793**

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

Unit	Credit Risk Non-Retail	Retail	Market Risk	Operational Risk
Raiffeisen Bank International AG, Vienna (AT)	IRB	n.a.	Internal Model	AMA
RBI Finance LLC, New York (USA)	IRB	n.a.	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	AMA
Raiffeisen Bank S.A., Bucharest (RO)	IRB	IRB	SA	AMA
Raiffeisen Bank d.d. Bosna i Hercegovina, Sarajevo (BA)	IRB	IRB	SA	SA
Raiffeisenbank Austria d.d., Zagreb (HR)	IRB	SA	SA	SA
Raiffeisen Banka a.d., Novi Beograd (RS)	IRB	IRB	SA	SA
AO Raiffeisenbank, Moscow (RU)	IRB	SA	SA	AMA
Raiffeisenbank EAD, Sofia (BG)	IRB	IRB	SA	AMA
Raiffeisen Centrobank AG, Vienna (AT)	SA	n.a.	SA	AMA
Kathrein Privatbank Aktiengesellschaft, Vienna (AT)	SA	SA	n.a.	AMA
Raiffeisen Bausparkasse Gesellschaft m.b.H., Vienna (AT)	SA	SA	n.a.	AMA
Raiffeisen Kapitalanlage-Gesellschaft mit beschränkter Haftung, Vienna (AT)	SA	n.a.	n.a.	AMA

IRB: Internal Rating-based Approach
Internal Model: Only for risk of open currency positions and general interest rate risk in the trading book
AMA: Advanced Measurement Approach
SA: Standardized Approach

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.

As of 1 March 2017, the exchange of collateral for non-centrally cleared OTC derivatives between financial counterparties became mandatory according to the European Markets Infrastructure Regulation (EMIR) EU 648/2012. RBI is fully compliant with this regulation.

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 the 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 exists only to a negligible extent.

RBI has identified Securities Finance (i.e. Repo, Reverse Repo, Sell & Buy Back, Buy & Sell Back, and Securities Lending) as the main field of business operations where wrong-way risks can arise, either general or specific wrong-way risks. There are several restrictions in place which have been implemented in the respective IT systems and are monitored and controlled on a daily basis by an independent Controlling unit.

- Specific wrong-way risk is forbidden in general, meaning risks related to any collateral provided under GMRA, GMSLA agreements must not be identical to the credit risk of the concluding counterpart or a group of connected clients the counterpart belongs to. An exception to this general rule is only allowed for covered bonds, entitling the segregation of claims in case of bankruptcy; these covered bonds must be bonds according to CRR 575/2013 Article 129.
- For general wrong-way risks specific countries have been identified, where the correlation between government debt and the financial sector holding such government debt is considered to be high. For these countries an overlap regulation has been established limiting counterparts, collateral and the total gross amount of business volume to be undertaken.

An additional field of important business operations is undertaken in derivatives which are secured by CSA. As only cash is accepted as collateral, wrong-way risks are not considered to be an issue in this business field. For unsecured derivatives with corporates the strategy is to permit only hedging transactions without general wrong-way risk attached.

CRR rating downgrade

With the entry into force of Commission Delegated Regulation (EU) 2016/2251 regulating risk mitigation techniques for non-centrally cleared derivatives in January 2017, credit support agreements between financial counterparties must not include rating dependent thresholds.

A deterioration in credit quality could affect collateral posted under client clearing agreements which entitle the clearing member to increase initial margin requirements above the amount required by the central counterparty. Considering the volume of RBI´s centrally cleared derivatives business, the good relationship with RBI´s clearing members and the current rating of BBB+ (Standard & Poor's) and A3 (Moody's), RBI estimates the maximum amount of additional collateral as shown in the table below:

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	25,000
10	BBB-	Baa3	50,000
11	BB+	Ba1	50,000
12	BB and below	Ba2 and below	50,000

Quantitative disclosure on counterparty credit risk

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	1,994,553

The following methods are used in RBI Group to calculate counterparty credit risk.

EU CCR1 in € thousand	Notional	Replacement cost/current market value	Potential future credit exposure	EEPE	Multiplier	EAD post CRM	RWA amounts
Mark to market		2,614,389	1,541,180			1,562,526	667,894
Original exposure	0					0	0
Standardized approach		0			0	0	0
IMM (for derivatives and SFTs)				0	0	0	0
Of which securities financing transactions				0	0	0	0
Of which derivatives and long settlement transactions				0	0	0	0
Of which from contractual cross-product netting				0	0	0	0
Financial collateral simple method (for SFTs)						0	0
Financial collateral comprehensive method (for SFTs)						5,300,983	276,693
VaR for SFTs						0	0
Total							**944,587**

EU CCR2 in € thousand	Exposure value	RWA amounts
Total portfolios subject to the advanced method	0	0
(i) VaR component (including the 3× multiplier)		0
(ii) SVaR component (including the 3× multiplier)		0
All portfolios subject to the standardized method	811,876	254,423
Based on the original exposure method	0	0
Total subject to the CVA capital charge	**811,876**	**254,423**

The table below provides a breakdown of the exposure by qualifying and non-qualifying CCPs:

EU CCR8 in € thousand	EAD post CRM	RWA amounts
Exposures to QCCPs (total)		**12,080**
Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	**477,087**	**12,080**
(i) OTC derivatives	432,027	8,641
(ii) Exchange-traded derivatives	0	0
(iii) SFTs	45,060	3,439
(iv) Netting sets where cross-product netting has been approved	0	0
Segregated initial margin	**97,925**	
Non-segregated initial margin	**0**	
Prefunded default fund contributions	**0**	**0**
Alternative calculation of own funds requirements for exposures		**0**
Exposures to non-QCCPs (total)		**1,342**
Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which	**17,530**	**1,342**
(i) OTC derivatives	0	0
(ii) Exchange-traded derivatives	0	0
(iii) SFTs	17,530	1,342
(iv) Netting sets where cross-product netting has been approved	0	0
Segregated initial margin	**0**	
Non-segregated initial margin	**0**	**0**
Prefunded default fund contributions	**0**	**0**
Unfunded default fund contributions	**0**	**0**

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 also includes 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.

EU CCR5-A in € thousand	Gross positive fair value or net carrying amount	Netting benefits	Netted current credit exposure	Collateral held	Net credit exposure
Derivatives	3,695,372	1,978,007	1,717,365	819,139	898,226
SFTs	952,023	932,494	19,529	0	19,529
Cross-product netting	0	0	0	0	0
Total	**4,647,395**	**2,910,501**	**1,736,894**	**819,139**	**917,755**

EU CCR6 in € thousand	Credit derivative hedges Protection bought	 Protection sold	Other credit derivatives
Notionals			
Single-name credit default swaps	0	137,969	0
Index credit default swaps	0	90,000	0
Total return swaps	0	0	0
Credit options	0	0	0
Other credit derivatives	0	0	0
Total notionals	**0**	**227,969**	**0**
Fair values			
Positive fair value (asset)	0	108	0
Negative fair value (liability)	0	(4,485)	0

Article 440 CRR Capital buffer

The following table shows the geographical distribution of credit exposures relevant for the calculation of the RBI countercyclical capital buffer referred to in Title VII, chapter 4 CRR. The institution specific countercyclical capital buffer for RBI amounted to 0.089 per cent as at 31 December 2017.

Article 440 (1) a) CRR	General credit exposure		Trading book exposure		Securitization exposure	
in € thousand	Exposure value for SA	Exposure value for IRB	Sum of long and short positions of trading book exposure for SA	Value of trading book exposure for internal models	Exposure value for SA	Exposure value for IRB
Russia	4,102,744	7,166,526	332,109	0	0	0
Poland	8,397,574	375,599	16,896	0	0	0
Austria	10,556,507	7,828,590	93,606	0	0	1,231,960
Czech Republic	2,434,551	7,931,195	11,291	0	0	931,719
Slovakia	1,187,429	8,603,783	6,157	0	0	17,131
Romania	1,426,800	5,299,473	265	0	0	0
Hungary	590,081	2,945,106	451	0	0	0
Croatia	1,834,289	1,241,841	2,491	0	0	5,181
Germany	381,572	3,633,806	25,449	0	0	165,563
Bulgaria	325,245	2,354,305	2,399	0	0	0
Ukraine	1,389,280	125,199	152	0	0	0
Serbia	617,141	1,141,417	6	0	0	0
Bosnia and Herzegovina	470,116	1,111,957	0	0	0	0
Belarus	1,171,890	96,729	0	0	0	0
Switzerland	95,681	1,040,344	1,800	0	0	0
USA	59,696	737,352	117,129	0	0	156,183
Netherlands	45,996	959,332	17,944	0	0	56
Albania	746,034	36,193	0	0	5,253	0
United Kingdom	407,415	1,084,180	2,224	0	0	0
Sweden	37,987	89,977	4,036	0	0	0
Norway	34	74,566	2,624	0	0	0
Hong Kong	852	1,876	0	0	0	0
Other	1,195,647	3,325,496	182,749	0	0	105,808
Total	**37,474,564**	**57,204,844**	**819,777**	**0**	**5,253**	**2,613,602**

Article 440 (1) a) CRR in € thousand	Own funds requirements of which: General credit exposure	of which: Trading book exposure	of which: Securitization exposure	Total	Own funds requirements weights	Countercyclical capital buffer rate
Russia	493,582	28,096	0	521,677	11.46%	0.00%
Poland	687,557	1,352	0	688,908	15.14%	0.00%
Austria	737,063	7,447	6,347	750,856	16.50%	0.00%
Czech Republic	423,925	785	5,139	429,850	9.44%	0.50%
Slovakia	331,269	493	40	331,802	7.29%	0.50%
Romania	322,887	21	0	322,908	7.09%	0.00%
Hungary	189,325	36	0	189,361	4.16%	0.00%
Croatia	175,098	199	29	175,326	3.85%	0.00%
Germany	185,630	1,905	2,133	189,669	4.17%	0.00%
Bulgaria	126,495	192	0	126,687	2.78%	0.00%
Ukraine	91,139	12	0	91,151	2.00%	0.00%
Serbia	92,742	0	0	92,743	2.04%	0.00%
Bosnia and Herzegovina	82,284	0	0	82,284	1.81%	0.00%
Belarus	84,231	0	0	84,231	1.85%	0.00%
Switzerland	59,068	144	0	59,212	1.30%	0.00%
USA	36,000	5,754	3,180	44,934	0.99%	0.00%
Netherlands	38,047	1,227	0	39,274	0.86%	0.00%
Albania	48,585	0	308	48,892	1.07%	0.00%
United Kingdom	50,112	178	0	50,290	1.10%	0.00%
Sweden	7,571	323	0	7,894	0.17%	2.00%
Norway	4,319	16	0	4,335	0.10%	2.00%
Hong Kong	150	0	0	150	0.00%	1.25%
Other	205,902	11,379	1,803	219,084	0.00%	0.00%
Total	**4,472,980**	**59,559**	**18,978**	**4,551,517**	**0.10%**	**0.09%**

A 440 (1) b) CRR in € thousand	
Total risk exposure amount	71,902,171
Institution specific countercyclical capital buffer rate	0.089%
Institution specific countercyclical capital buffer requirement	64,054

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. Workout 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 workout 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 similar risk profiles that may be formed under certain conditions.

In the non-retail business, 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 business, 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 basic model for calculating PLLP for portfolios without IRB parameters 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 majority of the retail business banks with IRB parameters have switched 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

The following tables give an overview of the total amount of net values of on-balance sheet and off-balance sheet exposures by exposure class, geographical view and by industry sector.

EU CRB-B in € thousand	Net value of exposures 31/12/2017	Average net exposures over 2017
Central governments or central banks	2,894,639	2,536,809
Institutions	6,950,032	8,857,588
Corporates	62,389,791	60,195,005
Of which: Specialized lending	6,137,470	6,236,547
Of which: SMEs	7,655,056	7,820,982
Retail	16,367,044	15,879,324
Secured by real estate property	10,195,939	9,942,555
SMEs	170,084	173,571
Non-SMEs	10,025,855	9,768,984
Qualifying revolving	1,872,252	1,891,141
Other retail	4,298,852	4,045,628
SMEs	714,368	726,499
Non-SMEs	3,584,485	3,319,129
Equity	123,100	105,513
Total IRB approach	**88,724,605**	**87,574,238**
Central governments or central banks	28,273,543	30,299,232
Regional governments or local authorities	263,083	257,891
Public sector entities	99,711	131,866
Multilateral development banks	1,483,802	1,515,861
International organizations	747,978	781,946
Institutions	2,382,140	2,740,945
Corporates	11,253,542	11,323,801
Of which: SMEs	3,326,207	4,208,194
Retail	9,989,514	10,220,432
Of which: SMEs	1,505,174	1,449,390
Secured by mortgages on immovable property	13,004,678	12,935,021
Of which: SMEs	1,405,797	1,623,257
Exposures in default	739,398	924,580
Items associated with particularly high risk	0	21
Covered bonds	76,991	110,909
Claims on institutions and corporates with a short-term credit assessment	0	0
Collective investments undertakings	108,828	117,123
Equity exposures	1,241,907	1,261,141
Other exposures	6,469,073	11,254,072
Total standardized approach	**76,134,190**	**83,874,841**
Total	**164,858,795**	**171,449,079**

EU CRB-C in € thousand	Austria	Czech Republic	Russia	Net Value Poland	Slovakia	Germany	Other countries	Total
Central governments or central banks	15,261	0	571,760	13,738	5,734	53,427	2,234,719	2,894,639
Institutions	2,556,506	98,476	0	11,015	145,866	584,227	3,553,943	6,950,032
Corporates	14,839,760	5,326,342	10,367,641	452,815	5,104,434	4,683,208	21,615,590	62,389,791
Retail	2,507	5,175,155	8,571	4,319	5,474,424	7,687	5,694,381	16,367,044
Equity	35,730	10,073	4,105	0	50	0	73,143	123,100
Total IRB approach	**17,449,762**	**10,610,045**	**10,952,077**	**481,887**	**10,730,508**	**5,328,549**	**33,171,776**	**88,724,605**
Central governments or central banks	6,643,956	5,360,058	1,051	3,664,267	2,117,657	1,244,914	9,241,641	28,273,543
Regional governments or local authorities	5	1,219	6,351	28,904	13,570	0	213,033	263,083
Public sector entities	7	0	0	500	234	0	98,970	99,711
Multilateral development banks	0	0	0	0	0	0	1,483,802	1,483,802
International organizations	0	0	0	0	0	0	747,978	747,978
Institutions	1,555,395	76,406	15,350	15,079	7,572	139,725	572,614	2,382,140
Corporates	945,836	519,440	333,095	4,299,917	353,384	292,452	4,509,418	11,253,542
Retail	829,815	1,262,994	2,814,591	1,983,106	603,546	3,065	2,492,397	9,989,514
Secured by mortgages on immovable property	6,031,895	792,310	1,107,901	3,897,217	57,909	118,432	999,014	13,004,678
Exposures in default	22,572	19,713	65,895	303,966	10,561	9,413	307,279	739,398
Items associated with particularly high risk	0	0	0	0	0	0	0	0
Covered bonds	12,120	0	0	44,041	0	0	20,830	76,991
Claims on institutions and corporates with a short-term credit assessment	0	0	0	0	0	0	0	0
Collective investments undertakings	105,049	0	0	0	0	3	3,776	108,828
Equity exposures	1,009,866	3,537	3,244	14,253	69,677	17,234	124,096	1,241,907
Other exposures	2,380,243	291,799	634,453	317,900	320,590	9,721	2,514,367	6,469,073
Total standardized approach	**19,536,759**	**8,327,476**	**4,981,932**	**14,569,150**	**3,554,698**	**1,834,959**	**23,329,215**	**76,134,190**
Total	**36,986,521**	**18,937,522**	**15,934,009**	**15,051,037**	**14,285,207**	**7,163,509**	**56,500,991**	**164,858,795**

EU CRB-D in € thousand	Agriculture, forestry and fishing	Mining and quarrying	Manufacturing	Electricity, gas, steam and air conditioning supply	Water supply	Construction	Wholesale and retail trade	Transport and storage	Finance and insurance activities	Accommodation and food service activities	Information and communication
Central governments or central banks	0	0	0	0	0	0	151,093	0	0	0	1,258,110
Institutions	0	0	1,121	0	0	0	708,925	0	0	0	6,144,684
Corporates	749,467	2,197,588	16,815,855	1,968,078	156,731	2,252,227	13,303,672	2,027,705	284,112	778,599	6,516,679
Retail	0	0	0	0	0	0	0	0	0	0	0
Equity	0	0	14,408	0	0	0	10,518	1	0	3	47,116
Total IRB approach	**749,467**	**2,197,588**	**16,831,384**	**1,968,078**	**156,731**	**2,252,227**	**14,174,208**	**2,027,706**	**284,112**	**778,602**	**13,966,588**
Central governments or central banks	0	0	0	0	0	0	53,906	0	0	0	15,473,816
Regional governments or local authorities	0	5,335	0	0	0	0	0	0	0	0	11,413
Public sector entities	0	0	0	0	0	0	0	0	0	0	16,586
Multilateral development banks	0	0	0	0	0	0	94,902	0	0	0	1,388,900
International organizations	0	710,926	0	0	0	0	0	0	0	0	0
Institutions	0	0	298	0	0	0	9,639	0	0	0	2,372,096
Corporates	511,517	331,155	2,945,777	393,268	24,624	282,137	2,712,876	497,570	28,723	132,287	718,075
Retail	0	0	0	0	0	0	0	0	0	0	0
Secured by mortgages on immovable property	17,451	1,721	1,087,216	10,503	2,464	36,479	620,352	28,191	15,283	8,220	114,824
Exposures in default	6,425	1,807	96,290	12,497	842	17,627	72,561	11,237	13,332	3,885	1,270
Items associated with particularly high risk	0	0	0	0	0	0	0	0	0	0	0
Covered bonds	0	0	0	0	0	0	0	0	0	0	71,939
Claims on institutions and corporates with a short-term credit assessment	0	0	0	0	0	0	0	0	0	0	0
Collective investments undertakings	0	0	0	0	0	0	23,834	0	0	0	84,990
Equity exposures	361	0	6,155	15	0	762	425,467	50	0	35,145	489,054
Other exposures	1,421	0	30,332	13	65	1,116	11,248	1,283	46	367	4,625
Total standardized approach	**537,176**	**1,050,945**	**4,166,067**	**416,296**	**27,995**	**338,121**	**4,024,784**	**538,331**	**57,384**	**179,904**	**20,747,589**
Total	**1,286,643**	**3,248,533**	**20,997,452**	**2,384,374**	**184,727**	**2,590,348**	**18,198,992**	**2,566,037**	**341,496**	**958,506**	**34,714,177**

EU CRB-D in € thousand	Real estate activities	Professional, scientific and technical activities	Administrative and support service activities	Public administration and defense, compulsory social security	Education	Human health services and social work activities	Arts, entertainment and recreation	Other services	Households	Total
Central governments or central banks	0	0	0	1,485,436	0	0	0	0	0	2,894,639
Institutions	0	1,158	0	94,138	7	0	0	0	0	6,950,032
Corporates	5,142,131	3,867,837	394,388	357,811	49,794	710,740	421,655	4,394,723	0	62,389,791
Retail	0	0	0	0	0	0	0	0	16,367,044	16,367,044
Equity	0	51,053	0	0	0	0	0	0	0	123,100
Total IRB approach	**5,142,132**	**3,920,047**	**394,388**	**1,937,385**	**49,801**	**710,740**	**421,655**	**4,394,723**	**16,367,044**	**88,724,605**
Central governments or central banks	1,373	0	0	12,744,441	7	0	0	0	0	28,273,543
Regional governments or local authorities	3,728	0	0	229,214	2	4	1	13,386	0	263,083
Public sector entities	0	0	0	83,071	0	0	0	54	0	99,711
Multilateral development banks	0	0	0	0	0	0	0	0	0	1,483,802
International organizations	0	37,052	0	0	0	0	0	0	0	747,978
Institutions	0	107	0	0	0	0	0	0	0	2,382,140
Corporates	792,183	540,673	139,998	30,722	16,197	66,182	5,591	1,083,986	0	11,253,542
Retail	0	0	0	0	0	0	0	25	9,989,489	9,989,514
Secured by mortgages on immovable property	780,298	92,723	26,250	1,943	6,484	106,337	763	208,160	9,839,018	13,004,678
Exposures in default	49,616	22,394	6,131	85	403	934	103	47,235	374,724	739,398
Items associated with particularly high risk	0	0	0	0	0	0	0	0	0	0
Covered bonds	0	5,052	0	0	0	0	0	0	0	76,991
Claims on institutions and corporates with a short-term credit assessment	0	0	0	0	0	0	0	0	0	0
Collective investments undertakings	0	3	0	0	0	0	0	1	0	108,828
Equity exposures	30,068	241,791	6,540	0	0	0	0	6,499	0	1,241,907
Other exposures	3,659	2,924	103	4,578	9	3,154	1	6,404,127	0	6,469,073
Total standardized approach	**1,660,925**	**942,720**	**179,022**	**13,094,055**	**23,101**	**176,611**	**6,459**	**7,763,472**	**20,203,230**	**76,134,190**
Total	**6,803,057**	**4,862,768**	**573,410**	**15,031,440**	**72,902**	**887,352**	**428,114**	**12,158,195**	**36,570,274**	**164,858,795**

The table below provides a breakdown of net exposures by residual maturity and exposure classes.

EU CRB-E	Net exposure value					
in € thousand	**On demand**	**<= 1 year**	**> 1 year <= 5 years**	**> 5 years**	**No stated maturity**	**Total**
Central governments or central banks	0	1,706,264	747,542	440,832	0	2,894,639
Institutions	33,371	3,039,734	1,296,397	2,580,530	0	6,950,032
Corporates	547,181	24,139,879	23,041,032	14,661,699	0	62,389,791
Retail	1,321,556	177,140	5,816,342	9,052,005	0	16,367,044
Equity	0	123,100	0	0	0	123,100
Total IRB approach	**1,902,109**	**29,186,116**	**30,901,313**	**26,735,067**	**0**	**88,724,605**
Central governments or central banks	19	18,592,138	6,466,256	3,192,751	22,380	28,273,543
Regional governments or local authorities	1	36,900	88,037	138,145	0	263,083
Public sector entities	0	18,267	959	80,485	0	99,711
Multilateral development banks	0	240,792	1,040,076	197,334	5,600	1,483,802
International organizations	0	176,407	185,069	385,502	1,000	747,978
Institutions	66	1,243,320	800,957	335,365	2,432	2,382,140
Corporates	119,824	5,080,143	4,279,785	1,700,061	73,729	11,253,542
Retail	818,597	109,749	3,602,753	5,458,415	0	9,989,514
Secured by mortgages on immovable property	819,116	654,903	4,201,985	7,328,674	0	13,004,678
Exposures in default	271,433	365,515	190,997	(88,940)	394	739,398
Items associated with particularly high risk						0
Covered bonds	0	7,035	57,738	12,218	0	76,991
Claims on institutions and corporates with a short-term credit assessment						0
Collective investments undertakings	0	0	0	0	108,828	108,828
Equity exposures	0	1,241,907	0	0	0	1,241,907
Other exposures	9,540	6,422,566	27,518	9,449	0	6,469,073
Total standardized approach	**2,038,596**	**34,189,641**	**20,942,129**	**18,749,460**	**214,362**	**76,134,190**
Total	**3,940,705**	**63,375,758**	**51,843,442**	**45,484,528**	**214,362**	**164,858,795**

In the tables below a breakdown of RBI Group's defaulted and non-defaulted exposures as of 31 December 2017 by exposure classes as well as by geographical view and by industry sector is provided.

EU CR1-A in € thousand	Gross carrying values of Defaulted exposures	 Non-defaulted exposures	Specific credit risk adjustment	General credit risk adjustment	Accumulated write-offs	Credit risk adjustment charges of the period	Net values
Central governments or central banks	70	2,894,570	0	0	0	0	2,894,639
Institutions	7,000	6,956,951	13,920	0	0	0	6,950,032
Corporates	2,196,776	61,323,306	1,130,291	0	0	0	62,389,791
Of which: Specialized lending	388,441	5,890,381	141,351	0	0	0	6,137,470
Of which: SMEs	278,007	7,527,716	150,667	0	0	0	7,655,056
Retail	624,052	16,290,212	547,221	0	1,439	78,143	16,367,044
Secured by real estate property	366,752	10,085,881	256,695	0	0	18,245	10,195,939
SMEs	8,493	170,460	8,869	0	0	2,156	170,084
Non-SMEs	358,260	9,915,421	247,826	0	0	16,089	10,025,855
Qualifying revolving	39,887	1,880,823	48,457	0	738	5,237	1,872,252
Other retail	217,412	4,323,508	242,068	0	701	54,661	4,298,852
SMEs	41,164	715,212	42,009	0	126	4,377	714,368
Non-SMEs	176,248	3,608,296	200,060	0	575	50,284	3,584,485
Equity	14,421	108,679	0	0	0	0	123,100
Total IRB approach	**2,842,319**	**87,573,718**	**1,691,432**	**0**	**1,439**	**78,143**	**88,724,605**
Central governments or central banks	0	28,273,544	0	0	0	0	28,273,543
Regional governments or local authorities	0	263,083	0	0	0	0	263,083
Public sector entities	0	99,711	0	0	0	0	99,711
Multilateral development banks	0	1,483,802	0	0	0	0	1,483,802
International organizations	0	747,978	0	0	0	0	747,978
Institutions	0	2,382,196	56	0	0	0	2,382,140
Corporates	0	11,292,749	39,206	0	0	0	11,253,542
Of which: SMEs	0	3,335,153	8,945	0	0	0	3,326,207
Retail	0	10,060,474	70,960	0	259	53,065	9,989,514
Of which: SMEs	0	1,517,956	12,782	0	192	12,803	1,505,174
Secured by mortgages on immovable property	0	13,033,152	28,474	0	41	30,740	13,004,678
Of which: SMEs	0	1,410,350	4,553	0	30	6,677	1,405,797
Exposures in default	2,025,243	0	1,285,844	0	269,130	0	739,398
Items associated with particularly high risk	0	0	0	0	0	0	0
Covered bonds	0	76,991	0	0	0	0	76,991
Claims on institutions and corporates with a short-term credit assessment	0	0	0	0	0	0	0
Collective investments undertakings	0	108,828	0	0	0	0	108,828
Equity exposures	217	1,241,690	0	0	0	0	1,241,907
Other exposures	0	6,488,072	18,998	0	0	0	6,469,073
Total standardized approach	**2,025,460**	**75,552,269**	**1,443,539**	**0**	**269,430**	**83,805**	**76,134,190**
Total	**4,867,779**	**163,125,987**	**3,134,971**	**0**	**270,869**	**161,948**	**164,858,795**

EU CR1-B in € thousand	Gross carrying values of Defaulted exposures	Gross carrying values of Non-defaulted exposures	Specific credit risk adjustment	General credit risk adjustment	Accumulated write-offs	Credit risk adjustment charges of the period	Net values
Agriculture, forestry and fishing	46,002	1,279,694	39,053	0	0	0	1,286,643
Mining and quarrying	132,814	3,209,418	93,699	0	0	0	3,248,533
Manufacturing	609,197	21,733,099	365,221	0	0	0	21,977,076
Electricity, gas, steam and air conditioning supply	154,646	2,301,013	71,285	0	0	0	2,384,374
Water supply	3,151	184,070	2,494	0	0	0	184,727
Construction	80,774	2,563,558	53,984	0	0	0	2,590,348
Wholesale and retail trade	888,325	17,782,722	472,055	0	0	0	18,198,992
Transport and storage	46,236	2,550,321	30,520	0	0	0	2,566,037
Finance and insurance activities	95,683	256,905	11,092	0	0	0	341,496
Accommodation and food service activities	73,706	935,790	50,990	0	0	0	958,506
Information and communication	77,853	33,866,158	54,188	0	0	0	33,889,824
Real estate activities	360,622	6,615,281	172,846	0	0	0	6,803,057
Professional, scientific and technical activities	317,664	4,715,127	170,023	0	0	0	4,862,768
Administrative and support service activities	30,132	559,384	16,105	0	0	0	573,410
Public administration and defense, compulsory social security	27,135	15,009,997	5,692	0	0	0	15,031,440
Education	1,366	71,973	437	0	0	0	72,902
Human health services and social work activities	7,128	883,964	3,740	0	0	0	887,352
Arts, entertainment and recreation	3,326	425,820	1,032	0	0	0	428,114
Other services	217,399	12,102,656	161,859	0	0	0	12,158,195
Households	1,694,621	36,079,036	1,358,655	0	270,869	161,948	36,415,003
Total	**4,867,779**	**163,125,987**	**3,134,971**	**0**	**270,869**	**161,948**	**164,858,795**

EU CR1-C in € thousand	Gross carrying values of Defaulted exposures	Gross carrying values of Non-defaulted exposures	Specific credit risk adjustment	General credit risk adjustment	Accumulated write-offs	Credit risk adjustment charges of the period	Net values
Austria	398,092	36,747,800	159,370	0	0	0	36,986,521
Czech Republic	275,356	18,899,143	236,977	0	0	0	18,937,522
Russia	353,714	15,830,856	250,561	0	0	0	15,934,009
Poland	759,746	14,760,190	468,899	0	268,447	18,664	15,051,037
Slovakia	333,182	14,145,243	193,219	0	0	0	14,285,207
Germany	68,291	7,129,404	34,186	0	0	0	7,163,509
Other countries	2,679,398	55,613,351	1,791,759	0	2,421	143,284	56,500,991
Total	**4,867,779**	**163,125,987**	**3,134,971**	**0**	**270,869**	**161,948**	**164,858,795**

The following table provides an aging analysis of accounting on-balance sheet past-due exposures:

EU CR1-D	Gross carrying values					
in € thousand	≤ 30 days	> 30 days ≤ 60 days	> 60 days ≤ 90 days	> 90 days ≤ 180 days	> 180 days ≤ 1 year	> 1 year
Loans	3,553,261	273,789	175,572	267,271	380,573	2,008,427
Debt securities	52	0	0	0	0	639
Total exposures	**3,553,313**	**273,789**	**175,572**	**267,271**	**380,573**	**2,009,066**

The following table shows an overview of non-performing and forborne accouting exposures:

EU CR1-E	Gross carrying values of performing and non-performing exposures							Accumulated impairment and provisions and negative fair value adjustments due to credit risk				Collaterals and financial guarantees received	
								On performing exposures		On non-performing exposures		On non-performing exposures	Of which forborne exposures
in € thousand		Of which performing but past due > 30 days and <= 90 days	Of which performing forborne	Of which non-performing	Of which defaulted	Of which impaired	Of which impaired		Of which forborne		Of which forborne		
Debt securities	19,760,609	0	0	13,150	13,150	12,070	0	(85,263)	0	0	0	0	0
Loans and advances	104,816,039	300,954	792,247	4,919,516	4,621,449	4,430,343	2,392,424	(332,990)	(18,070)	(2,765,360)	(1,184,695)	685,086	132,624
Off-balance-sheet exposures	39,110,943	0	45,687	212,326	197,976	0	20,981	92,682	268	26,070	3,037	11,836	2,146

The reasons for different gross carrying values are different classifications and presentation of exposure volumes between Accounting and Risk department.

The following table shows changes in specific credit risk adjustments held against loans and debt securities that are defaulted or impaired:

EU CR2-A in € thousand	Accumulated specific credit risk adjustment	Accumulated general credit risk adjustment
Opening balance	**5,240,454**	**0**
Increases due to amounts set aside for estimated loan losses during the period	1,214,498	0
Decreases due to amounts reversed for estimated loan losses during the period	(810,123)	0
Decreases due to amounts taken against accumulated credit risk adjustments	(2,260,967)	0
Transfers between credit risk adjustments	1,296	0
Impact of exchange rate differences	(159,112)	0
Business combinations, including acquisitions and disposals of subsidiaries	(30,850)	0
Other adjustments	(60,225)	0
Closing balance	**3,134,971**	**0**
Recoveries on credit risk adjustments recorded directly to the statement of profit or loss	140,932	0
Specific credit risk adjustments directly recorded to the statement of profit or loss	(82,206)	0

The following table shows changes in the stock of non-performing loans and debt securities, excluding off-balance sheet items:

EU CR2-B in € thousand	Gross carrying value defaulted exposures
Opening balance	6,585,162
Loans and debt securities that have become defaulted or impaired since the last reporting period	1,305,092
Returned to non-defaulted status	(1,221,822)
Amounts written off	(2,309,471)
Other changes	275,637
Closing balance	**4,634,599**

Other changes include currency effects and changes in scope of consolidation.

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. The largest source of encumbrance is collateralized deposits which encumbers € 2.4 billion of assets. A further € 2.3 billion of assets are encumbered by covered bonds, € 2.0 billion of assets are encumbered by repo transactions and central bank funding and over € 0.9 billion of assets are encumbered by derivatives. A further € 2.4 billion 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 debt securities which are to a large extent central bank eligible. 'Other assets' are the third largest group of unencumbered assets. Levels of collateralization are in line with market practice.

Compared to 2016 the relative and absolute amounts of encumbered assets have fallen slightly and central bank eligible assets have decreased. Intra-group asset encumbrance is not material.

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	10,263,785	0	124,718,807	0
Equity instruments	3,355	11,610	566,060	529,064
Debt securities	1,191,489	1,248,803	20,458,767	20,473,242
Other assets	9,068,941	0	103,693,981	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	**2,401,101**	**9,889,263**
Equity instruments	588,857	2,262,411
Debt securities	1,812,244	7,498,964
Other collateral received	0	127,887
Own debt securities issued other than own covered bonds or ABS	**0**	**0**

in € thousand	Matching liabilities, contingent liabilities or securities lent	Assets, collateral received and own debt securities issued other than covered bonds and ABS encumbered
Carrying amount of selected financial liabilities	**9,344,574**	**12,664,885**

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 security 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 breakdown

The exposures post conversion factor and post risk mitigation techniques break down as follows:

EU CR5 in € thousand						Risk weight								
Exposure classes	**0%**	**2%**	**10%**	**20%**	**35%**	**50%**	**75%**	**100%**	**150%**	**250%**	**Others**	**Deducted**	**Total**	**Of which unrated**
Central governments or central banks	28,985,159	0	0	0	0	1,051	0	1,104,947	0	0	0	0	30,091,158	13,572,472
Regional government or local authorities	0	0	0	214,349	0	0	0	6,053	36,270	0	0	0	256,671	241,894
Public sector entities	0	0	0	67,090	0	234	0	30,673	0	0	0	0	97,998	86,243
Multilateral development banks	2,091,718	0	0	0	0	0	0	0	0	0	0	0	2,091,718	557,655
International organizations	747,178	0	0	0	0	0	0	0	0	0	0	0	747,178	225,345
Institutions	1,172,134	0	0	944,437	0	224,503	0	8,880	0	0	0	0	2,349,955	1,650,593
Corporates	958	432,027	0	37,934	0	52,855	0	7,573,438	38,255	0	0	0	8,135,467	7,964,037
Retail	0	0	0	0	13	16	7,761,183	259	12	0	0	0	7,761,483	7,761,483
Secured by mortgages on immovable property	0	0	0	0	8,419,344	783,169	451,763	917,669	2,262,866	0	0	0	12,834,811	12,834,811
Exposures in default	0	0	0	0	0	0	0	539,013	147,067	0	0	0	686,080	686,080
Exposures associated with particularly high risk	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Covered bonds	0	0	4,171	72,820	0	0	0	0	0	0	0	0	76,991	44,041
Institutions and corporates with a short-term credit assessment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Collective investment undertakings	0	0	0	0	0	0	0	13,383	0	0	95,444	0	108,828	108,828
Equity	0	0	0	0	0	0	0	711,259	331	530,317	0	0	1,241,907	1,151,220
Other items	3,842,383	0	0	39,565	0	0	0	1,913,139	0	65,112	0	608,342	6,468,542	6,468,148
Total	**36,839,531**	**432,027**	**4,171**	**1,376,195**	**8,419,358**	**1,061,828**	**8,212,946**	**12,818,714**	**2,484,801**	**595,429**	**95,444**	**608,342**	**72,948,787**	**53,352,850**

Risk weights of 4%, 70%, 370% and 1,250% are not applicable in RBI Group and therefore not shown in the table above.

The table below shows the CCR exposures post conversion factor and post risk mitigation techniques by type of counterparties and by risk weight:

EU CCR3 in € thousand	Risk weight											Total	Of which unrated
Exposure classes	**0%**	**2%**	**4%**	**10%**	**20%**	**50%**	**70%**	**75%**	**100%**	**150%**	**Others**		
Central governments or central banks	4,337,566	0	0	0	0	0	0	0	0	0	0	4,337,566	4,313,794
Regional government or local authorities	0	0	0	0	0	0	0	0	0	0	0	0	0
Public sector entities	0	0	0	0	500	0	0	0	0	0	0	500	500
Multilateral development banks	1,354	0	0	0	0	0	0	0	0	0	0	1,354	0
International organizations	0	0	0	0	0	0	0	0	0	0	0	0	0
Institutions	0	0	0	0	33,991	66,907	0	0	74	0	0	100,972	18,844
Corporates	0	432,027	0	0	0	5,378	0	0	52,237	39	0	489,681	484,264
Retail	0	0	0	0	0	0	0	0	0	0	0	0	0
Institutions and corporates with a short-term credit assessment	0	0	0	0	0	0	0	0	0	0	0	0	0
Other items	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	**4,338,920**	**432,027**	**0**	**0**	**34,491**	**72,285**	**0**	**0**	**52,311**	**39**	**0**	**4,930,072**	**4,817,402**

Article 445 CRR
Exposure to market risk

The components of own funds requirements under the standardized approach for market risk as at 31 December 2017 are displayed in the following table:

EU MR1 **in € thousand**	**RWA amounts**	**Capital requirements**
Outright products		
Interest rate risk (general and specific)	1,606,158	128,493
Equity risk (general and specific)	361,157	28,893
Foreign exchange risk	285,421	22,834
Commodity risk	2,865	229
Options		
Simplified approach	0	0
Delta-plus method	14,247	1,140
Scenario approach	107,822	8,626
Securitization (specific risk)	0	0
Total	**2,377,670**	**190,214**

Article 446 CRR Operational risk

As of September 2016, RBI received the permission to calculate regulatory capital according to the Advanced Measurement Approach. Based on the application the approach was granted for the Group only with respect to the following units:

Legal Entities	Country
Raiffeisen Bank International AG, Vienna incl. all branches	AT
Raiffeisen-Leasing International Gesellschaft m.b.H., Vienna	AT
Regional Card Processing Center s.r.o., Bratislava	SK
AO Raiffeisenbank, Moscow	RU
OOO Raiffeisen-Leasing, Moscow	RU
Raiffeisen Bank S.A., Bucharest	RO
S.A.I. Raiffeisen Asset Management S.A., Bucharest	RO
Raiffeisen Leasing IFN S.A., Bucharest	RO
Tatra banka, a.s., Bratislava	SK
Tatra Asset Management, správ. spol., a.s., Bratislava	SK
Tatra Residence, a.s., Bratislava	SK
Doplnková dôchodková spolocnost Tatra banky, a.s., Bratislava	SK
Tatra-Leasing, s.r.o., Bratislava	SK
Raiffeisenbank (Bulgaria) EAD, Sofia	BG
Raiffeisen Leasing Bulgaria OOD, Sofia	BG
Raiffeisen Centrobank AG, Vienna	AT
Kathrein Privatbank Aktiengesellschaft, Vienna	AT
Kathrein Capital Management GmbH, Vienna	AT
Kathrein & Co. Vermögensverwaltung GmbH, Vienna	AT
Raiffeisen Bausparkasse Gesellschaft m.b.H., Vienna	AT
Raiffeisen Kapitalanlage-GmbH, Vienna	AT
RALT Raiffeisen-Leasing, Vienna	AT
RALT Raiffeisen-Leasing Gesellschaft m.b.H. & Co. KG, Vienna	AT
RZB Sektorbeteiligung GmbH, Vienna	AT
RB International Finance, Hong Kong	HK

All residual units, which are part of the RBI CRR Group, are applying the Standardized Approach.

The own funds requirement for the Advanced Measurement Approach is calculated using an internal model on a quarterly basis. Input factors are internal loss events, external loss events provided by ORX (Operational Riskdata eXchange Association) and scenarios.

RBI has a yearly operational risk management cycle. At the beginning of the year, the units evaluate factors which may result in changes to risk levels, such as internal event history, internal audit reports, changes in the internal and external environment and control deficiencies. This forms the starting point for the comprehensive risk assessment workshops. All nominated Operational Risk Managers, with the support of Operational Risk Controlling and other relevant second line of defense areas (e.g. Financial Crime Management, Compliance, Security, ICS), reevaluate the risk profile of the Group. The risk assessment results are used to identify short term loss expectations and act as the reevaluation and identification interface for the high severity and low impact cases.

Based on this, the relevant scenarios are amended by Operational Risk Managers representing the first line of defense of the relevant areas on a yearly basis. In certain circumstances scenarios might be assessed more often.

Events are collected in a centralized database by responsible Operational Risk Managers and supporting functions. Quality and completeness methods such as Operational Risk Controller checks, a two-sided reconciliation with the General Ledger and a Group-wide data quality indicator reporting concept are also employed.

Taking the internal (events, scenarios) and the external data into consideration, the capital requirement constitutes the VaR at a confidence level of 99.9%. Based on the Group figure calculated by the model, a risk sensitive approach for the capital allocation is applied at Group level. Relevant sub-groups are allocated a proportion based on a combination of gross income (stabilization), weighted frequency of event occurrence and exposure to the scenarios assigned.

RBI uses the common approach in operational risk modelling of defining Units of Measurement (UoM) that are based on groups of risks sharing common factors and applies a Loss Distribution Approach (LDA) for each of them. In a LDA framework, the frequency of losses and the individual loss amounts are modelled independently from each other. To determine the capital requirement, a Monte Carlo simulation is used that takes into account the dependency structure between the UoM.

Expected losses are not excluded from the requirement calculation. All results from the validation are reported to the Operational Risk Management & Controls Committee.

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 the RBI Group 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 holdings categorized as available-for-sale are directly recognized in equity without affecting the income statement. However, impairments are shown in the income statement.

Quantitative disclosure

Article 447 (b)- (c) in € thousand	**Carrying amount**	**Fair value**	**Market value**
Shares	**2,291**	**2,291**	**1,187**
listed	1,187	1,187	1,187
not listed	1,103	1,103	-
Other interests	**928,762**	**927,362**	**333,666**
listed	335,066	333,666	333,666
not listed	593,697	593,697	-
Interest in affiliated companies	**406,585**	**406,585**	**0**
listed	0	0	0
not listed	406,585	406,585	-

Article 447 (d)- (e) in € thousand	**Amount**
Net realised gains (losses) on equity instruments	5,442
Net gain (losses) on equity instruments	(75,881)
Deferred revaluation gains/losses	4,555
hereof: included in Tier 1 capital	(73,699)

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 the 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 extend – 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 re-evaluation 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 the interest rate behavior of certain positions has to be modeled. In this respect the modeling of own funds 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. Own funds are modeled as overnight positions without interest rate sensitivity in terms of Basis Point Values and Value at Risk and therefore do 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 mimic the historical interest rate behavior of the administered rate product the best. 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 5 years for retail products and up to 4 years for corporate products. The actual durations for specific administered rate products on RBI's balance sheet vary currently between 1 month and 3.9 years for retail products and between 1 month and 0.7 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 optionalities present in the retail portfolio that affect the interest rate risk profile of the transactions (i.e. prepayment option, early withdrawal option and replenishment option) are taken into consideration and modelled according to the RBI-Group optionality model. This model is based on linear regression using the historical development of optionalities as input. In case no statistically significant parameters are found in the regression analysis, a moving average concept is applied.

For Raiffeisen Bausparkasse Austria the following additional modelling has been implemented: Prepayments for Bausparkasse Austrai retail loans are split into secured and unsecured loans and a 99% confidence interval has been introduced. Retail term deposits for building societies are modelled as well. During lifetime of the deposit of six years a certain savings amount is agreed with the customer. In order to determine the targeted deposit volume in the future, a haircut based on regular and early terminations forecast is calculated and applied to the monthly modelled increase in the deposit volume. In order to achieve the agreed volume of the saving account there are regular (e.g. monthly) payment inflows modelled. The additional agreed saving amount after application of the haircut is distributed across the remaining lifetime of the existing deposits.

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 variations in forecasted earnings of RBI's banking book for the horizon of the next 12 months under a sudden parallel shift of +200bps and -200bps as a percentage of total forecasted earnings in the scenario with stable interest rates.

2017	+200 bp shift	(200) bp shift
ALL	(0.08)%	(0.25)%
BGN	0.39%	(0.37)%
BYN	0.00%	0.00%
CHF	(0.65)%	0.61%
CNY	0.00%	0.00%
CZK	1.49%	(2.85)%
EUR	0.05%	1.81%
GBP	(0.05)%	0.14%
HRK	0.30%	(0.79)%
HUF	0.27%	(0.21)%
PLN	1.06%	(1.31)%
RON	0.86%	(1.78)%
RSD	0.14%	(0.24)%
RUB	(0.87)%	0.22%
SGD	0.00%	0.00%
UAH	(0.08)%	0.08%
USD	(0.64)%	(0.55)%
Other	0.12%	0.11%

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.

2017 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	(25)	2	(5)	(3)	(19)	(3)	3	(3)	1	1	1	1
BGN	26	1	0	1	8	12	36	(18)	(10)	(3)	(1)	0
BYN	(16)	1	(1)	(3)	(7)	(3)	(2)	0	0	0	0	0
CHF	245	(10)	2	2	12	14	34	21	49	73	43	5
CNY	(3)	0	0	(3)	0	0	0	0	0	0	0	0
CZK	(246)	13	(18)	(2)	8	6	(46)	67	57	37	(268)	(102)
EUR	(441)	(8)	(6)	109	(266)	37	515	251	(262)	(433)	(228)	(149)
GBP	(4)	(1)	0	1	0	0	(1)	(1)	(1)	0	0	0
HRK	(17)	2	(6)	(9)	(1)	5	30	(28)	(8)	(2)	0	0
HUF	(32)	(2)	(11)	23	(2)	(19)	41	(55)	(1)	(3)	(2)	(1)
PLN	139	(22)	4	24	15	15	19	17	13	34	17	3
RON	106	1	(5)	7	39	63	19	(4)	(4)	(5)	(3)	(2)
RSD	(38)	(1)	(2)	(1)	(19)	(4)	(6)	(5)	(1)	0	0	0
RUB	(307)	7	(17)	(22)	(196)	(82)	(35)	29	76	(45)	(20)	(3)
SGD	1	0	0	1	0	0	0	0	0	0	0	0
UAH	(57)	1	(3)	(3)	(18)	(10)	(14)	(3)	(4)	(2)	0	0
USD	182	28	5	13	2	32	57	5	4	32	4	2
Other	(11)	6	(1)	(6)	(4)	(2)	(4)	0	2	0	0	0

A more extensive stress scenario is shown in the following table reflecting changes in the present value of RBI's banking book, when the parallel shift factors are increased as follows: The standard stress scenario is based on a sudden parallel 200 basis points downwards and upwards shift of the respective yield curve. If the entire 200 basis point shift (down or up) is lower than the actual level of change in interest rates, calculated using the 1st and 99th percentile of observed one-day interest rate changes over a five year period scaled up to a 240-day year, the higher level of stress factor arising from the latter calculation is applied. Stress results related to the yield curve as well as scenarios for all the yield curves are based on a full simulation, dynamic approach.

Changes in the present value of RBI's banking book in € thousand	Parallel shift down	Parallel shift up
ALL yield curve	7,628	(8,811)
AUD yield curve	74	(74)
BGN yield curve	1,743	8,927
CAD yield curve	(20)	10
CHF yield curve	(5,077)	49,180
CNH yield curve	39	(37)
CNY yield curve	879	(857)
CZK yield curve	72,915	(35,250)
DKK yield curve	(2)	(5)
EUR yield curve	130,717	(61,660)
GBP yield curve	403	(676)
HKD yield curve	2	(3)
HRK yield curve	4,130	(4,727)
HUF yield curve	5,548	(7,766)
JPY yield curve	0	(5)
NOK yield curve	(55)	142
NZD yield curve	(2)	2
PLN yield curve	(23,655)	28,080
RON yield curve	(38,991)	39,672
RSD yield curve	12,998	(14,428)
RUB yield curve	132,594	(116,442)
SEK yield curve	37	117
SGD yield curve	(86)	109
TRY yield curve	(52)	52
UAH yield curve	24,967	(21,347)
USD yield curve	(36,842)	34,615
ZAR yield curve	3	(3)
All yield curves (total)	**289,897**	**(111,182)**

Article 449 CRR
Exposure to securitization positions

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

RBI concludes securitization transactions with the aim of:

- Reducing regulatory capital requirements or economic capital or accessing additional funding sources;
- For the purpose of obtaining interest income while achieving at the same time an attractive risk/return profile;
- For the purpose of generating fee income.

In the course of dealing with securitization transactions, RBI focuses on the following risks in addition to credit risk:

- Reputation risk
- Liquidity risk
- Counterparty risk
- Country risk
- Currency risk
- Regulatory risk
- Market risk
- Dilution risk and
- Commongling risk

These aspects are handled by the respective, dedicated internal governance processes. The assessment of these risks (if deemed significant) and their mitigation is included in the internal application and included in the decision making process.

RBI only invests in selected asset classes on senior level with investment grade ratings or respective insurance wrap, or retains tranches of assets originated by RBI or its Group entities at senior or other tranche levels. There is no re-securitization activity within RBI (apart from legacy CDO transactions).

The roles of the Bank in securitization transactions

RBI engages in securitization transactions as:

- Sponsor (traditional securitizations)
- Investor (traditional securitizations)
- Originator (traditional and synthetic securitizations)
- Arranger (traditional and synthetic securitizations)
- Servicer and back-up servicer (acting only for Group entities to meet market requirements)

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

A dedicated governance and risk management process is in place to monitor performance and changes in the securitization exposures.

The monitoring of changes in the credit and market risk of securitization exposures comprises three different layers – the originator (credit & collection policy, commongling risk, 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 or recommendation and review of securitization positions.

Retained tranches of transactions where RBI or one of its Group entities acts as originator are related to synthetic transactions of portfolios originated in the ordinary course of business. No hedging instruments are in place related to such retained tranches.

Unfunded protection transactions related to synthetic securitization tranches where RBI or one of its Group entities acts as originator are only entered into with multilateral development banks with an assigned risk weight of 0 per cent (e.g. EIF).

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), if a significant risk transfer (SRT) is recognized. 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. In case SRT is not recognized, the original RWA amount of the underlying assets is applied.

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 defined minimum rating, which are not rated or for which no alternative approach can be used will be deducted from capital.

The Internal Assessment Approach is not used for origination positions.

Accounting policies

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 whereas 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.

In 2017 no assets were assigned as "awaiting securitization" and there were no changes regarding the methods, key assumptions, and inputs from the previous period for valuing securitization positions.

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 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

There are no externally rated securitization transactions for which RBI acts as an originator.

Moody's Investor Service, Fitch Ratings, DBRS, Standard & Poor's and Scope Ratings are used in relation to traditional securitizations where RBI acts as an investor and/or arranger.

RBI as sponsor

RBI acts as sponsor in relation to Belvedere Financing S.A., an SSPE established under the Luxemburg Securitization Law. Belvedere Financing S.A. is purchasing trade receivables from different customers of RBI and finances those purchased by issuing notes. RBI acts as portfolio administrator of Belvedere Financing S.A. as well as investor in the issued notes.

RBI as investor and arranger

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 receivables purchase and securitizations of different kind. A such, RBI as an investor also has exposure to a variety of traditional securitization transactions including to Belevedere Financing S.A. backed by trade receivables originated by third parties.

RBI as originator

The following transactions for all or at least individual tranches were executed with external contractual partners, were still active in the reporting year and resulted in a credit risk mitigation. In each case, the figures shown represent the securitized portfolio and the underlying assets as well as the amount of the externally placed tranche on the reporting date.

in € thousand	Seller of claims or secured party	Date of contract	End of maturity	Max. volume	Securitized portfolio	Outstanding portfolio[3]	Portfolio	Externally placed tranche	Amount of the externally placed tranche
Synthetic Transaction ROOF RBCZ 2015[1]	Raiffeisenbank a.s., Prague (CZ)	Dec. 2015	April 2024		1,000,000	1,389,309	Company loans and guarantees	Mezzanine	68,281
Synthetic Transaction ROOF Slovakia 2017[1]	Raiffeisen Bank International AG, Vienna (AT)	Nov. 2017	April 2025		1,231,960	2,696,379	Company loans	Mezzanine	83,800
Synthetic Transaction EIF JEREMIE Bulgaria[2]	Raiffeisenbank (Bulgaria) EAD, Sofia (BG)	July 2011	July 2024	71,500	6,436	8,045	SME loans	Junior	6,436
Synthetic Transaction EIF JEREMIE Romania[2]	Raiffeisenbank S.A., Bucarest (RO)	Dec. 2010	Dec. 2023	172,500	7,122	8,902	SME loans	Junior	7,122
Synthetic Transaction EIF JEREMIE Slovakia	Tatra banka a.s., Bratislava (SK)	March 2014	June 2025	60,000	17,131	24,474	SME loans	Junior	9,941
Synthetic Transaction EIF Western Balkans EDIF Albania	Raiffeisen Bank Sh.a., Tirana (AL)	Dec. 2016	June 2028	17,000	7,004	10,006	SME loans	Junior	1,751
Synthetic Transaction EIF Western Balkans EDIF Croatia	Raiffeisenbank Austria d.d., Zagreb (HR)	April 2015	May 2023	20,107	6,642	9,488	SME loans	Junior	1,461

1 Junior tranche held in the Group
2 Due to full amortization of the senior tranche, the amount of the externally placed junior tranche corresponds to the amount of the securitized portfolio.
3 Outstanding portfolio (securitized and retained)
SME: Small and Medium-sized Enterprises

The Group participates in the synthetic ROOF RBCZ 2015 transaction, which was split into a senior, a mezzanine and a junior tranche. The mezzanine tranche in the amount of € 68,281 thousand was sold to institutional investors, while Raiffeisenbank a.s., Prague holds the credit risk of the junior and senior tranches.

The Group executed a new synthetic transaction, ROOF Slovakia 2017, which was split into a senior, a mezzanine and a junior tranche. The mezzanine tranche in the amount of € 83,800 thousand was sold to institutional investors, while the credit risk of the junior and senior tranches are retained.

As part of the JEREMIE initiative, the participating subsidiaries (Raiffeisenbank (Bulgaria) EAD, Sofia, Raiffeisenbank S.A., Bucharest, and Tatra banka a.s., Bratislava) have received guarantees from the European Investment Fund (EIF) to support lending to small and medium-sized enterprises.

As part of the Western Balkans Enterprise Development and Innovation Facility, the participating subsidiaries (Raiffeisenbank Sh.a., Tirana and Raiffeisenbank Austria d.d., Zagreb) each signed a portfolio guarantee agreement, funded by the EU and similar to the JEREMIE initiatives, aimed at providing access to finance for small and medium-sized enterprises.

In the financial year 2017 two synthetic transactions were terminated by RBI AG: ROOF Real Estate 2015, referencing real estate loans originated by RBI AG, and ROOF Infrastructure 2014 referencing a portfolio of corporate and project finance loans principally originated by RBI AG.

List of orphan (bankruptcy remote) SSPEs in transactions where RBI or one of its Group entities acts as originator:

- ROOF RBCZ 2015 S.A.R.L. (synthetic securitization, acting as guarantor, RBCZ is beneficiary)
- ROOF Slovakia 2017 S.A.R.L. (synthetic securitization, acting as guarantor, RBI is beneficiary)

Quantitative disclosure

In the tables below quantitative information according to Article 449 (n) – (q) CRR is disclosed. Articles 449 (n) iii), iv), (o) ii) and q) are not applicable for RBI.

RBI has no securitization exposures booked in the trading book, therefore the tables below only contain non-trading book exposures.

Article 449 (n) i) CRR	Outstanding amount		Total outstanding
in € thousand	Traditional securitizations	Synthetic securitizations	
Leasing	0	0	0
Corporate loans	0	2,269,859	2,269,859
Total	**0**	**2,269,859**	**2,269,859**

Article 449 (n) ii) CRR in € thousand	Retained and purchased securitization positions
Asset-backed Securities (ABS) leasing	113,965
Asset-backed Securities (ABS) other	331,196
Credit Linked Obligations (CLO)	2,079,880
Collateralized Debt Obligation (CDO)	73
Total	**2,525,114**

Article 449 (n) v) CRR in € thousand	Securitization positions
Deduction from own funds	36,672

RBI entities acted as originator in new synthetic securitizations in 2017 (without significant risk transfer) as follows:

- RBRO EIF COSME program, outstanding exposure € 36.8 million
- RBAV EIF DCFTA program, outstanding exposure none (availability period starts in 2018)

RBI acted as arranger of a variety of traditional securitization transactions in the total amount of approx. EUR 2,835 million and as investor in traditional securitization transactions in the total amount of EUR 372.5 million during the period.

Article 449 (o) i) CRR in € thousand	Retained and purchased securitization positions
Risk weight ≤ 10%	2,177,416
10% < Risk weight ≤ 20%	209,218
20% < Risk weight ≤ 50%	96,770
50% < Risk weight ≤ 100%	5,037
100% < Risk weight ≤ 650%	0
650% < Risk weight < 1250%	0
Deduction from own funds	36,672
Total	**2,525,114**

Article 449 (o) i) CRR in € thousand	Securitizations	Retained and purchased securitization positions	Capital requirements and deduction items
IRB	Securitizations	2,511,988	47,471
IRB	Resecuritizations	7,872	7,872
Standardized approach	Securitizations	5,253	308
Total		**2,525,114**	**55,651**

Article 449 (p) CRR in € thousand	Impaired	Past due	Losses realized
Retail	875	870	920
Corporate	15,177	8,042	1,840
Total	**16,052**	**8,912**	**2,760**

RBI has not provided any implicit support within the terms of Article 248 (1) CRR.

Article 450 CRR Remuneration policy

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

Basic characteristics of RBI's remuneration policies and practices

RBI Group's key remuneration principles are:

- RBI Group 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 Group 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 Group's strategy, the Group's vision and the remuneration system, RBI Group 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 Group 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 pay mix (proportion of variable compensation to fixed compensation) is well balanced. This allows every employee an adequate living based on fixed income; thus allowing a fully flexible variable remuneration policy. It includes the possibility of no variable remuneration while still providing financial security to employees.

In 2015 RBI introduced an updated compensation system for its employees. The 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. 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 – see section "The design and structure of the remuneration system" for further information) has been introduced. For functions with a very low or indirect influence on the company result, the variable remuneration portion was omitted completely. For higher management levels, the bonus system has been adapted in such a way as to further promote teamwork; "silo-thinking" is avoided by focusing on overall Group and institutional performance. The Group and institutional performance are considered in the potential bonus in the following way: the potential bonus for RBI Board members fully depends on the Group performance while for all other bonus-eligible staff in RBI head office the local performance and the Group performance is weighted with 50 per cent each. For the bonus pool for other bonus-eligible staff, the Group performance is weighted with 33.3 per cent and the local company performance with 66.7 per cent. This means that variable remuneration is influenced by the performance of RBI as a whole and the performance of the respective company, and less by factors on the level of the individual employee; therefore, the probability of inappropriate risk-taking and undue risk assumption on the individual level is minimized.

RBI Group's bonus system differentiates between two categories of staff: Group executives and other bonus-eligible staff. Group executives comprise individuals in top level management functions in RBI Group, covering functions in RBI head office selected based on objective criteria and board members of relevant RBI Group subsidiaries.

The 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 above listed key remuneration principles.

Decision-making process for the remuneration policy and the Remuneration Committee

RBI AG has established a Remuneration Committee of the Supervisory Board (REMCO) within the meaning of Section 39c of the Austrian Banking Act (BWG).

Composition of the REMCO:

- The REMCO consists of nine Supervisory Board members (out of which three members are delegated from the Staff Council).
- The number and members from among the group of equity stakeholders is ascertained by resolution of the Supervisory Board. The Chairman of the Supervisory Board belongs to the REMCO. The Supervisory Board members from among the employee representatives shall be entitled to be represented in the Committee by such members designated by them in such number as is in accordance with sec. 110 of the Labor Constitution Act (Arbeitsverfassungsgesetz, ArbVG), but this does not apply to meetings and votes concerning the legal relationship between the Company and the active or retired members of the Board of Management, with the exception of the granting of options on shares of the Company or of share transfer programs.
- At least one member of the REMCO has specific knowledge and practical experience in the area of remuneration policy ("remuneration expert").
- If the REMCO employs an advisor it does not advise the Management Board in remuneration matters.
- The Chairman of the REMCO and its Deputies are elected by the Supervisory Board.

The REMCO has the following duties and responsibilities:

(a) Approval of the following measures:

(i) establishing general principles of the remuneration policy and practices of the Company (RBI AG) taking into account the provision of sec. 39b of the BWG (including the annex to sec. 39b BWG), as well as the provisions of the Austrian Corporate Governance Code that are applicable in this respect;

(ii) establishing general principles of the remuneration policy and practices for group companies of the Company (RBI Group) taking into account the provision of sec. 39b of the BWG (including the annex to sec. 39b BWG), and in particular, establishing the selection process to be used for determining the extent to which these remuneration principles shall be applied to the individual group companies;

(iii) establishing principles concerning remuneration systems (taking into account the fixed and variable remuneration components and having regard to the principles of the Austrian Corporate Governance Code), which includes establishing principles concerning the granting of shares in profits or in turnover and the making of pension commitments to executives (leitende Angestellte) within the meaning of sec. 80 para. 1 of the Austrian Stock Corporation Act (Aktiengesetz, AktG);

(iv) granting options on shares of the Company or granting a program for the preferential transfer of shares of the Company to Management Board members, employees and executives of the Company or any of its affiliates as well as to members of the Management Boards and Supervisory Boards of affiliated companies. The possible adoption of a resolution by the shareholders' meeting within the meaning of the Austrian Corporate Governance Code shall not be affected thereby;

(v) deciding whether a "malus" or a "clawback event" within the meaning of the established remuneration principles has occurred (in a given year) and what consequences such an event shall have in view of the payout of any variable remuneration.

(b) Monitoring and regular review of 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, provided that also the long-term interests of shareholders, investors and employees of the Company as well as the interest of the economy in having a functioning banking sector and stable financial markets have to be taken into consideration;

(c) Responsibility for monitoring the implementation of the remuneration policy and practices approved by it;

(d) Direct review of the remuneration of senior risk management executives and senior executives holding compliance functions.

(e) Preparing other resolutions concerning the topic of remuneration, including resolutions having an effect on risk and risk management, provided they have to be adopted by the Supervisory Board.

The REMCO is also entitled at any time to request the Board of Management to render report on the matters indicated in paragraph 1 and to let the committee inspect any and all documentation that it may require for the proper fulfillment of its duties and responsibilities.

Two REMCO meetings took place and one application per letter was dealt with during 2017, to decide on remuneration related topics.

On subsidiary level the compensation policies are structured in compliance with the RBI Group 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 associated corporate functions (e.g. control functions, HR, Legal) about the design, implementation and oversight of the remuneration policies.

The Risk Committee, without prejudice to the duties and responsibilities of the REMCO, reviews whether risk, capital, liquidity and the probability and timing of profit realization are appropriately reflected in the incentives offered by the internal remuneration system.

Link between pay and performance

Performance is the basis for variable compensation and takes into account:

- individual/unit performance (including compliance with the RBI Group Code of Conduct and the Compliance regulations),
- the Group and subsidiary performance, 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. Each employee's objectives are derived from the organizational strategic priorities and from the relevant business line, department, and team goals. Thus, they are aligned with the overall business objectives. Each objective is weighted (in per cent of a total of 100 per cent) according to its specific importance and/or to the efforts needed for achieving it.

The scope of staff for whom variable remuneration is foreseen is determined by the functional structure (grade and business area structure) of each company, which is also the basis for all compensation and benefit processes.

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

In RBI Group, 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 AG, RBI Group and its institutions.

For Group executives, one of these pre-conditions is that the individual performance for the respective performance year has to reach the level of at least "fully meets expectations". A bonus payment for Group executives therefore depends on the fulfillment of all the relevant, risk-adjusted KPIs contained in the individual performance agreements. The final bonus amount is then determined based on the fulfillment of relevant KPIs on Group level (for 2017: NPAT and CIR) for which targets have been derived from the RBI Group mid-term targets for the Group part of the bonus. This measure further enforces the focus on a multi-year approach and the commitment to our shareholders.

For other bonus-eligible staff, variable compensation is based on bonus pools on bank level. For this employee category the relevant NPAT and CIR targets have also been derived from the RBI Group mid-term targets.

Every variable remuneration system has fixed minimum and maximum performance grades and thus defines maximum pay-out values. Bonuses in general are linked to risk-adjusted measures, sustainable profit targets and capital costs of RBI Group and each entity within the Group.

Following a consistent approach for the whole RBI Group, members of the Board of Management are also measured against a set of KPIs, either as performance or step-in criteria for bonus allocation. They are reviewed annually and aligned to regulatory requirements. Target numbers are derived from the budget approved by the Supervisory Board.

Besides the qualitative performance criteria, there are quantitative performance criteria which are in line with the following:

1. The company's business strategy and long-term interests of the credit institution:
   a. CET 1 Ratio (step-in)
   b. SREP Ratio (step-in)
   c. Concentration on fee business and capital light products as business strategy to increase profit despite limited RWAs
   d. Mid-term ROE

2. Solid risk management and long-term growth
   a. Recovery / Workout
   b. Adherence to risk cost budget

3. All current and future risk, cost of capital and cost of liquidity
   a. RORAC
   b. Portfolio quality
   c. Consolidated profit

The payment of a bonus is linked to the achievement of annually agreed goals from four or five areas based on a balanced scorecard approach. These are weighted financial goals (adjusted to the respective function, e.g. return on risk-adjusted capital, total costs, risk-weighted assets), customer and employee goals, as well as process/efficiency/infrastructure goals and, where necessary, additional goals. The amount of the bonus is determined based on consolidated profit and the cost/income ratio; the targets to be achieved are based on RBI's medium-term return on equity target and thus consider a period spanning several years. Payment of bonuses is deferred as set forth in the BWG and implemented according to internal regulations.

Management Board members' contracts specify a maximum bonus. A maximum limit is in place for all variable compensation components. Other remuneration consists of compensation for board-level functions in affiliated companies, payments to pension funds and for reinsurance policies, as well as other insurance and benefits.

The design and structure of the remuneration system

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 Group's and a single institution's risk profile, is applied.

For this category of employees ("Identified Staff"), the relevant internal regulations of RBI Group 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.

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

Fix and variable remuneration

Throughout the RBI Group detailed analysis has been conducted to define the fixed or variable nature of each remuneration element, following the below listed regulatory restrictions for fixed compensation elements:

- are predetermined;
- are non-discretionary;
- are transparent to staff and set in a predefined and objective manner;
- are permanent (meaning maintained over time and tied to a specific role and organizational responsibilities);

- are not providing incentives for risk assumption;
- are non-revocable (without prejudice to local legislation);
- cannot be reduced, suspended or cancelled by the Network Unit (NWU);
- do not depend on performance.

Ratio between fixed and variable remuneration

The fixed and variable components of the total compensation are appropriately balanced. The target variable compensation amount represents a significant part but without leading to unreasonable volatility in employees' compensation and excessive risk taking.

The target variable compensation does not exceed in any case the mandatory legal or regulatory thresholds (i.e. shall be fully in compliance with any provisions on the maximum permissible amount of the total variable compensation component) and the allocation and payment of variable compensation to Identified Staff is made in compliance with the bonus cap.

The RBI Group remuneration rules establish that the variable component of Identified Staff remuneration shall in principle not exceed 100 per cent of the fixed component of the total remuneration for each individual.

Main parameters and rationale for variable component scheme and other non-cash benefits

Variable compensation:

- Is an important element of a total rewards philosophy and its purpose is to attract, motivate and retain employees.
- Is based on clear performance criteria, which must be of both quantitative and qualitative nature and which are linked to risk-adjusted value creation. Any variable compensation program rewards and motivates behavior that drives specific company success and builds shareholder value.

The compensation philosophy actively reinforces the NWU´s strategy to achieve its objectives.

If an employee is granted any variable compensation, it is to be paid for measured performance (Group, NWU, team and individual performance, depending on the respective employee category).

Performance means results and behavior – "WHAT" and "HOW" – according to the NWU's/Group performance management system. All variable compensation schemes therefore are linked to performance management or a comparable target setting system.

A "profit sharing approach" (employee gets a percentage of e.g. income/profit/cash collected/money recovered, etc. irrespective of performance) is not supported, as it does not include all necessary elements of variable compensation schemes defined in the remuneration policy.

Variable compensation is reasonable and balanced in comparison to base pay (pay mix) and in line with regular local market practice. Each variable compensation scheme has a defined target for variable pay. Target variable compensation can be either expressed in per cent of base pay or in a local currency amount, and it represents the level of variable compensation for 100 per cent performance level.

The pay mix (portion of variable compensation to base pay) is balanced and reflects the impact on risk taking and "compliance" behavior of the employee (how much risk is an employee exposing the company to, is he/she incentivized to any degree to ignore company rules).

The pay mix will vary depending on the employee's position and role (e.g. sales functions or functions higher in the hierarchy may have a higher variable to fixed ratio than service or support functions or functions lower in the hierarchy).

Unethical or non-compliant behavior overrules any good financial performance generated and diminishes the staff member's variable compensation.

The performance management process provides differentiation of individual performance levels (low performer to high performer) and the variable pay-out corresponds to this.

Performance differentiation is a necessary element of a performance culture – high performers are differentiated from average and low performers.

On NWU level, financial measures for variable compensation cover risk-adjusted profit and cost management related measures.

The variable compensation systems (with respect to measurement of performance and allocation within the institution) reflect all types of current and future risk, including difficult-to-measure risks such as liquidity risk, reputation risk and operational risk and take into account the cost of the capital and the liquidity required.

Control functions such as Risk Management and Compliance are involved in the process of setting up the appropriate measurements for variable compensation.

As a general principle, all employees can be eligible for variable compensation.

There is a difference in variable compensation scheme design and level based on function, relative value of a position (job grades) and hierarchy (e.g. the higher in the hierarchy, the higher the respective bonus amount).

The differentiation follows internal standards and local market practice.

Deferral, vesting, retention

The remuneration policy of RBI Group provides for the following specific principles for the allocation, vesting and payment of variable remuneration to the Identified Staff with material risk impact on the risk profile of the respective NWU/the Group:

For RBI Group institutions with a potential impact on the Group risk profile the following principles apply:

- 60 per cent of the total variable remuneration is paid out up-front (50 per cent thereof in cash and 50 per cent 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 per cent of the deferred variable remuneration is paid in cash and 50 per cent in form of RBI phantom shares.

Furthermore, in the event of a particularly high variable compensation amount at least 60 per cent of the variable remuneration will be subject to deferral.

For other categories of employees having a less material impact on the company's risk profile appropriate remuneration principles and risk alignment mechanisms have been implemented.

Ex ante and ex post risk adjustment

In RBI Group the variable remuneration (including the deferred part) may only be paid or vest if this is sustainable according to the financial situation of RBI AG and the financial situation of RBI Group or the respective subsidiary, and justified according to the performance of the Group, RBI AG or the subsidiary, the business unit and the individual concerned. A Malus event (as described below) may entail the reduction or forfeiture of outstanding (deferred) variable remuneration. A Clawback event (as described below) entails the loss of all deferred payments and the clawback of all payments made with regard to the variable remuneration.

Malus

A Malus event may entail the reduction or forfeiture of outstanding (deferred) bonus payments.

In particular, the following events constitute a Malus event:

- If a Clawback event occurs (see below).
- A competent regulator orders a limitation or stop of variable compensation for the Group and/or NWU.
- Evidence of risk relevant misbehavior, serious error, non-compliance with due diligence requirements or serious breaches by the employee (e.g. breach of code of conduct and other internal rules, especially concerning risks) or failure to meet appropriate standards of fitness and propriety;
- RBI Group and/or subsequently the business unit in which the employee works suffers a significant downturn in its financial performance;

- RBI Group and/or the business unit in which the employee works suffers a significant failure of risk management, i.e. a risk adjustment of the assessment of the performance is made because ex-post risk assessment reveals that the original risk assessment was too positive;
- Significant changes in RBI Group's and/or NWU´s economic or regulatory capital base (e.g. RBI Group and/or the NWU is not fulfilling or close to not fulfilling regulatory capital requirements);
- Any regulatory sanctions where the conduct of the identified staff member contributed to the sanction;
- Significant contribution to subdued or negative financial performance or other conduct with intent or severe negligence which led to significant losses.

Clawback

A Clawback event entails the loss of all deferred payments and the Clawback of all payments made with regard to the bonus.

Clawback is applied in the case of:

- Fraud, criminal offense or misleading information provided by the employee with high negative impact on the bank's credibility and profitability or
- Allocation or payment of variable compensation in willful violation of the remuneration principles provided for in this Group Framework or in willful violation of mandatory banking law provisions.

Each year every NWU conducts a Malus and Clawback check in compliance with the RBI Group Malus & Clawback instructions and other applicable Group standards/instructions and each NWU shall ensure enforceability of the defined Malus and Clawback events under local labor law.

For the avoidance of doubt if any deferred variable compensation payment is reduced or forfeited based on Malus or Clawback the respective amount is irrevocably lost and is not to be paid in later years.

Control functions

The performance measures for control functions, such as e.g. risk, audit and compliance functions reflect specific requirements for these functions. Objectives for staff engaged in control functions are set in a manner that is independent from the performance of the business areas they oversee and commensurate with their key role in the firm. Individual performance criteria for those employees are not to be directly linked to the NWU's overall results (e.g. NPAT, RORAC).

Employees engaged in control functions are compensated independently from the business unit they supervise, have appropriate authority and their remuneration is determined on the basis of achievement of their organizational objectives linked to their functions, regardless of the results of the business activities they monitor. The mix of fixed and variable remuneration is weighted in favor of fixed remuneration.

Severance payments

Severance payments are the amounts paid to staff members in connection with the early termination of their employment contract. They are paid either based on mandatory legal requirements (labor law, collective agreements, etc.), mandatorily following a decision of a court or on a voluntary basis (i.e. voluntary severance payments).

Severance payments do not provide for a disproportionate reward, but for an appropriate compensation of the staff member in cases of early termination of the contract. They reflect performance achieved over time and do not reward failure or misconduct.

Severance pay is not awarded where there is an obvious failure which allows for the immediate cancellation of the contract or the dismissal of staff.

Severance payments may include redundancy compensation for loss of office, and may be subject to a non-competition clause in the contract. In particular, in the following situations, additional payments made because of the early termination of a contract are considered as severance payment:

a. The NWU terminates the contracts of staff because of a failure of the NWU (including the following situations:

    i. where the NWU benefits from government intervention or is subject to early intervention or resolution measures in accordance with Directive 2014/59/EU;

ii. where the opening of normal insolvency proceedings of the NWU, as defined in Article 2(1)(47) of Directive 2014/59/EU, has been filed;

iii. where significant losses lead to the situation that the NWU no longer has a sound capital basis and, following this, the business area is sold or the business activity is reduced);

b) The NWU wants to terminate the contract following a material reduction of the NWU's activities in which the staff member was active or where business areas are acquired by other institutions without the option for staff to stay employed in the acquiring institution;

c) The NWU and a staff member agree on a settlement in the case of a potential or actual labor dispute, to avoid a decision on a settlement by the courts.

Criteria for allocation of the amounts of severance payments to Identified Staff are defined by each relevant NWU in line with the provisions of remuneration policy, in compliance with the special remuneration provisions for Identified Staff based on EU and local legal provisions.

The decision making process and involvement of control functions is defined in each relevant NWU based on the local governance structure in accordance with local legal requirements.

Guaranteed variable remuneration

Guaranteed variable remuneration is not consistent with sound risk management or the pay-for-performance principle and is not a part of prospective remuneration plans.

Guaranteed variable compensation is exceptional, can only occur where the NWU has a sound and strong capital base and it cannot be granted for longer than the first year of employment. NWUs can only award guaranteed variable compensation once to the same single staff member. These requirements also apply at a consolidated and sub-consolidated level and include situations where staff receive a new contract from the same NWU or another institution within the scope of consolidation of RBI Group.

Use of phantom shares

The legal obligation of payment of at least 50 per cent of the variable remuneration in equity instruments is complied with in RBI Group by means of a RBI phantom share plan applicable in all affected institutions of RBI Group.

50 per cent of the up-front and 50 per cent 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 number of RBI phantom shares 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.

The RBI phantom shares are subject to a one year retention period (with the exception of units where the local legislation is stricter).

In countries where the local legislation does not allow the usage of RBI phantom shares, local phantom share values are determined and used (i.e. Poland, Czech Republic and Slovakia).

Share based compensation

In the years 2011 to 2013, the RBI AG Management Board with approval of the Supervisory Board of RBI AG 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 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 the 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 SIP have been launched.

Quantitative disclosure

Article 450 (1) i) CRR in € thousand	Number of identified staff
between 1,000 and 1,500	6
between 1,500 and 2,000	4
between 2,000 and 2,500	3
between 2,500 and 3,000	
between 3,000 and 3,500	1
Total	**14**

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)	212	152							364
Total number of staff in FTE			4,713	25,311	523	12,869	3,883	408	47,707
Total net profit in year 2017									1,111,592
Total remuneration	4,607	61,465	214,508	377,177	41,835	379,227	132,291	20,616	1,231,725
Of which variable remuneration		14,006	31,863	55,070	6,107	31,135	10,291	2,124	150,596
Identified Staff									
Members (Headcount)	212	152							364
Number of identified staff in FTE			443	248	100	280	443		1,514
Number of identified staff in senior management positions			104	61	21	177	99		462
Total fixed remuneration	**4,607**	**47,459**	**41,419**	**15,109**	**12,052**	**24,637**	**27,291**		**172,575**
Of which: fixed in cash	4,607	47,459	41,419	15,109	12,052	24,637	27,291		172,575
Of which: fixed in shares and sharelinked instruments									
Of which: fixed in other types instruments									
Total variable remuneration		**14,006**	**11,871**	**2,931**	**2,336**	**4,472**	**4,518**		**40,134**
Of which: variable in cash		7,479	9,997	2,291	1,913	3,894	3,911		29,485
Of which: variable in shares and sharelinked instruments		6,527	1,874	640	423	578	607		10,649
Of which: variable in other types instruments									
Total amount of variable remuneration awarded in 2017 which has been deferred		**7,240**	**3,263**	**681**	**362**	**1,255**	**718**		**13,519**
Of which: deferred variable in cash in 2017		3,622	2,138	286	193	1,000	384		7,623
Of which: deferred variable in shares and share-linked instruments in 2017		3,618	1,125	395	169	255	334		5,896
Of which: deferred variable in other types of instruments in 2017									
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 2017		21,426	7,280	1,647	1,244	4,458	1,295	1,151	38,500
Total amount of explicit ex post performance adjustment applied in 2017 for previously awarded remuneration									
Number of beneficiaries of guaranteed variable remuneration (new sign-on payments)		1							1
Total amount of guaranteed variable remuneration (new sign-on payments		50							50
Number of beneficiaries of severance payments		1	9	8	1	26	7	16	68
Total amount of severance payments paid in 2017		89	1,709	129	126	1,724	274	1,147	5,197
Article 450 h(v) – Highest severance payment to a single person			603						603
Number of beneficiaries of contributions to discretionary pension benefits in 2017									
Total amount of contributions to discretionary pension benefits in 2017									
Total amount of variable remuneration awarded for multiyear periods under programmes which are not revolved annually									

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 leverage ratio is still not legally binding, however institutions are required to report it. In the meantime, a minimum requirement of 3% is being tested and with the final approval to amend the CRR it is expected to become legally binding in the course of 2018, potentially with a transitional phase for final implementation under Pillar 1.

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 CRR. 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 2017 the leverage ratio of RBI amounted to 6.1 per cent on a transitional basis as compared to 5.6 per cent as at 31 December 2016. The main reason for the improvement was the increase in Common Equity Tier 1 after deductions from the 2016 comparable level, mainly due to the inclusion of the net profit for 2017.

The following tables show the leverage ratio exposures of RBI as at 31 December 2017 on a transitional basis:

Summary reconciliation of accounting assets and leverage ratio exposure in € thousand	**Amount**
Total assets as per published financial statements	134,982,592
Adjustment for entities which are consolidated for accounting purposes but are outside the scope of regulatory consolidation	(861,967)
Adjustments for derivative financial instruments	760,938
Adjustment for securities financing transactions (SFTs)	16,936,660
Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposure)	9,024,210
Other adjustments	(14,013)
Total leverage ratio exposure (transitional basis)	**160,828,421**

Leverage ratio common disclosure in € thousand	CRR leverage ratio exposure
On-balance sheet items (excluding derivatives, SFTs and fiduciary assets, but including collateral)	132,306,307
(Asset amounts deducted in determining Tier 1 capital)	(861,967)
Total on-balance sheet exposure (excluding derivatives, SFTs and fiduciary assets)	**131,444,340**
Replacement cost associated with all derivatives transactions (i.e. net of eligible cash variation margin)	1,828,948
Add-on amounts for PFE associated with all derivatives transactions (mark-to-market method)	1,594,262
Total derivatives exposure	**3,423,210**
Gross SFT assets (with no recognition of netting), after adjusting for sales accounting transactions	9,787,170
Counterparty credit risk exposure for SFT assets	7,149,490
Total securities financing transactions exposure	**16,936,660**
Off-balance sheet exposure at gross notional amount	41,244,937
(Adjustments for conversion to credit equivalent amounts)	32,220,727
Other off-balance sheet exposure	**9,024,210**
Tier 1 capital	**9,839,021**
Total leverage ratio exposure	**160,828,421**
Leverage ratio (transitional)	**6.12%**

Split of on-balance sheet exposure (excluding derivatives, SFTs and exempted exposure) in € thousand	CRR leverage ratio exposure
Total on-balance sheet exposure (excluding derivatives, SFTs, and exempted exposure), of which:	**131,444,340**
Trading book exposure	**0**
Banking book exposure, of which:	**131,444,340**
Covered bonds	76,991
Exposure treated as sovereigns	22,138,308
Exposure to regional governments, MDB, international organisations and PSE not treated as sovereigns	472,063
Institutions	4,663,201
Secured by mortgages of immovable properties	26,790,726
Retail exposure	22,496,521
Corporate	36,550,793
Exposure in default	3,395,432
Other exposure (eg equity, securitizations, and other non-credit obligation assets)	14,860,305

Article 452 CRR
Use of the IRB approach to credit risk

Approaches or transition arrangements approved by the competent authorities

Approved approaches

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)

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)
- Raiffeisen Bank Sh.a., Tirana (AL)[1]
- Raiffeisen Bank d.d. Bosna i Hercegovina, Sarajevo (BA)
- Raiffeisen Banka a.d., Belgrade (RS)

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

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.

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)
- 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 Bank Kosovo J.S.C., Prishtina (XK)

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

Exposures to central governments, central banks (where it is applicable according to 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 standardized approach as provided in Article 114 (2) or (4) or Article 495 (2) CRR, in accordance with Article 150 (1) lit d. CRR.

[1] RWA-calculation in IRB follows in Q1/2018.

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.

Exposures between institutions which meet the requirements set out in Article 113(7).

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.

Equity exposures to entities whose credit obligations qualify for a 0 per cent risk-weight under the standardized approach, in accordance with point g) of Article 150 (1) CRR.

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

Approved temporary partial use

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 standardized 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 Bank Aval JSC, Kiev (UA)

Asset classes for 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)), Raiffeisen Bank Sh.a., Tirana (AL), Raiffeisen Bank d.d. Bosna i Hercegovina, Sarajevo (BA), Raiffeisen Banka a.d., Belgrade (RS), which calculate risk-weighted exposure amounts using the IRB Approach, the calculation of the minimum capital requirements is carried out according to the standardized 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

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			
Public sector entities and non-commercial organizations			X	X				X	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

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 and credit management processes and also determine RBI's standard risk costs, profitability assessment and economic capital (Internal Capital Adequacy Assessment Process (ICAAP)).

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 the unit 'Rating Model Validation' which is independent from risk origination units and from the Credit Risk Control Unit. The rating systems are reviewed using prescribed validation tests comprising 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 in certain sub-portfolios
- Comparison of the predicted and observed default rate (backtesting)
- 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 (benchmarking)

The validation function with regards to the retail models is to a large extent centralized in the RBI head office, with the involvement of the subsidiaries in specific aspects where needed. Since most of the retail models are developed in the subsidiaries, the independence of the development and validation functions is naturally ensured by reporting to different members of the senior management as well as independently from the risk origination unit. To allow for developing some of the models in RBI head office, a separate unit for methodologies and model developments was formed during 2017. That unit is thus organizationally separate from the validation function, reporting to the same member of the senior management.

Validation concerning the Basel models differentiates between initial and periodic validations for new (or redeveloped) models and for models already operating respectively. The domains of the validation include the following areas:

- Assessment of the model's performance (stability, discriminatory power, accuracy and goodness of fit)

- Assessment of the assumptions underlying the rating models (model design)
- Assessment of the environment of the model (data representativeness)
- Assessment of the data quality and related processes
- Assessment of the rating processes and the use test

Group Internal Audit teams as well as local Internal Audit teams regularly assess the processes as described above (model development, validation) as well as the compliance of those processes with internal regulations and regulatory requirements. Changes to the processes are also audited by those teams before they become effective.

Description of the internal rating process

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-eyes 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.

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 turnover" 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.

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.

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 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 turnover" 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.

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
  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 and 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.

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.

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 turnover" 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 behavioral factors are statistically combined to obtain a comprehensive assessment of the client's creditworthiness.

Rating model

The SMB rating model has three components:

- Quantitative analysis
  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
  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 also incorporates the experience 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-eyes principle" (dual control). Ratings created in this manner are then documented in the rating database.

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.

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 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 country rating model, RBI 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 RBI, the rating is determined centrally by a specialized department at RBI AG and made available to all entities of RBI Group. The RBI 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 to 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.

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 RBI. The rating is a central element in the decision on whether or not to grant credit.

Development and objective

The RBI rating model for banks and bank-like institutions was revised in 2015. The revised rating model received regulatory approval in October 2016 and since November 2016 it is used in all risk management processes.

The RBI rating model for banks and bank-like institutions was statistically developed by RBI experts using internal as well as external data applying the same best practice methodology as was used for developing the corporate rating models. During the development process close cooperation with the rating analysts from RBI was maintained.

The structure of the revised rating model for banks and bank-like institutions was chosen to be consistent with approaches used by external rating agencies. The rating is created in three steps:

1) Viability Rating (i.e. stand-alone view or rating before considering support)

   Quantitative factors (e.g. balance sheet ratios), qualitative factors and the risk of the financial sector are statistically combined in the rating before considering support.

2) Final Rating (i.e. rating after considering support)

   In the support module ownership support and/or systemic support are assessed with respect to ability and willingness of giving support. Based on this assessment and following a strict logic the viability rating can be improved leading to the final rating.

3) Country Ceiling

   In order to take into consideration the transfer risk of cross-border transactions, a country ceiling is applied.

Rating model

The rating model for banks is subdivided into the following modules (or risk functions): the quantitative modules, the qualitative modules, the financial sector risk assessment and the support module.

The following aspects are assessed in the quantitative module using ratios derived from the financial statements:

- Profitability
- Asset Quality
- Liquidity
- Balance Sheet Metrics
- Income Structure

The following aspects are assessed in the qualitative module using a questionnaire with standardized possible answers:

- General & Business Position
- Asset Quality
- Funding & Liquidity
- Capitalization
- Profitability
- Outlook

The financial sector risk assessment (FiSRA) is designed to assess the riskiness and instability of the business and economic environment the client has to operate in. The FiSRA module is based on macro economic inputs.

The quantitative module and the qualitative module together with the FiSRA module lead to the viability rating, i.e. the stand-alone (or before support) assessment of the client's creditworthiness.

In the support module ownership support and/or systemic support are assessed in terms of willingness and ability to support. Depending on the results from the support module and following a fixed logic the viability rating is improved by some notches or grades to yield the final rating.

In order to take into consideration the transfer risk of cross-border transactions, a country ceiling is applied.

Rating output

The rating model for banks and bank-like institutions results in a rating grade on a 25 grade scale (the same 25 grade scale as is used for the Corporate rating models) which is assigned a certain probability of default.

During the process of rating the client, the analyst writes an analysis text containing the essential background details, basic information and qualitative assessments of the counterparty.

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

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 become known that lead to a rating change.

The rating analyst bears final responsibility for the rating and must critically assess the client's financial data as well as all relevant soft facts. If necessary, the rating expert can adjust the rating to ensure an appropriate assessment of the client's creditworthiness.

Insurance companies

Scope of application

The RBI rating model for insurance companies and undertakings similar to them is applied within the entire RBI Group to assess the creditworthiness of these 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 from 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 of 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.

Collective Investment Undertakings/Investment Funds (CIUs)

Scope of application

The rating model for CIUs is applied when the creditworthiness of fund counterparties is assessed within the RBI Group. The rating is a central element in the decision on whether or not to grant 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 under 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.

Rating Specialized 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 RBI markets.

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 practiced 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"):
  Fundamental parameters relating to 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-eyes 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.

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 behavioral), 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.

Micro SME (Small and 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 behavioral), 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.

Definitions, methods and data for the estimation and validation of Probability of Default (PD)

The probabilities of default (PDs) 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 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 and Collective Investment Undertakings (CIU).

The "slotting criteria" approach was selected for the specialized lending segment and covers the economic situation and the 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 PDs 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 Non-Retail rating models (PI, Micro SME, Corporate, Large Corporate, SMB and FI) 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 on 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 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 RBI's default experience yet still conservative.

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.

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 and can result in the adaptation of the used central tendency if deemed necessary based on the analyses.

The tables below provide backtesting data to validate the reliability of PD calculations. The PDs used in IRB RWA calculations are compared with the effective default rates of the obligors.

EU CR9 Exposure class	PD range	External rating equivalent	Weighted average PD	Arithmetic average PD by obligors	Number of obligors 31/12/2016	Number of obligors 31/12/2017	Defaulted obligors in the year	Of which new obligors	Observed obligor weighted default rate of last year
Central governments and central banks									
	0.00% to <0.15%		0.04%	0.04%	30	55	0	0	0.00%
	0.15% to <0.25%				0	0	0	0	4.76%
	0.25% to <0.50%				0	0	0	0	0.00%
	0.50% to <0.75%		0.72%	0.72%	6	9	0	0	0.00%
	0.75% to <2.50%		2.18%	2.18%	1	0	0	0	0.00%
	2.50% to <10.00%		2.79%	2.79%	8	29	0	0	3.33%
	10.00% to <100.00%		11.03%	11.03%	5	4	0	0	10.00%
	100.00% (Default)		100.00%	100.00%	1	1	0	0	0.00%
Corporates - SME									
	0.00% to <0.15%		0.07%	0.09%	35	43	0	0	0.00%
	0.15% to <0.25%		0.21%	0.21%	168	191	0	0	0.00%
	0.25% to <0.50%		0.32%	0.29%	2,017	3,006	5	0	0.11%
	0.50% to <0.75%		0.65%	0.66%	787	1,000	0	0	0.38%
	0.75% to <2.50%		1.36%	1.25%	4,667	6,347	28	7	0.57%
	2.50% to <10.00%		4.14%	4.21%	4,096	5,371	93	24	1.87%
	10.00% to <100.00%		20.03%	27.43%	1,898	3,172	128	22	7.50%
	100.00% (Default)		100.00%	100.00%	996	655	209	209	0.00%
Corporates - Specialised lending									
	0.00% to <0.15%				0	0	0	0	0.00%
	0.15% to <0.25%				508	574	5	0	0.73%
	0.25% to <0.50%				212	222	1	0	1.08%
	0.50% to <0.75%				0	0	0	0	0.00%
	0.75% to <2.50%				72	60	2	1	4.12%
	2.50% to <10.00%				0	0	0	0	0.00%
	10.00% to <100.00%				82	89	7	0	12.54%
	100.00% (Default)				85	78	7	7	0.00%

EU CR9 Exposure class	PD range	External rating equivalent	Weighted average PD	Arithmetic average PD by obligors	Number of obligors 31/12/2016	Number of obligors 31/12/2017	Defaulted obligors in the year	Of which new obligors	Observed obligor weighted default rate of last year
Equity									
	0.00% to <0.15%		0.10%	0.11%	84	77	0	0	0.00%
	0.15% to <0.25%		0.18%	0.20%	9	9	0	0	0.00%
	0.25% to <0.50%		0.31%	0.37%	9	4	0	0	0.00%
	0.50% to <0.75%		0.72%	0.68%	9	7	0	0	0.00%
	0.75% to <2.50%			1.34%	8	10	0	0	0.00%
	2.50% to <10.00%		3.42%	3.74%	7	6	1	0	4.40%
	10.00% to <100.00%		21.17%	26.31%	25	30	0	0	2.71%
	100.00% (Default)		100.00%	100.00%	8	10	0	0	0.00%
Institutions									
	0.00% to <0.15%		0.08%	0.07%	338	310	0	0	0.00%
	0.15% to <0.25%		0.18%	0.18%	94	88	0	0	0.00%
	0.25% to <0.50%		0.32%	0.34%	40	32	0	0	0.00%
	0.50% to <0.75%		0.70%	0.67%	78	31	0	0	0.37%
	0.75% to <2.50%		1.39%	1.56%	134	18	0	0	0.39%
	2.50% to <10.00%		4.55%	4.16%	204	36	2	0	0.83%
	10.00% to <100.00%		17.06%	26.04%	152	57	1	0	0.16%
	100.00% (Default)		100.00%	100.00%	25	10	1	1	0.00%

For the non-retail portfolio the historic default rate covers 5 non-overlapping years from 31 December 2012 to 31 December 2016 (plus 12 month observation period). The default rates are calculated from the total living portfolio at the start of each observation period and the number of those observations that enter default within the following 12 months. 'New obligors in default' are defined as customers who had no relevant IRB exposure at the start of the observation period. During 2017, this included previously STD exposures that became relevant when IRB approvals were granted for RBRS and RBBH. For the purposes of these tablest, the customer is assigned to the first IRB exposure class it has in the period, as it has no relevant exposure class as the start of the period.

For exposure class 'Central governments and central banks' in PD range 6, there is one single default in 5 years, which does not result in a significant underestimation (p=0.21). For expousre class 'Equity' in PD range 6, there are 2 defaults in 5 year period, which do not result in a significant underestimation (p=0.50).

'Corporates - Specialised Lending' uses slotting approach and therefore PD values are not considered for backtesting but implied PDs are used for the assignment to PD ranges for the purpose of this exercise. In 'Corporate' exposure classes RBI Group observed an increase in IRB exposures between 2016 and 2017 due to the addition of RBRS and RBBH to the IRB portfolio. Additionally, the reporting of cash pool accounts in RBHU has changed from notional to effective pooling, resulting in a substantial increase in the number of small exposures in the IRB portfolio.

In general, there are some shifts of obligors between exposure classes from 2016 to 2017 that take place at a product level and do not affect the asset class or rating model applied to the obligor as a whole. Validation of rating models, including backtesting of PDs is performed on a stable, rating-based classification that is less susceptible to product-level changes and this different viewpoint should be considered when interpreting the results above.

EU CR9 Exposure class	PD range	External rating equivalent	Weighted average PD	Arithmetic average PD by obligors	Number of obligors 31/12/2016	Number of obligors 31/12/2017	Defaulted obligors in the year	Of which new obligors	Observed obligor weighted default rate of last year	Average historical annual default rate of last 5 years
Private Individuals (PI)	**0.00% to 100.00%**		**1.58%**	**2.76%**	**2,434,691**	**2,494,588**	**42,413**	**2,885**	**1.62%**	**2.82%**
	0.00% to 0.17%		0.21%	0.17%	528,017	645,645	680	22	0.12%	0.33%
	0.18% to 0.35%		0.46%	0.35%	558,944	535,995	1,295	64	0.22%	0.60%
	0.36% to 0.69%		0.74%	0.65%	424,652	445,730	2,179	110	0.49%	0.65%
	0.70% to 1.37%		1.32%	1.32%	307,845	309,635	2,482	135	0.76%	1.23%
	1.38% to 2.70%		2.45%	2.51%	260,875	236,946	3,348	222	1.20%	2.17%
	2.71% to 5.26%		4.54%	4.51%	158,713	146,002	4,089	302	2.39%	4.20%
	5.27% to 10.00%		8.11%	8.05%	88,652	82,564	4,490	270	4.76%	7.18%
	10.01% to 18.18%		14.30%	13.87%	43,898	41,856	3,839	183	8.33%	12.73%
	18.19% to 100.00%		34.91%	31.02%	63,095	50,215	20,011	1,577	29.22%	33.56%
Hereof secured by immovable property	**0.00% to 100.00%**		**1.20%**	**1.27%**	**207,621**	**219,573**	**2,023**	**23**	**0.96%**	**1.89%**
	0.00% to 0.17%		0.22%	0.22%	96,055	98,290	158	0	0.16%	0.28%
	0.18% to 0.35%		0.48%	0.48%	35,468	44,102	165	0	0.47%	0.57%
	0.36% to 0.69%		0.78%	0.78%	28,154	30,024	97	4	0.33%	0.53%
	0.70% to 1.37%		1.30%	1.30%	17,698	17,911	117	1	0.66%	1.02%
	1.38% to 2.70%		2.30%	2.30%	12,568	11,874	144	1	1.14%	2.02%
	2.71% to 5.26%		4.29%	4.29%	7,126	7,398	142	1	1.98%	3.77%
	5.27% to 10.00%		7.66%	7.66%	4,900	4,780	237	1	4.82%	5.87%
	10.01% to 18.18%		13.62%	13.62%	2,747	3,020	195	1	7.06%	11.55%
	18.19% to 100.00%		32.31%	32.30%	2,905	2,174	768	14	25.96%	31.81%

EU CR9 Exposure class	PD range	External rating equivalent	Weighted average PD	Arithmetic average PD by obligors	Number of obligors		Defaulted obligors in the year	Of which new obligors	Observed obligor weighted default rate of last year	Average historical annual default rate of last 5 years
					31/12/2016	31/12/2017				
Hereof qualifying revolving	**0.00% to 100.00%**		**1.79%**	**4.20%**	**1,277,902**	**1,274,734**	**19,764**	**462**	**1.51%**	**2.19%**
	0.00% to 0.17%		0.15%	0.15%	249,855	305,193	397	5	0.16%	0.15%
	0.18% to 0.35%		0.27%	0.28%	347,519	290,679	661	39	0.18%	0.35%
	0.36% to 0.69%		0.61%	0.60%	207,811	242,898	1,079	19	0.51%	0.52%
	0.70% to 1.37%		1.54%	1.49%	149,064	161,598	1,233	26	0.81%	1.11%
	1.38% to 2.70%		2.79%	2.72%	148,152	124,327	1,569	44	1.03%	2.03%
	2.71% to 5.26%		5.32%	5.20%	82,025	72,922	1,820	92	2.11%	3.92%
	5.27% to 10.00%		9.26%	9.05%	42,372	38,628	1,872	85	4.22%	6.58%
	10.01% to 18.18%		16.73%	15.94%	22,362	19,705	1,707	31	7.49%	12.45%
	18.19% to 100.00%		35.58%	31.16%	28,742	18,784	9,426	121	32.37%	26.70%
Hereof other	**0.00% to 100.00%**		**2.55%**	**2.95%**	**949,168**	**1,000,281**	**20,626**	**2,400**	**1.92%**	**3.63%**
	0.00% to 0.17%		0.19%	0.19%	182,107	242,162	125	16	0.06%	0.14%
	0.18% to 0.35%		0.45%	0.44%	175,957	201,214	469	24	0.25%	0.43%
	0.36% to 0.69%		0.72%	0.71%	188,687	172,808	1,003	86	0.49%	0.70%
	0.70% to 1.37%		1.27%	1.26%	141,083	130,126	1,132	109	0.73%	1.09%
	1.38% to 2.70%		2.49%	2.48%	100,155	100,745	1,635	181	1.45%	2.15%
	2.71% to 5.26%		4.55%	4.53%	69,562	65,682	2,127	207	2.76%	4.50%
	5.27% to 10.00%		8.42%	8.42%	41,380	39,156	2,381	182	5.31%	8.32%
	10.01% to 18.18%		14.90%	14.93%	18,789	19,131	1,937	156	9.48%	13.68%
	18.19% to 100.00%		37.65%	34.72%	31,448	29,257	9,817	1,439	26.64%	37.55%

EU CR9 Exposure class	PD range	External rating equivalent	Weighted average PD	Arithmetic average PD by obligors	Number of obligors 31/12/2016	Number of obligors 31/12/2017	Defaulted obligors in the year	Of which new obligors	Observed obligor weighted default rate of last year	Average historical annual default rate of last 5 years
Small and medium enterprises (Micro SME)	**0.00% to 100.00%**		**4.63%**	**9.67%**	**60,693**	**60,927**	**4,179**	**26**	**6.84%**	**5.09%**
	0.00% to 0.17%		0.17%	0.18%	176	452	0	0	0.00%	0.15%
	0.18% to 0.35%		0.28%	0.28%	6,025	7,460	13	0	0.22%	0.16%
	0.36% to 0.69%		0.80%	0.78%	6,359	7,520	22	0	0.35%	0.69%
	0.70% to 1.37%		1.00%	1.19%	7,335	7,531	66	3	0.86%	0.85%
	1.38% to 2.70%		2.52%	2.51%	7,712	8,238	109	8	1.31%	1.79%
	2.71% to 5.26%		5.09%	5.08%	5,188	5,002	146	4	2.74%	3.74%
	5.27% to 10.00%		9.39%	9.36%	2,841	2,720	135	7	4.51%	6.62%
	10.01% to 18.18%		15.93%	15.94%	1,590	1,488	130	4	7.92%	12.15%
	18.19% to 100.00%		38.70%	38.64%	23,467	20,516	3,558	0	15.16%	27.90%
Hereof secured by immovable property	**0.00% to 100.00%**		**2.56%**	**3.13%**	**4,233**	**4,126**	**73**	**2**	**1.68%**	**4.88%**
	0.00% to 0.17%		0.12%	0.12%	140	232	0	0	0.00%	0.18%
	0.18% to 0.35%		0.36%	0.36%	673	768	0	0	0.00%	0.23%
	0.36% to 0.69%		0.49%	0.49%	1,149	1,140	3	0	0.26%	0.51%
	0.70% to 1.37%		0.76%	0.76%	981	899	11	2	0.92%	0.88%
	1.38% to 2.70%		1.71%	1.71%	507	436	8	0	1.58%	1.85%
	2.71% to 5.26%		4.20%	4.20%	274	216	9	0	3.28%	4.05%
	5.27% to 10.00%		8.75%	8.74%	206	170	8	0	3.88%	7.67%
	10.01% to 18.18%		15.26%	15.28%	157	123	10	0	6.37%	13.76%
	18.19% to 100.00%		41.30%	41.28%	146	142	24	0	16.44%	32.99%
Hereof other	**0.00% to 100.00%**		**4.95%**	**10.79%**	**56,460**	**56,801**	**4,106**	**24**	**7.23%**	**5.08%**
	0.00% to 0.17%		0.27%	0.27%	36	220	0	0	0.00%	0.09%
	0.18% to 0.35%		0.27%	0.27%	5,352	6,692	13	0	0.24%	0.16%
	0.36% to 0.69%		0.89%	0.86%	5,210	6,380	19	0	0.36%	0.73%
	0.70% to 1.37%		1.32%	1.30%	6,354	6,632	55	1	0.85%	0.83%
	1.38% to 2.70%		2.58%	2.58%	7,205	7,802	101	8	1.29%	1.78%
	2.71% to 5.26%		5.15%	5.14%	4,914	4,786	137	3	2.73%	3.73%
	5.27% to 10.00%		9.44%	9.41%	2,635	2,550	127	7	4.55%	6.63%
	10.01% to 18.18%		16.04%	16.05%	1,433	1,365	120	5	8.03%	12.03%
	18.19% to 100.00%		38.54%	38.46%	23,321	20,374	3,534	0	15.15%	27.74%

For the retail portfolio the PD estimate represents an average of the estimated rating grade-level PD for the respective portfolio/rating grade, weighted on the one hand by the EAD and on the other by the number of obligors/accounts in the respective grade. Given the fact that the rating philosophy applied by RBI for the retail PD models is "point-in-time", the rating grade structure/distribution of the portfolio is adjusted at least once a year to track the most recent realized 1 year default rates. Therefore, for comparison purposes it is appropriate to compare the PD estimate with the most recent realized 1 year default rate (obligor weighted). The comparable 5 year average is provided as well, for comparison of the recent data with long run averages.

The PD estimates on portfolio levels are in line with the last observed 12 months default rate (comparing obligor weighted figures). Compared to the 5 year average it can be seen that due to the positive economic environment in all IRB markets of RBI the current point-in-time PD estimates are below these averages. On rating grade level the PDs are also in line with the last observed 12 months default rate for close to all portfolios and grades. Regarding the comparison with the 5 year average, the same is true as for the portfolio level.

With respect to estimated PDs for grades in the lower PD range (0.0% to 0.69%), due to the small number of cases in two lowest PD ranges they may be grouped together up to the third group, with a common estimate provided for certain portfolios. In this case averaging with other countries can lead to the final estimate being outside the interval. For other PD ranges (0.69% to 18.18%) this can be dedicated to the applied margins of conservatism according to CRR.

The level of detail reflects the retail uniform rating scale, which consists of 9 living grades and 1 defaulted grade.

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 along with downturn, estimation error and LGD/PD correlation related margin of conservatism. Additional margins are applied for mismatch of collateral and loan currency, changes in lending standards and changes in default definition. Downturn LGD is assessed through correlation of LGD history with macro economic factors to ensure that external conditions and internal development over time are properly linked.

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 loss rates (backtesting):

EU CR9 Exposure class	LGD range	Weighted average LGD	Arithmetic average LGD by obligors	Number of obligors 31/12/2016	31/12/2017	Defaulted obligors in the year	Of which new obligors	Average historical annual loss rate of last 5 years
Private Individuals (PI)		**34.80%**	**54.40%**	**2,434,691**	**2,494,588**	**42,413**	**2,885**	**33.34%**
hereof secured by immovable property		23.76%	22.34%	207,621	219,573	2,023	23	18.52%
hereof qualifying revolving		62.52%	61.91%	1,277,902	1,274,734	19,764	462	45.99%
hereof other		52.28%	52.90%	949,168	1,000,281	20,626	2,400	50.65%
Small and medium enterprises (Micro SME)		**52.08%**	**52.90%**	**60,693**	**60,927**	**4,179**	**26**	**46.99%**
hereof secured by immovable property		44.49%	44.50%	4,233	4,126	73	2	44.59%
hereof other		53.83%	53.73%	56,460	56,801	4,106	24	45.98%

The results show that the estimated LGD sufficiently cover the observed LGD with exception of the Micro SME mortgage portfolio where a very slight underestimation is observed. This portfolio is relatively small in terms of the number of obligors, and the under-estimation can be explained by the fact that in the estimation the full available history is taken on unit level, which for the larger units is typically 10 to 15 years. To still ensure comparability across units, the 5 years were chosen according to the requirements of CRR. Additionally the current positive economic environment also leads to lower estimates.

A breakdown into pools is not possible, as there is no unified LGD master scale within RBI and therefore the available pools are not homogenous across the subsidiaries. Therefore, product level portfolio averages are compared in the above benchmark analysis.

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 committed but undrawn limit in order to appropriately estimate EaD for all retail off-balance sheet 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 CCF 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 along with downturn, estimation error and CCF/PD correlation related margin of conservatism. Additional margins are applied for changes in lending standards or changes in default definition.

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.

EU CR9 Exposure class	CF range	Weighted average CCF	Number of obligors 31/12/2016	Number of obligors 31/12/2017	Defaulted obligors in the year	Of which new obligors	Average historical annual credit conversion factor over the last 5 years
Private Individuals (PI)		**57.16%**	**2,434,691**	**2,494,588**	**42,413**	**2,885**	**64.30%**
hereof secured by immovable property		42.99%	207,621	219,573	2,023	23	13.78%
hereof qualifying revolving		48.60%	1,277,902	1,274,734	19,764	462	59.87%
hereof other		67.07%	949,168	1,000,281	20,626	2,400	69.05%
Small and medium enterprises (Micro SME)		**65.52%**	**60,693**	**60,927**	**4,179**	**26**	**39.82%**
hereof secured by immovable property		42.82%	4,233	4,126	73	2	25.35%
hereof other		67.04%	56,460	56,801	4,106	24	43.52%

The results show that the estimated CCF sufficiently cover the observed CCF with the exception of PI qualifying revolving and PI other portfolios where underestimations are observed compared to a long run average based on the last 5 years. This can be explained by the fact that in the estimation the full available history is taken on unit level which for the larger units is typically 10 to 15 years. To still ensure comparability across units the 5 years were chosen according to the requirements of CRR. Additionally the current positive economic environment also leads to lower estimates.

A breakdown into pools is not possible, as there is no unified CCF master scale within RBI and therefore the available pools are not homogenous across the subsidiaries. Therefore, product level portfolio averages are compared in the above benchmark analysis.

Quantitative disclosure

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 1/1/2017	Specific credit risk adjustments 31/12/2017	change in %
Exposure to central governments and central banks	0	0	0.0%
Exposure to institutions	76,176	13,920	(81.7)%
Exposure to corporates	2,081,339	1,130,291	(45.7)%
hereof specialized lending	205,789	141,351	(31.3)%
Retail Exposure	583,956	547,221	(6.3)%
hereof secured by immovable property	283,706	256,695	(9.5)%
hereof qualifying revolving	85,807	48,457	(43.5)%
hereof SME	48,980	42,009	(14.2)%
hereof other	165,463	200,060	20.9%
Total	**2,741,471**	**1,691,432**	**(38.3)%**

In the following tables a breakdown is given for non-retail credit risk exposures and CCR exposures (where applicable) by exposure class and PD range as well as by geographical view. The average maturity is not used for the RWA calculation and therefore not shown in the tables. The following PD mapping - according to the EBA templates - was used for non-retail exposures:

PD Klassen	PD scale
1	0.00% to <0.15%
2	0.15% to <0.25%
3	0.25% to <0.50%
4	0.50% to <0.75%
5	0.75% to <2.50%
6	2.50% to <10.00%
7	10.00% to <100.00%
8	100.00% (Default)

Exposure to central governments and central banks

EU CR6

PD scale	Original on-balance sheet gross exposures	Off-balance sheet exposures pre-CCF	Average CCF	EAD post CRM and post CCF	Average PD	Number of obligors	Average LGD	RWAs	RWA density	EL	Value adjustments and provisions
1	1,385,318	300	34%	1,385,420	0%	55	43%	225,806	16%	334	
2	0	0		0	0%	0	0%	0		0	
3	0	0		0	0%	0	0%	0		0	
4	829,877	2,555	51%	831,182	1%	9	45%	386,812	47%	1,459	
5	0	0		0	0%	0	0%	0		0	
6	535,539	116,641	54%	598,335	3%	29	44%	405,460	68%	3,739	
7	20,340	4,000	50%	22,340	11%	4	45%	0	0%	0	
8	70	0		70	100%	1	45%	0	0%	31	
Total	**2,771,144**	**123,496**	**54%**	**2,837,346**		**98**		**1,018,077**	**36%**	**5,564**	**0**

EU CCR4

PD scale	EAD post CRM and post CCF	Average PD	Number of obligors	Average LGD	RWAs	RWA density
1	1,397	0.00%	1	45%	0	0%
2	0	0.00%	0	0%	0	0%
3	0	0.00%	0	0%	0	0%
4	0	0.00%	0	0%	0	0%
5	0	0.00%	0	0%	0	0%
6	0	0.00%	0	0%	0	0%
7	0	0.00%	0	0%	0	0%
8	0	0.00%	0	0%	0	0%
Total	**1,397**		**1**		**0**	**0%**

Geographical breakdown according to Article 452 (j) CRR in € thousand	Original on- and off-balance sheet gross exposures	PD (exposure weighted average) in %
Austria	887,133	1.2%
Bosnia and Herzegovina	476,270	2.3%
Bulgaria	47,210	0.0%
China	7,441	0.0%
Czech Republic	30,253	0.7%
Croatia	107,631	0.0%
Hungary	32,512	0.1%
Romania	13,400	0.0%
Republic of Serbia	676,972	0.7%
Russian Federation	596,893	0.1%
Singapore	3,760	0.0%
Slovakia	15,165	0.0%
Total	**2,894,639**	**0.9%**

Exposure to institutions

EU CR6 PD scale	Original on-balance sheet gross exposures	Off-balance sheet exposures pre-CCF	Average CCF	EAD post CRM and post CCF	Average PD	Number of obligors	Average LGD	RWAs	RWA density	EL	Value adjustments and provisions
1	3,362,817	1,667,510	15%	3,607,413	0%	310	32%	555,282	15%	809	
2	1,139,312	319,002	10%	1,172,760	0%	88	27%	344,626	29%	563	
3	60,461	60,615	19%	71,688	0%	32	41%	51,060	71%	107	
4	126,505	165,898	20%	159,143	1%	31	39%	106,901	67%	305	
5	7,490	24,660	20%	12,422	1%	18	44%	14,576	117%	67	
6	9,709	11,762	22%	12,283	3%	36	21%	8,501	69%	87	
7	1,188	23	20%	1,193	28%	57	24%	1,785	150%	83	
8	7,000	0		7,000	97%	10	44%	0	0%	3,150	
Total	**4,714,482**	**2,249,469**	**15%**	**5,043,903**		**582**		**1,082,732**	**21%**	**5,171**	**13,920**

EU CCR4 PD scale	EAD post CRM and post CCF	Average PD	Number of obligors	Average LGD	RWAs	RWA density
1	1,274,460	0.07%	232	23%	151,024	12%
2	393,528	0.16%	86	25%	133,996	34%
3	8,407	0.33%	13	24%	3,354	40%
4	3,568	0.63%	16	38%	3,126	88%
5	994	1.86%	1	45%	1,478	149%
6	5,609	2.53%	4	1%	295	5%
7	7	28.29%	3	45%	18	264%
8	0	0.00%	0	0%	0	0%
Total	**1,686,573**		**355**		**293,291**	**17%**

Geographical breakdown according to Article 452 (j) CRR in € thousand	Original on- and off-balance sheet gross exposures	PD (exposure weighted average) in %
Austria	5,156,843	0.3%
Bosnia and Herzegovina	188,050	0.2%
Bulgaria	104,931	0.2%
China	1,002	0.2%
Czech Republic	114,108	0.1%
Germany	203	28.3%
United Kingdom	247	0.1%
Croatia	195,229	0.1%
Hungary	305,762	0.1%
Romania	293,532	0.1%
Republic of Serbia	75,948	0.2%
Russian Federation	161,502	0.1%
Singapore	1,605	0.2%
Slovakia	364,990	0.2%
Total	**6,963,952**	**0.2%**

Exposure to corporates

Corporates – SME

EU CR6 PD scale	Original on-balance sheet gross exposures	Off-balance sheet exposures pre-CCF	Average CCF	EAD post CRM and post CCF	Averag e PD	Number of obligors	Average LGD	RWAs	RWA density	EL	Value adjustments and provisions
1	14,851	16,347	24%	18,710	0%	43	41%	4,385	23%	7	
2	41,152	101,188	8%	49,087	0%	191	41%	17,381	35%	43	
3	318,595	439,444	6%	346,976	0%	3,006	42%	133,496	38%	459	
4	447,958	493,019	13%	509,649	1%	1,000	41%	316,521	62%	1,352	
5	1,810,685	1,277,230	8%	1,914,722	1%	6,347	42%	1,475,305	77%	10,959	
6	1,580,591	834,902	11%	1,670,282	4%	5,371	42%	1,607,867	96%	25,206	
7	111,195	40,514	14%	116,930	18%	3,172	42%	181,568	155%	8,339	
8	246,834	31,218	33%	257,178	99%	655	43%	611	0%	108,108	
Total	**4,571,860**	**3,233,863**	**10%**	**4,883,535**		**19,785**		**3,737,134**	**77%**	**154,473**	**150,667**

EU CCR4 PD scale	EAD post CRM and post CCF	Average PD	Number of obligors	Average LGD	RWAs	RWA density
1	23	0.12%	1	45%	5	24%
2	358	0.10%	12	20%	134	38%
3	1,877	0.31%	63	34%	887	47%
4	3,766	0.51%	61	40%	2,564	68%
5	7,830	0.93%	185	29%	5,932	76%
6	5,295	5.80%	105	38%	6,228	118%
7	5	28.02%	3	36%	7	132%
8	0	0.00%	0	0%	0	0%
Total	**19,154**		**430**		**15,758**	**82%**

Corporates – Other

EU CR6 PD scale	Original on-balance sheet gross exposures	Off-balance sheet exposures pre-CCF	Aver age CCF	EAD post CRM and post CCF	Average PD	Number of obligors	Average LGD	RWAs	RWA density	EL	Value adjustments and provisions
1	6,982,088	10,825,112	30%	10,227,704	0%	1,363	38%	2,036,227	20%	2,499	
2	3,426,189	3,033,878	34%	4,461,619	0%	625	44%	1,915,441	43%	3,611	
3	3,350,091	3,224,337	26%	4,175,030	0%	992	43%	2,359,272	57%	5,906	
4	3,741,862	3,057,989	28%	4,587,368	1%	1,129	44%	3,499,447	76%	12,260	
5	3,523,999	3,135,894	25%	4,323,094	1%	1,754	42%	4,110,699	95%	22,036	
6	1,769,386	1,172,243	19%	1,993,853	4%	1,795	39%	1,896,146	95%	20,263	
7	267,293	394,845	11%	311,597	26%	9,221	29%	324,436	104%	13,289	
8	1,404,653	125,677	37%	1,450,982	99%	2,122	44%	4,396	0%	628,784	
Total	**24,465,561**	**24,969,976**	**28%**	**31,531,247**		**19,001**		**16,146,065**	**51%**	**708,647**	**838,273**

EU CCR4 PD scale	EAD post CRM and post CCF	Average PD	Number of obligors	Average LGD	RWAs	RWA density
1	130,199	0.05%	204	43%	28,875	22%
2	51,462	0.18%	52	44%	26,838	52%
3	94,663	0.31%	49	45%	55,510	59%
4	28,009	0.58%	87	42%	23,729	85%
5	72,686	1.24%	120	43%	77,607	107%
6	9,221	4.11%	69	39%	14,002	152%
7	1,979	27.52%	19	44%	5,190	262%
8	3,657	95.98%	9	43%	0	0%
Total	391,875		609		231,752	59%

Corporates – Specialized Lending

EU CR6 PD scale	Original on-balance sheet gross exposures	Off-balance sheet exposures pre-CCF	Average CCF	EAD post CRM and post CCF	Average PD	Number of obligors	Average LGD	RWAs	RWA density	EL	Value adjustmen ts and provisions
1	0	0		0	0%	0	0%	0	0%	0	
2	3,408,515	640,784	52%	3,741,848	0%	574	45%	2,407,042	64%	10,722	
3	1,017,450	204,152	44%	1,107,209	0%	222	45%	937,135	85%	7,671	
4	0	0		0	0%	0	0%	0	0%	0	
5	391,797	17,341	13%	394,100	2%	60	45%	453,216	115%	11,035	
6	0	0		0	0%	0	0%	0	0%	0	
7	94,396	115,946	74%	180,755	19%	89	45%	335,802	186%	9,989	
8	386,050	2,391	15%	386,404	99%	78	45%	0	0%	193,202	
Total	5,298,208	980,614	52%	5,810,316		1,023		4,133,194	71%	232,619	141,351

EU CCR4 PD scale	EAD post CRM and post CCF	Average PD	Number of obligors	Average LGD	RWAs	RWA density
1	0	0.00%	0	0%	0	0%
2	36,751	0.23%	148	44%	24,069	65%
3	6,771	0.43%	48	43%	6,068	90%
4	0	0.00%	0	0%	0	0%
5	932	1.61%	5	44%	1,072	115%
6	0	0.00%	0	0%	0	0%
7	0	0.00%	0	0%	0	0%
8	365	100.00%	3	45%	0	0%
Total	44,819		204		31,210	70%

Corporates – Total

Geographical breakdown according to Article 452 (j) CRR in € thousand	Original on- and off-balance sheet gross exposures	PD (exposure weighted average) in %
Austria	31,624,288	4.7%
Bosnia and Herzegovina	787,214	8.6%
Bulgaria	1,752,792	4.4%
China	61,108	0.0%
Czech Republic	5,616,459	3.2%
Germany	61	21.0%
United Kingdom	12	21.0%
Croatia	1,753,381	8.3%
Hungary	3,467,791	5.9%
Romania	2,594,564	6.6%
Republic of Serbia	1,560,804	3.9%
Russian Federation	9,273,353	2.6%
Singapore	0	0.7%
Slovakia	5,028,257	4.8%
Total	**63,520,082**	**4.5%**

Equity exposure

EU CR6 PD scale	Original on-balance sheet gross exposures	Off-balance sheet exposures pre-CCF	Average CCF	EAD post CRM and post CCF	Average PD	Number of obligors	Average LGD	RWAs	RWA density	EL	Value adjustments and provisions
1	84,357	0		84,357	0%	77	90%	118,805	141%	69	
2	4,572	0		4,572	0%	9	90%	6,778	148%	9	
3	1,660	0		1,660	0%	4	90%	2,549	154%	6	
4	1,658	0		1,658	1%	7	90%	4,071	246%	10	
5	15,947	0		15,947	1%	10	90%	43,959	276%	173	
6	4	0		4	3%	6	90%	11	253%	0	
7	31	0		31	36%	30	90%	190	607%	10	
8	14,421	0		14,421	100%	10	90%	0	0%	12,979	
Total	**122,650**	**0**		**122,650**		**153**		**176,363**	**144%**	**13,256**	**0**

Geographical breakdown according to Article 452 (j) CRR in € thousand	Original on- and off-balance sheet gross exposures	PD (exposure weighted average) in %
Austria	36,014	0.4%
Bulgaria	2,055	0.1%
Czech Republic	15,518	0.8%
Croatia	41,701	1.9%
Hungary	13,713	99.6%
Romania	287	0.5%
Republic of Serbia	1	3.4%
Russian Federation	4,105	0.2%
Slovakia	9,706	0.1%
Total	**123,100**	**12.0%**

Retail exposure

In the following tables a breakdown is given for retail credit risk exposures by exposure class and PD range as well as by geographical view. The average maturity is not used for the RWA calculation and therefore not shown in the tables below. Regarding geographical breakdown the retail exposures show, compared to last year, improved average PD and LGD values due to portfolio improvements related to better economic conditions.

The following table shows the default probabilities used for the calculation of capital requirements for individual PD grades.

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%
28 = Default	10		= 100%

Retail – secured by immovable property (PI)

EU CR6 PD scale	Original on-balance sheet gross exposures	Off-balance sheet exposures pre-CCF	Average CCF	EAD post CRM and post CCF	Average PD	Number of obligors	Average LGD	RWAs	RWA density	EL	Value adjustments and provisions
1	0	0	n.a.	0	n.a.	0	n.a.	0	n.a.	0	
2	0	0	n.a.	0	n.a.	0	n.a.	0	n.a.	0	
3	1,151,989	102,797	100%	1,254,786	0%	18,917	23%	28,532	2%	88	
4	0	0	n.a.	0	n.a.	0	n.a.	0	n.a.	0	
5	683,818	49,700	100%	733,518	0%	10,837	24%	25,334	3%	86	
6	0	0	n.a.	0	n.a.	0	n.a.	0	n.a.	0	
7	867	8	37%	870	0%	22	38%	83	9%	0	
8	219,301	235	100%	219,537	0%	6,256	38%	24,120	11%	100	
9	2,565,875	269,203	84%	2,793,095	0%	43,736	25%	234,182	8%	1,019	
10	0	0	n.a.	0	n.a.	0	n.a.	0	n.a.	0	
11	73,661	275	94%	73,919	0%	2,074	38%	14,883	20%	76	
12	1,405,775	170,929	82%	1,545,417	0%	24,527	29%	287,625	19%	1,608	
13	108,640	0	n.a.	108,640	1%	7,247	30%	26,925	25%	163	
14	401,159	38,414	100%	439,553	1%	7,157	27%	121,412	28%	815	
15	860,138	45,050	81%	831,222	1%	28,753	30%	326,301	39%	2,537	
16	596,355	20,637	100%	499,935	1%	16,388	26%	225,846	45%	1,868	
17	449,871	6,856	75%	386,859	2%	13,592	29%	228,538	59%	2,163	
18	87,613	8,603	100%	96,216	3%	1,559	26%	61,769	64%	672	
19	201,560	696	56%	196,652	3%	6,211	30%	159,002	81%	1,901	
20	94,822	1,326	100%	92,254	5%	2,501	32%	93,285	101%	1,341	
21	80,104	47	49%	80,127	6%	3,011	30%	86,914	108%	1,388	
22	35,741	3,657	100%	34,394	9%	1,266	30%	50,361	146%	992	
23	75,120	82	61%	75,169	11%	2,435	30%	100,820	134%	2,206	
24	4,489	0	100%	4,489	15%	149	23%	9,559	213%	270	
25	23,203	11	63%	22,155	20%	568	23%	34,151	154%	1,111	
26	38,552	355	100%	38,661	33%	1,353	30%	63,319	164%	3,112	
27	37,108	781	101%	37,809	38%	1,063	26%	66,340	175%	4,148	
28	357,609	651	95%	358,057	100%	13,285	31%	141,284	39%	164,911	
Total	**9,553,369**	**720,312**	**88.33%**	**9,923,334**	**4.61%**	**212,907**	**27.04%**	**2,410,586**	**24.29%**	**192,575**	**247,826**

Geographical breakdown according to Article 452 (j) CRR in € thousand	Original on- and off-balance sheet gross exposures	PD (exposure weighted average) in %	LGD (exposure weighted average) in %
Bulgaria	472,437	4.69%	39.73%
Czech Republic	3,790,401	2.12%	27.16%
Hungary	529,747	19.66%	29.85%
Romania	1,338,626	12.54%	30.02%
Slovakia	4,142,471	2.15%	24.78%
Total	**10,273,681**	**4.61%**	**27.04%**

Retail – secured by immovable property (SME)

EU CR6 PD scale	Original on-balance sheet gross exposures	Off-balance sheet exposures pre-CCF	Average CCF	EAD post CRM and post CCF	Average PD	Number of obligors	Average LGD	RWAs	RWA density	EL	Value adjustments and provisions
1	0	0	n.a.	0	n.a.	0	n.a.	0	n.a.	0	
2	0	0	n.a.	0	n.a.	0	n.a.	0	n.a.	0	
3	0	0	n.a.	0	n.a.	0	n.a.	0	n.a.	0	
4	0	0	n.a.	0	n.a.	0	n.a.	0	n.a.	0	
5	0	0	n.a.	0	n.a.	0	n.a.	0	n.a.	0	
6	0	0	n.a.	0	n.a.	0	n.a.	0	n.a.	0	
7	3,420	2,515	37%	4,351	0%	207	38%	315	7%	2	
8	671	3	100%	674	0%	19	38%	56	8%	0	
9	0	0	n.a.	0	n.a.	0	n.a.	0	n.a.	0	
10	0	0	n.a.	0	n.a.	0	n.a.	0	n.a.	0	
11	22,110	3,041	39%	23,301	0%	690	38%	3,555	15%	24	
12	42,795	3,804	45%	44,524	0%	929	38%	8,705	20%	64	
13	0	0	n.a.	0	n.a.	0	n.a.	0	n.a.	0	
14	40,370	2,364	48%	41,496	1%	735	38%	12,470	30%	110	
15	7,858	77	0%	4,874	1%	229	62%	3,389	70%	35	
16	15,454	772	49%	18,819	2%	481	38%	10,118	54%	114	
17	216	0	n.a.	216	2%	12	38%	115	53%	1	
18	1,823	11	0%	1,823	2%	71	62%	2,009	110%	27	
19	0	0	n.a.	0	n.a.	0	n.a.	0	n.a.	0	
20	8,731	459	48%	8,952	5%	214	61%	8,815	98%	152	
21	0	0	n.a.	0	n.a.	0	n.a.	0	n.a.	0	
22	4,808	1,127	37%	5,227	9%	165	61%	7,466	143%	188	
23	0	0	n.a.	0	n.a.	0	n.a.	0	n.a.	0	
24	3,851	16	135%	3,873	15%	121	61%	6,552	169%	235	
25	0	0	n.a.	0	n.a.	0	n.a.	0	n.a.	0	
26	0	0	n.a.	0	n.a.	0	n.a.	0	n.a.	0	
27	4,164	0	n.a.	4,164	38%	140	60%	7,302	175%	677	
28	8,365	127	49%	8,428	100%	406	62%	4,846	58%	5,438	
Total	**164,636**	**14,317**	**42.52%**	**170,723**	**7.27%**	**4,419**	**42.89%**	**75,713**	**44.35%**	**7,069**	**8,869**

Geographical breakdown according to Article 452 (j) CRR in € thousand	Original on- and off-balance sheet gross exposures	PD (exposure weighted average) in %	LGD (exposure weighted average) in %
Bulgaria	165,254	6.52%	39.12%
Hungary	13,698	13.73%	62.09%
Total	**178,952**	**7.27%**	**42.89%**

Retail – qualifying revolving

EU CR6 PD scale	Original on-balance sheet gross exposures	Off-balance sheet exposures pre-CCF	Average CCF	EAD post CRM and post CCF	Average PD	Number of obligors	Average LGD	RWAs	RWA density	EL	Value adjustments and provisions
1	0	0	n.a.	0	n.a.	0	n.a.	0	n.a.	0	
2	0	0	n.a.	0	n.a.	0	n.a.	0	n.a.	0	
3	20,924	93,237	49%	67,066	0%	40,979	60%	929	1%	12	
4	0	0	n.a.	0	n.a.	0	n.a.	0	n.a.	0	
5	0	0	n.a.	0	n.a.	0	n.a.	0	n.a.	0	
6	20,937	109,466	61%	88,111	0%	57,689	48%	1,983	2%	29	
7	1,846	39,869	95%	39,854	0%	50,090	55%	1,124	3%	17	
8	11,330	69,723	55%	49,640	0%	62,987	56%	2,174	4%	35	
9	67,036	271,184	46%	190,440	0%	184,275	62%	10,120	5%	173	
10	4,021	7,844	100%	11,843	0%	14,791	55%	764	6%	14	
11	13,055	66,957	45%	43,148	0%	62,445	58%	3,598	8%	67	
12	89,172	251,658	37%	181,608	0%	209,147	65%	19,051	10%	377	
13	75,137	88,984	54%	123,360	1%	121,553	58%	17,565	14%	376	
14	0	0	n.a.	0	n.a.	0	n.a.	0	n.a.	0	
15	94,903	104,722	44%	140,891	1%	159,982	64%	33,658	24%	833	
16	12,877	11,677	55%	19,259	1%	15,906	48%	5,242	27%	137	
17	68,188	25,529	62%	84,052	2%	93,567	57%	30,714	37%	901	
18	37,991	24,414	38%	47,157	2%	33,485	66%	24,643	52%	765	
19	10,487	3,404	54%	12,315	4%	12,974	60%	7,978	65%	282	
20	56,595	22,178	54%	68,581	4%	64,249	65%	47,404	69%	1,734	
21	25,246	5,261	52%	27,983	7%	15,725	64%	29,713	106%	1,294	
22	11,580	6,537	58%	15,400	8%	25,817	62%	14,083	91%	655	
23	18,835	1,957	55%	19,907	12%	9,040	67%	29,851	150%	1,609	
24	5,291	5,179	42%	7,451	14%	15,309	63%	9,899	133%	593	
25	7,073	1,225	39%	7,554	22%	246,455	66%	13,967	185%	1,048	
26	940	261	35%	1,031	31%	2,001	65%	2,166	210%	207	
27	12,891	3,203	53%	14,603	42%	15,151	66%	28,352	194%	3,483	
28	36,460	3,427	20%	37,148	100%	39,776	70%	7,460	20%	31,907	
Total	**702,812**	**1,217,898**	**48.90%**	**1,298,403**	**4.74%**	**1,553,393**	**60.58%**	**342,437**	**26.37%**	**46,548**	**48,457**

Geographical breakdown according to Article 452 (j) CRR in € thousand	Original on- and off-balance sheet gross exposures	PD (exposure weighted average) in %	LGD (exposure weighted average) in %
Bulgaria	80,759	6.45%	64.17%
Czech Republic	722,430	7.69%	65.79%
Hungary	81,998	4.50%	57.86%
Romania	714,712	1.83%	50.11%
Serbia	70,076	3.69%	61.86%
Slovakia	250,734	4.74%	60.95%
Total	**1,920,710**	**4.74%**	**60.58%**

Retail – SME

EU CR6 PD scale	Original on-balance sheet gross exposures	Off-balance sheet exposures pre-CCF	Average CCF	EAD post CRM and post CCF	Average PD	Number of obligors	Average LGD	RWAs	RWA density	EL	Value adjustments and provisions
1	0	0	n.a.	0	n.a.	0	n.a.	0	n.a.	0	
2	0	0	n.a.	0	n.a.	0	n.a.	0	n.a.	0	
3	0	0	n.a.	0	n.a.	0	n.a.	0	n.a.	0	
4	0	0	n.a.	0	n.a.	0	n.a.	0	n.a.	0	
5	0	0	n.a.	0	n.a.	0	n.a.	0	n.a.	0	
6	0	0	n.a.	0	n.a.	0	n.a.	0	n.a.	0	
7	761	1,486	37%	1,317	0%	129	54%	142	11%	1	
8	0	0	n.a.	0	n.a.	0	n.a.	0	n.a.	0	
9	225	414	84%	571	0%	53	57%	91	16%	1	
10	26,071	109,529	75%	108,351	0%	5,211	52%	20,720	19%	134	
11	13,088	6,098	40%	15,501	0%	1,347	54%	3,337	22%	23	
12	18,447	3,715	44%	20,066	0%	1,407	54%	5,344	27%	41	
13	9,549	10,090	84%	18,053	1%	1,259	57%	5,965	33%	51	
14	27,394	10,497	62%	33,882	1%	1,994	52%	12,418	37%	125	
15	88,814	16,929	83%	102,918	1%	3,433	43%	45,723	44%	569	
16	26,852	4,741	79%	30,585	2%	1,061	54%	11,981	39%	172	
17	86,817	17,719	82%	101,381	2%	4,445	57%	59,243	58%	1,108	
18	11,315	1,455	74%	12,386	2%	355	39%	5,274	43%	118	
19	84,225	8,617	83%	91,356	3%	4,370	58%	59,968	66%	1,783	
20	8,559	927	70%	9,212	5%	386	37%	4,765	52%	181	
21	41,562	3,957	83%	44,860	6%	2,356	57%	31,584	70%	1,703	
22	3,970	1,326	46%	4,583	9%	263	36%	2,604	57%	176	
23	14,949	1,216	76%	15,869	11%	944	57%	12,748	80%	1,000	
24	10,471	699	92%	11,117	15%	6,038	43%	9,523	86%	873	
25	2,916	0	n.a.	2,916	20%	204	59%	3,111	107%	346	
26	0	0	n.a.	0	n.a.	0	n.a.	0	n.a.	0	
27	28,436	11,057	91%	38,511	40%	17,643	47%	46,032	120%	8,388	
28 (Default)	40,825	339	65%	41,045	100%	12,839	72%	9,309	23%	35,880	
Total	**545,245**	**210,811**	**75.53%**	**704,479**	**10.09%**	**65,737**	**52.82%**	**349,882**	**49.67%**	**52,672**	**42,009**

Geographical breakdown according to Article 452 (j) CRR in € thousand	Original on- and off-balance sheet gross exposures	PD (exposure weighted average) in %	LGD (exposure weighted average) in %
Bulgaria	80,471	3.98%	54.50%
Czech Republic	375,383	10.59%	57.84%
Hungary	80,369	4.24%	39.94%
Romania	219,833	13.20%	59.29%
Total	**756,056**	**10.18%**	**53.08%**

Retail – other

EU CR6 PD scale	Original on-balance sheet gross exposures	Off-balance sheet exposures pre-CCF	Average CCF	EAD post CRM and post CCF	Average PD	Number of obligors	Average LGD	RWAs	RWA density	EL	Value adjustments and provisions
1	0	0	n.a.	0	n.a.	0	n.a.	0	n.a.	0	
2	0	0	n.a.	0	n.a.	0	n.a.	0	n.a.	0	
3	110	150,106	74%	110,738	0%	96,951	53%	6,211	6%	18	
4	574	53,763	74%	40,197	0%	41,698	53%	2,825	7%	9	
5	0	0	n.a.	0	n.a.	0	n.a.	0	n.a.	0	
6	0	0	n.a.	0	n.a.	0	n.a.	0	n.a.	0	
7	196	319	62%	393	0%	20	55%	52	13%	0	
8	143,454	45,697	74%	177,133	0%	50,689	56%	30,855	17%	125	
9	95,578	50	47%	95,602	0%	16,794	61%	22,256	23%	99	
10	106,399	34,928	74%	132,147	0%	37,704	56%	35,656	27%	177	
11	152,567	549	37%	152,771	0%	25,283	59%	45,439	30%	238	
12	408,151	825	37%	408,457	0%	92,974	60%	153,697	38%	879	
13	237,513	20,879	74%	252,900	1%	53,983	64%	109,888	43%	722	
14	456,566	1,191	37%	457,007	1%	99,268	60%	247,667	54%	1,911	
15	403,455	11,269	74%	411,751	1%	91,786	56%	262,064	64%	2,538	
16	279,606	878	60%	280,135	1%	44,644	40%	194,868	70%	2,271	
17	52,068	0	n.a.	52,068	2%	13,999	55%	38,803	75%	579	
18	312,279	4,563	74%	315,634	2%	62,699	65%	266,800	85%	4,433	
19	151,777	2,559	74%	153,666	3%	27,477	58%	133,697	87%	3,035	
20	158,142	77	37%	158,170	4%	33,889	65%	148,768	94%	4,153	
21	80,193	893	74%	80,852	6%	18,170	61%	76,926	95%	2,947	
22	83,367	86	37%	83,399	8%	18,757	60%	82,892	99%	3,979	
23	34,823	231	74%	34,993	11%	8,466	59%	37,667	108%	2,236	
24	47,090	4	100%	47,094	16%	33,194	62%	58,520	124%	4,264	
25	301	0	100%	301	23%	4,931	18%	340	113%	30	
26	16,400	0	n.a.	16,398	33%	3,764	62%	27,091	165%	3,165	
27	58,456	364	105%	58,839	40%	18,236	58%	97,102	165%	13,838	
28	176,170	78	74%	176,230	100%	58,992	73%	64,405	37%	146,864	
Total	**3,455,234**	**329,310**	**73.38%**	**3,696,876**	**7.16%**	**954,368**	**58.78%**	**2,144,487**	**58.01%**	**198,511**	**200,060**

Geographical breakdown according to Article 452 (j) CRR in € thousand	Original on- and off-balance sheet gross exposures	PD (exposure weighted average) in %	LGD (exposure weighted average) in %
Bosnia	565,915	7.53%	59.28%
Bulgaria	396,499	6.10%	55.21%
Czech Republic	452,850	13.42%	63.35%
Hungary	89,982	7.15%	42.85%
Romania	1,127,055	5.71%	61.43%
Serbia	186,834	7.75%	65.74%
Slovakia	965,410	5.80%	56.86%
Total	**3,784,545**	**7.16%**	**58.78%**

Article 453 CRR Use of credit risk mitigation techniques

Management and recognition of credit risk mitigation

The following section outlines the policies and processes for collateral valuation and management in RBI. Besides the collateral mentioned herein, other types of collateral are recognized for internal risk calculations.

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

- the collateral is legally enforceable under the applicable jurisdiction
- there is 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

The collateral valuation is done by staff members who are independent from the credit decision process. Regular evaluations make sure that the revaluation of the collateral is done 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.

Collateral valuation is based on current market prices, with an amount that can be recovered within a reasonable period taken into account. The methods of calculating the value and the setting of the haircut are specified by Collateral Management.

The following types of collateral are accepted:

- financial collateral: cash, securities, life insurance
- real estate
- guarantees given by sovereigns and public sector entities, financial institutions, corporates (and individuals)
- receivables
- movables (for internal risk calculation only)

Financial collateral

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

Type of collateral and valuation

Cash on deposit

As cash on deposit, all kinds of accounts (fixed deposits, saving accounts, etc.) as well as savings books and cash assimilated instruments such as 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.

Netting

On-balance sheet netting agreements

In the 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 fulfill the CRR criteria.

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.

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 to 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 to 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 to 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 to 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.

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.

Investment funds

Units in collective investment undertakings are recognized 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.

Effect on credit risk mitigation

Apart from cash deposits held by a third party bank, all financial collateral provided as security reduces 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.

Real estate collateral

For the purpose of credit risk mitigation residential real estate and commercial real estate are used if the criteria and the minimum requirements of CRR are fulfilled.

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

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.

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.

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.

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

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.

Unfunded credit protection with a counter guarantee

If an exposure is secured by unfunded credit protection, which itself is counter guaranteed by unfunded credit protection from one of the following protection providers, the PD of the counter guarantor is taken into consideration for the RWA calculation, if all requirements of CRR are fulfilled. The same applies to a counter guarantee from 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

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. Counterparties are the credit protection providers mentioned in Clause 6.1., therefore primarily institutions.

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.

Main types of guarantors and credit derivative counterparties

On RBI level the main type of guarantors – in terms of exposure – are corporates and sovereigns, and to a lesser extent financial institutions. With respect to creditworthiness, 75 per cent of exposures are in the first 10 rating classes.

Exposure to credit derivative counterparties is not material. Nonetheless, the main counterparty type for credit derivative transactions is financial institutions, with a residual amount of corporate exposure. With respect to creditworthiness, 100 per cent of exposures are in the first 10 rating classes.

Market or credit risk concentration in relation to credit risk mitigation

Concentration risk occurs when a large portion of instruments used for credit risk mitigation are concentrated in a limited number of types of credit risk mitigation instruments, are from a limited number of collateral providers or industries, or in case of a disproportional volume of collaterals used for risk mitigation. Such concentration risk is managed by the following processes:

In the case of unfunded credit risk mitigation instruments issued by FIs and Sovereigns, secondary credit risk is assigned to the individual protection provider, which must be applied for in individual credit applications and which is reflected and approved as part of the guarantor's total credit exposure. Additionally, approval for potential country risk arising from the credit risk mitigation instrument is obtained separately.

In the case of other unfunded risk mitigation instruments, the value of the risk mitigation is assessed and approved in the approval process for the respective primary counterparty limit. In addition, the extent of the risk mitigation provided by the protection instrument is individually assessed by independent internal risk experts, taking into consideration the total exposure to the protection provider in relation to its individual credit standing before the risk mitigation effect is reflected in the internal collateral systems.

With regards to funded credit risk mitigation instruments, due to the widely spread geographic range of activities there is no relevant concentration risk in terms of asset types, markets or collateral providers.

Quantitative disclosure

The effect of all CRM techniques applied is shown in the table below:

EU CR4 in € thousand	Exposures before CCF and CRM		Exposures post CCF and CRM		RWAs and RWA density	
Exposure classes	**On-balance sheet amount**	**Off-balance sheet amount**	**On-balance sheet amount**	**Off-balance sheet amount**	**RWAs**	**RWA density**
Central governments or central banks	23,870,802	46,193	25,270,522	176,671	1,105,473	4%
Regional government or local authorities	238,632	24,451	250,216	6,456	102,934	40%
Public sector entities	95,167	4,044	95,497	2,000	44,208	45%
Multilateral development banks	1,476,848	5,600	2,066,228	13,802	0	0%
International organizations	746,978	1,000	746,978	200	0	0%
Institutions	2,203,868	32,166	2,241,890	7,093	268,733	12%
Corporates	7,466,809	3,291,879	7,190,941	454,845	7,340,129	96%
Retail	8,008,029	1,982,688	7,423,147	338,336	5,602,135	72%
Secured by mortgages on immovable property	12,675,384	330,378	12,669,605	164,890	7,841,400	61%
Exposures in default	709,625	24,811	676,314	8,487	757,695	111%
Exposures associated with particularly high risk	0	0	0	0	0	
Covered bonds	76,991	0	76,991	0	14,981	19%
Institutions and corporates with a short-term credit assessment	0	0	0	0	0	
Collective investment undertakings	108,828	0	108,828	0	37,704	35%
Equity	1,241,907	0	1,241,907	0	2,037,548	164%
Other items	6,469,070	4	6,468,541	1	2,688,637	42%
Total	**65,388,938**	**5,743,215**	**66,527,605**	**1,172,782**	**27,841,576**	**41%**

The extent of the use of CRM techniques within RBI Group:

EU CR3 in € thousand	Exposures unsecured – Carrying amount	Exposures secured – Carrying amount	Exposures secured by collateral	Exposures secured by financial guarantees	Exposures secured by credit derivatives
Total exposures	**118,898,238**	**23,321,922**	**17,839,960**	**5,481,961**	**0**
Of which defaulted	2,974,131	161,801	161,801	0	0

There are no credit derivatives posted as collateral as of 31 December 2017.

Article 454 CRR Use of the advanced measurement approaches to operational risk

RBI has a Group-wide insurance program in place which is dealt with by a centralized Insurance Management team.

Different insurance contracts are in place for the Group to insure against potentially severe losses. The strategy for the coverage is aligned with the operational risk profile based on scenario results and is also reported and discussed on a regular basis at the Operational Risk Management Committee.

Additionally, a loss data reconciliation process is in place as part of the event data collection and control mechanism (general ledger analysis) for operational risk. Insurance claims are reconciled with the income statement and loss database to assure data completeness.

RBI does not use any risk transfer mechanisms for the purpose of mitigation of operational risk capital.

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 in 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 general interest rate risk and foreign-exchange risk including Vega risk. Since the third quarter of 2017, the regulator approved the material model change for interest rate basis risk factors and for negative interest rate coverage.

Stressed VaR

The stressed VaR is calculated as the application of a historical (equally weighted 1 year) time series of returns on 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 back-testing and statistical validation techniques.

Risk theoretical and actual back-testing

For back-testing two comparisons are performed:

The "clean" or risk theoretical back-testing is the comparison of VaR figures to 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 back-testing is done using the profit and loss (P&L) results from 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 program 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 Regulation 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 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 the event of illiquidity, along with the establishment of a regular valuation meeting at RBI head office. The latter is the decision making body for RBI responsible for e.g. approvals, reviews and/or changes to valuation procedures, valuation models, and pricing parameters.

The valuation of new products including the treatment of pricing (availability of liquid pricing sources, respectively appropriate pricing parameters) is an integral part of the product approval process.

Prudent valuation

The requirement to perform a prudent valuation is set out in Article 105 of the CRR (Regulation (EU) 575/2013) and described in more detail in the Regulation (EU) 2016/101. The result of the prudent valuation needs to be used only for the purpose of calculating adjustments to Common Equity Tier 1 capital, where necessary.

RBI has designed and implemented a centralized calculation of additional valuation adjustments (AVAs) arising from prudent valuation with the internal model for market risk as its cornerstone. RBI centrally calculates the AVAs for all members of RBI that are integrated in the daily market risk calculations. Additionally, RBI head office sets the principles other RBI members need to adhere to when performing their own standalone local calculation of AVAs. Any and all results of the standalone local calculation of AVAs need to be reported back to RBI head office in order to properly include them in the overall prudent valuation results for RBI. All methods for the calculation of AVAs, both central and standalone local ones, need to be approved by the RBI MACO and the RBI Management Board.

The prudent valuation performed in RBI covers all 9 AVAs defined in the Regulation (EU) 2016/101, whose individual characteristics are briefly summarized in the following table:

AVA	Motivation/description
1. Market price uncertainty (MPU)	▪ Market participants quote different bid or ask prices for the same financial instrument. ▪ It is unclear which of these is the "true" fair price.
2. Close-out costs (CoC)	▪ Different bid/ask spreads are quoted around "consensus" mid price. ▪ Relevant when assessing exit price of positions valued at mid price (RBI derivative positions are valued at mid price).
3. Concentrated positions (CP)	▪ Closing a large position might move the market price away from the one that was used to calculate the fair value of the position. ▪ Relevant for bond positions which represent a significant percentage of the outstanding amount.
4. Unearned credit spreads (CVA)	▪ Credit Value Adjustment (CVA) calculations also depend on market quoted parameters. ▪ CVA AVA aims to quantify uncertainty contained within these parameters.
5. Investing and funding costs (FVA)	▪ Aimed at quantifying uncertainty in the funding costs used when assessing the exit price.
6. Model risk (MOR)	▪ Quantifying the potential errors when applying a specific model in mark-to-model fair value measurement.
7. Operational risk (OP)	▪ By definition set to be equal to 10% of MPU+CoC. ▪ If AMA is applied in capital requirement calculation and it explicitly covers the valuation process, OP AVA can be set to zero (not implemented in RBI's AMA)
8. Future administrative costs (FAC)	▪ Aimed at accounting for the administrative costs of keeping the positions during their unwind/rundown process. ▪ Relevant for positions that can not be closed on the market quickly.
9. Early termination (ET)	▪ Aimed at quantifying the potential losses an institution might suffer in non-contractual early terminations of client trades.

Quantitative disclosure

The following table displays the prudent valuation results as of end of December 2017 for RBI:

Art. 455 (c) CRR **in € thousand**		**Aggregate AVA** **(total effect on capital)**
Market price uncertainty and Close-out costs AVA	out of fair value measurement	26,551
	out of CVA/FVA calculation	1,185
Model risk AVA	out of fair value measurement	2,440
	out of CVA/FVA calculation	2,639
Concentrated positions AVA		19,879
Future administrative costs AVA		6,493
Early termination AVA		3,008
Operational risk AVA		2,774
Total		**64,969**

The following tables display the outputs of internal models:

EU MR3 in € thousand	
VaR (10 day 99%)	
Maximum value	(8,539)
Average value	(2,201)
Minimum value	(948)
31/12/2017	(1,972)
SVaR (10 day 99%)	
Maximum value	(15,546)
Average value	(6,896)
Minimum value	(3,815)
31/12/2017	(6,417)
IRC (99.9%)	
Maximum value	N/A
Average value	N/A
Minimum value	N/A
31/12/2017	N/A
Comprehensive risk capital charge (99.9%)	
Maximum value	N/A
Average value	N/A
Minimum value	N/A
31/12/2017	N/A

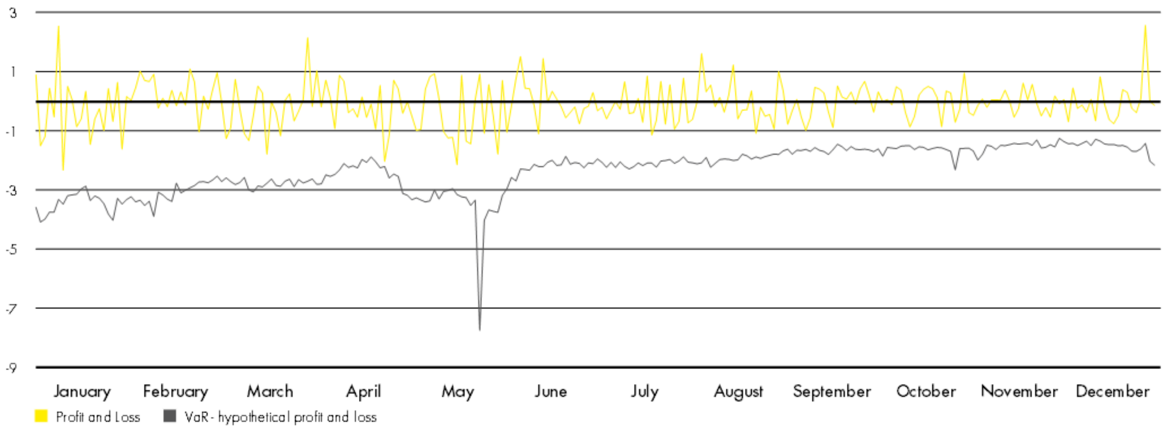
EU MR2-A in € thousand	RWA amounts	Capital requirements
VaR (higher of values a and b)	164,846	13,188
Previous day's VaR (Article 365(1) of the CRR (VaRt(1)))		6,235
Average of the daily VaR (Article 365(1)) of the CRR on each of the preceding 60 business days (VaRavg) x multiplication factor (mc) in accordance with Article 366 of the CRR		13,188
SVaR (higher of values a and b)	908,879	72,710
Latest SVaR (Article 365(2) of the CRR (SVaRt(1)))		20,293
Average of the SVaR (Article 365(2) of the CRR) during the preceding 60 business days (SVaRavg) x multiplication factor (ms) (Article 366 of the CRR)		72,710
IRC (higher of values a and b)	-	-
Most recent IRC value (incremental default and migration risks calculated in accordance with Article 370 and Article 371 of the CRR)		-
Average of the IRC number over the preceding 12 weeks		-
Comprehensive risk measure (higher of values a, b and c)	-	-
Most recent risk number for the correlation trading portfolio (Article 377 of the CRR)		-
Average of the risk number for the correlation trading portfolio over the preceding 12 weeks		-
8% of the own funds requirement in the standardised approach on the most recent risk number for the correlation trading portfolio (Article 338(4) of the CRR)		-
Other	-	-
Total	**1,073,725**	**85,898**

EU MR2-B in € thousand	VaR	SVaR	IRC	Comprehensive risk measure	Other	Total RWAs	Total capital requirements
RWAs 30/09/2017	**17,000**	**98,128**				**1,439,097**	**115,128**
Regulatory adjustment	0	0				0	0
RWAs 30/09/2017 (end of day)	17,000	98,128				1,439,097	115,128
Movement in risk levels	(3,812)	(13,633)				(218,057)	(17,445)
Model updates/changes	0	(11,758)				(146,977)	(11,758)
Methodology and policy	0	0				0	0
Acquisitions and disposals	0	0				0	0
Foreign exchange movements	0	0				0	0
Other	0	0				0	0
RWAs 31/12/2017 (end of day)	13,188	72,710				1,073,725	85,898
Regulatory adjustment	0	0				0	0
RWAs 31/12/2017 (end of day)	**13,188**	**72,710**				**1,073,725**	**85,898**

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

Value-at-Risk and theoretical market price changes of trading book

in € million



In 2017 RBI observed no risk theoretical backtesting violation, proving the applied model to be robust and conservative and quickly responsive to market changes.

The jump in Value-at-Risk – which is visible in May 2017 in the graph – was caused by a temporary big trading FX position in RUB (a RUB dividend payment). The graph reflects the decreasing FX and IR volatilities in the main markets of RBI AG.

Annex 1

Management Board

As of 31 December 2017, the Management Board of RBI consisted of five members. The current Management Board can be found on www.rbinternational.com.

Johann Strobl

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 § 28a para 5 nr 5 BWG
Supervisory Board:	5	0
Management Board:	2	1
Knowledge, skills and competences according to Art. 435 para 2 lit b CRR		
Academic background	Doctor's 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	2007-06/2015
	Member of the Board (CRO, Deputy CEO from June 2013), Raiffeisen Bank International	2010-03/2017
	CEO, Raiffeisen Bank International	since 03/2017

Martin Grüll

Directorships in RBI AG:	Board of Management: 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 § 28a para 5 nr 5 BWG
Supervisory Board:	8	0
Management Board:	5	1
Knowledge, skills and competences according to Art. 435 para 2 lit b CRR		
Academic background	Master's degree	
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
	Senior Vice President, Head of International Corporate Banking, Raiffeisen Zentralbank Österreich AG	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:	Board of Management: 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:	9	0
Management Board:	3	1

Knowledge, skills and competences according to Art. 435 para 2 lit b CRR		
Academic background	Master's degree	
Professional Qualification	Account Manager International Finance, Raiffeisen Zentralbank Österreich	1988-1990
	Head of International Project Finance Department, Creditanstalt Leasing Wien	1990-1991
	Deputy Board member (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	1999-2004
	Board Member (Corporate Customer Business und Network Coordination), Raiffeisen International Bank-Holding	2004-2010
	Member of the Board (Network Management), Raiffeisen Bank International AG	2010-2013
	Member of the Board (Corporate Business), Raiffeisen Bank International	since 10/2013

Andreas Gschwenter

Directorships in RBI AG:	Board of Management: 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	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	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	2010-06/2015
	Member of the Board (COO), Raiffeisen Bank International	since 07/2015

Hannes Mösenbacher

Directorships in RBI AG:	Board of Management: 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:	7	0
Management Board:	1	1

Knowledge, skills and competences according to Art. 435 para 2 lit b CRR		
Academic background	Doctor's degree	
Professional Qualification	Market Risk Management, CAIB Investmentbank AG	1998-2000
	Market Risk Management for CEE, BACA AG	2000-2004
	Credit Treasury, BACA AG	2004-2008
	Management Office MB Johann Strobl, Raiffeisen Zentralbank Österreich	2008-2009
	Head of Division Risk Controlling, Raiffeisen Zentralbank Österreich and RBI Group	2009-03/2017
	Member of the Board (CRO), Raiffeisen Bank International	since 03/2017

Supervisory Board

The current composition of RBI's Supervisory Board can be found on www.rbinternational.com. As of 31 December 2017, the following persons were members of the Supervisory Board of RBI.

Erwin Hameseder

Directorships in RBI AG:	Supervisory Board: 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 with an entity that pursues a commercial objective	Number of Directorships according to § 28a para 5 nr 5 BWG	Number of Directorships with an entity that does not pursue a commercial objective
Supervisory Board:	14	3	9
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
	Member of the Supervisory Board, Raiffeisen Zentralbank Österreich AG		2007-2012
	Deputy Chairman of the Supervisory Board, Raiffeisen Bank International AG		2010-2017
	Chairman of the Supervisory Board, Raiffeisen Zentralbank Österreich AG		2012-2017
	Chairman, Raiffeisen-Holding NÖ-Wien reg.Gen.m.b.H		since 2012
	Chairman of the Supervisory Board, Raiffeisenlandesbank NÖ-Wien AG		since 2014
	Chairman of the Supervisory Board, Raiffeisen Bank International AG		since 2017

Heinrich Schaller

Directorships in RBI AG:	Supervisory Board: Deputy Chairman		
	Personnel, Working, Nomination, Risk and Remuneration Committee		
Number of directorships held in Supervisory Board and Management Board according to Art. 435 para 2 lit a CRR			
	Number of Directorships with an entity that pursues a commercial objective	Number of Directorships according to § 28a para 5 nr 5 BWG	Number of Directorships with an entity that does not pursue a commercial objective
Supervisory Board:	13	1	5
Management Board:	3	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		
	Personnel Committee, Nomination Committee, Remuneration Committee, Working Committee, Risk Committee		
Number of directorships held in Supervisory Board and Management Board according to Art. 435 para 2 lit a CRR			
	Number of Directorships with an entity that pursues a commercial objective	Number of Directorships according to § 28a para 5 nr 5 BWG	Number of Directorships with an entity that does not pursue a commercial objective
Supervisory Board:	5	1	7
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
	Chairman of Board, Raiffeisen-Landesbank Steiermark AG		since 10/2013
	Member of the Supervisory Board, GRAWE-Vermögensverwaltung		since 11/2013
	Member of the Supervisory Board, Grazer Wechselseitige Versicherung AG		since 11/2013
	3rd Deputy Chairman of the Board, Raiffeisen Bank International AG		since 10/2014
	Member of the Supervisory Board, ÖWGES Gemeinnützige Wohnbaugesellschaft m.b.H.		since 09/2015
	Member of the Supervisory Board, Raiffeisen Software GmbH		since 09/2015

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 with an entity that pursues a commercial objective	Number of Directorships according to § 28a para 5 nr 5 BWG	Number of Directorships with an entity that does not pursue a commercial objective
Supervisory Board:	12	2	8
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 Finance Department , RWA Raiffeisen Ware Austria AG		1995-1996
	Member of the Board - CFO, RWA Raiffeisen Ware Austria AG		1997-2002
	Chairman of the Board - CEO, RWA Raiffeisen Ware Austria AG		2002-2012
	Member of the Management Board, BayWa AG Munich		2003-2012
	Chairman of the Board, Raiffeisen-Holding NÖ-Wien reg.Gen.m.b.H. and Chairman of the Board, RLB NÖ-Wien AG		since 2012

Bettina Selden

Directorships in RBI AG:	Supervisory Board: Member		
	Working, Nomination, Personnel, Audit, Working Risk and Remuneration Committee		
Number of directorships held in Supervisory Board and Management Board according to Art. 435 para 2 lit a CRR			
	Number of Directorships with an entity that pursues a commercial objective	Number of Directorships according to § 28a para 5 nr 5 BWG	Number of Directorships with an entity that does not pursue a commercial objective
Supervisory Board:	1	1	0
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

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 with an entity that pursues a commercial objective	Number of Directorships according to § 28a para 5 nr 5 BWG	Number of Directorships with an entity that does not pursue a commercial objective
Supervisory Board:	3	2	8
Management Board:	4	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 Education 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

Eva Eberhartinger

Directorships in RBI AG:	Supervisory Board: Member		
	Working, Audit, Risk and Remuneration Committee		
Number of directorships held in Supervisory Board and Management Board according to Art. 435 para 2 lit a CRR			
	Number of Directorships with an entity that pursues a commercial objective	Number of Directorships according to § 28a para 5 nr 5 BWG	Number of Directorships with an entity that does not pursue a commercial objective
Supervisory Board:	3	2	0
Management Board:	0	0	
Knowledge, skills and competences according to Art. 435 para 2 lit b CRR			
Academic background	Business, Doctor's degree Postgraduate Studies (Legal Studies), LL.M.		
Professional Qualification	Tax Consultancy, Leitner & Leitner		1991-1992
	Research Internship, European Parliament		1992
	Assistant Professor at the Institute for Accounting and Auditing, WU Vienna University of Economics and Business		1992-2000
	Habilitation and Tenure, Venia Docendi for Business Administration		1999
	Chair, Full University Professor – Institute for Accounting and Business Taxation, University of Münster, Germany		2000-2002
	Supervisory Board: Member Working, Audit, Risk and Remuneration Committee		Since 2002
	Vice Rector, Financial Affairs, WU Vienna University of Economics and Business		2006-2011

Peter Gauper

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 with an entity that pursues a commercial objective	Number of Directorships according to § 28a para 5 nr 5 BWG	Number of Directorships with an entity that does not pursue a commercial objective
Supervisory Board:	1	0	2
Management Board:	10	1	

Knowledge, skills and competences according to Art. 435 para 2 lit b CRR		
Academic background	Commercial Sciences (Mag.)	
Professional Qualification	Head of Division Wealthy Private Clients, Raiffeisenverband Kärnten	1991-1995
	Head of Department Private Clients, Volksbank Kärnten	1995-1996
	Member of the Board, Raiffeisenlandesbank Kärnten	1997-2008
	Chairman of the Board Raiffeisenlandesbank Kärnten	since 2008
	Member of the Board Österreichische Einlagensicherung reg. Gen. mbH	since 2008
	Chairman, Raiffeisen Einlagensicherung Kärnten	since 2008
	Member of the Supervisory Board, Raiffeisen Zentralbank Österreich AG	2008-2017
	Financial Officer, Wirtschaftskammer Kärnten	since 2010
	Member of the Board, Raiffeisen-Bezirksbank Klagenfurt	since 2011
	Member of the Supervisory Board, Uniqa Versicherungen AG	2012-2016
	Member of the Supervisory Board, Raiffeisen Bank International AG	since 2017

Wilfried Hopfner

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 with an entity that pursues a commercial objective	Number of Directorships according to § 28a para 5 nr 5 BWG	Number of Directorships with an entity that does not pursue a commercial objective
Supervisory Board:	3	1	3
Management Board:	2	1	

Knowledge, skills and competences according to Art. 435 para 2 lit b CRR		
Academic background	Business Administration, Management Consultant (business economist)	
Professional Qualification	Accountant in tax firm	1976 – 1982
	Internal Audit, Raiffeisenbank Wolfurt	1983 – 1987
	Department Organisation, Raiffeisenverband Vorarlberg	1988 – 1990
	General Manager, RRZ Informatik GmbH	1992 – 2008
	Member of the Board, Raiffeisenlandesbank Vorarlberg reg.Gen.m.b.H.	since 1993
	Deputy-Chairman of the Board, RLB Vorarlberg	since 2000
	Chairman of the Board RLB Vorarlberg, various directorships in (Supervisory) Boards of affiliated companies	since 2009
	Chairman Division Banking and Insurance, Wirtschaftskammer Vorarlberg	since 2012
	Certification as CSE (Certified Supervisory Expert), Raiffeisen Campus/incite	June 2016

Rudolf Könighofer

Directorships in RBI AG:	Supervisory Board: Member		
	Nomination and Personnel Committee		
Number of directorships held in Supervisory Board and Management Board according to Art. 435 para 2 lit a CRR			
	Number of Directorships with an entity that pursues a commercial objective	Number of Directorships according to § 28a para 5 nr 5 BWG	Number of Directorships with an entity that does not pursue a commercial objective
Supervisory Board:	4	2	12
Management Board:	1	1	

Knowledge, skills and competences according to Art. 435 para 2 lit b CRR		
Academic background	Law (Dr.)	
Professional Qualification	Federal Chancellery	1986 – 1987
	Staff/Head of Corporate Customers, BAWAG	1987 – 1993
	Senior Municipal Employee, Ternitz	1993 – 1996
	LBG-Wirtschaftstreuhand	1996 – 1997
	Employee/ General Manager (from 1998), Raiffeisenbank Gloggnitz	1997 – 2002
	Managing Director, MODAL – Gesellschaft für betriebsorientierte Bildung und Management	2002 – 2003
	Senior Head of Department, responsible for sales support, Raiffeisenlandesbank NÖ-Wien AG	2004
	Managing Director, Burgenländischen Raiffeisenbank in Eisenstadt reg.Gen.mbH	2004 – 2008
	General Manager and authorized representative, RBE Holding e.GEN.	since 2008
	Board Director, Raiffeisenlandesbank Burgenland und Revisionsverband eGEN	2004 – 2009
	Deputy-Chairman of the Board, Raiffeisenlandesbank Burgenland und Revisionsverband eGEN	2009 – 2013
	Director General, Raiffeisenlandesbank Burgenland und Revisionsverband eGEN	since 2013

Birgit Noggler

Directorships in RBI AG:	Supervisory Board: Member		
	Working, Nomination, Personnel, Audit, Risk and Remuneration Committee		
Number of directorships held in Supervisory Board and Management Board according to Art. 435 para 2 lit a CRR			
	Number of Directorships with an entity that pursues a commercial objective	Number of Directorships according to § 28a para 5 nr 5 BWG	Number of Directorships with an entity that does not pursue a commercial objective
Supervisory Board:	5	4	1
Management Board:	0	0	

Knowledge, skills and competences according to Art. 435 para 2 lit b CRR		
Academic background	Commercial Sciences, Master´s degree (Mag.)	
Professional Qualification	Finance Manager, Buongiorno AG	2000-2002
	Senior Associate, PricewaterhouseCoopers Österreich GmbH	2002-2005
	Consolidation Specialist, Raiffeisen-Leasing GmbH	2005-2007
	Head of Accounting, Immofinanz AG	2007
	Head of Finance and Controlling, Immofinanz AG	2008-2011
	CFO, Immofinanz AG	2011-2016

Johannes Ortner

Directorships in RBI AG:	Supervisory Board: Member		
	Audit Committee		
Number of directorships held in Supervisory Board and Management Board according to Art. 435 para 2 lit a CRR			
	Number of Directorships with an entity that pursues a commercial objective	Number of Directorships according to § 28a para 5 nr 5 BWG	Number of Directorships with an entity that does not pursue a commercial objective
Supervisory Board:	1	0	9
Management Board:	2	1	

Knowledge, skills and competences according to Art. 435 para 2 lit b CRR		
Academic background	Law (Dr.) and Economics	
Professional Qualification	Corporate client trainee programm, DG Bank AG in Frankfurt and London	1995-1996
	Corporate client advisory service (key account management), DG Bank AG	1997-2000
	Head of key account management Rheinland-Pfalz/ Saarland, DG Bank AG	2000-2002
	Head of key account management München Ost, DZ Bank AG	2002-2005
	Member of management board, Raiffeisen-Landesbank Voralberg	2005-2008
	Chairman of management board, Raiffeisen-Landesbank Voralberg	2008-2016
	Chairman of management board, Raiffeisen-Landesbank Tirol AG	since 2016

Annex 2

Qualitative Information on LCR, which complements the LCR disclosure template

Concentration of funding and liquidity sources

The LCR only considers outflows within the next 30 days. Therefore, the main concentration risk contributor is unsecured non-operational wholesale funding from corporates, banks and other financial institutions. Internal models ensure that no or a very low liquidity value (stickiness) is applied to concentrated customers. Monitoring of such clients takes place in the internal stress test framework as well as through the Basel 3 Additional Liquidity Monitoring Metrics.

Derivative exposures and potential collateral calls

Derivative positions are shown in LCR according to Article 21 of the LCR delegated act. Cash outflows and inflows from foreign currency derivative transactions that involve a full exchange of principal amounts on a simultaneous basis are generally netted. For all other derivatives the netting depends on bilateral netting agreements. For the evaluation of potential collateral calls the historical look back approach model is implemented.

Currency mismatch in LCR

For RBI Group the currency denomination of liquid assets is consistent with the distribution by currency of net liquidity outflows. Assets held in a third country where there are restrictions as to their free transferability are only considered to meet liquidity outflows in that third country. Furthermore, restrictions on currency mismatches are set through FX limits in the internal stress testing framework and through open currency position limits.

A description of the degree of centralization of liquidity management and interaction between the group’s units

For the LCR calculation within RBI Group, a Group standard is implemented that also covers special requirements of local regulators. The calculation is done centrally for all units. Each subsidiary is responsible for fulfilling the LCR and internal stress test requirements on a standalone basis. A monitoring and limit system for LCR and the internal stress test is implemented both on single unit level as well as on overall RBI Group level.

Additionally, RBI is the central institution of Raiffeisen Banking Group. Its main responsibilities as the central institution include the administration and investing of liquidity reserves as well as the reconciliation of liquidity within the Raiffeisen Banking Group. The affiliated banks have to hold a liquidity reserve at RBI according to Article 27a Austrian Banking Act and can rely on obtaining liquidity under certain conditions. RBI ensures that the liquidity reserve is available at all times.

RBI Group in € thousand		Total unweighted value				Total weighted value			
Quarter ending on		31 March 2017	30 June 2017	31 August 2017	31 December 2017	31 March 2017	30 June 2017	31 August 2017	31 December 2017
Number of data points used in the calculation of averages		3	3	3	3	3	3	3	3
HIGH-QUALITY LIQUID ASSETS									
1	Total high-quality liquid assets (HQLA)					22,125,072	25,293,337	23,607,929	23,764,572
CASH-OUTFLOWS									
2	Retail deposits and deposits from small business customers, of which:	41,114,152	41,549,162	41,445,357	42,587,011	3,646,922	3,635,604	3,625,606	3,827,131
3	*Stable deposits*	19,561,482	20,105,787	20,322,946	21,081,591	978,074	1,005,289	1,016,147	1,054,080
4	*Less stable deposits*	21,409,609	21,334,731	20,988,312	21,283,829	2,525,786	2,521,671	2,475,361	2,551,461
5	Unsecured wholesale funding	36,401,914	38,175,202	36,532,743	37,419,460	22,842,232	23,937,552	21,509,462	22,285,892
6	*Operational deposits (all counterparties) and deposits in networks of cooperative banks*	12,454,472	13,439,885	14,049,687	13,851,975	7,808,407	8,402,269	8,345,815	8,233,334
7	*Non-operational deposits (all counterparties)*	23,782,268	24,240,081	22,338,656	23,245,225	14,868,652	15,040,047	13,019,247	13,730,297
8	*Unsecured debt*	165,174	495,236	144,400	322,260	165,174	495,236	144,400	322,260
9	Secured wholesale funding					274,065	735,131	1,150,980	991,930
10	Additional requirements	11,128,013	10,566,044	10,962,983	12,126,697	1,675,725	1,422,432	1,488,935	1,815,004
11	*Outflows related to derivative exposures and other collateral requirements*	701,356	509,588	543,022	777,426	701,356	509,588	543,022	777,426
12	*Outflows related to loss of funding on debt products*	0	0	0	0	0	0	0	0
13	*Credit and liquidity facilities*	10,426,657	10,056,456	10,419,961	11,349,271	974,369	912,844	945,913	1,037,578
14	Other contractual funding obligations	497,843	450,140	372,654	447,190	497,843	450,140	372,654	447,190
15	Other contingent funding obligations	25,361,634	28,904,634	30,021,649	30,181,276	20,788	22,956	66,778	92,175
16	**TOTAL CASH OUTFLOWS**					28,957,574	30,203,815	28,214,415	29,459,322
CASH-INFLOWS									
17	Secured lending (eg reverse repos)	5,419,904	5,969,232	8,563,170	9,186,287	5,377,787	5,825,332	5,822,803	4,436,969
18	Inflows from fully performing exposures	8,183,739	7,832,306	7,141,224	8,248,594	6,679,608	6,453,880	5,796,010	6,279,579
19	Other cash inflows	2,715,101	692,177	625,083	1,360,493	2,490,185	458,611	391,036	1,129,250
EU-19a	(Difference between total weighted inflows and total weighted outflows arising from transactions in third countries where there are transfer restrictions or which are denominated in non-convertible currencies)					0	0	0	0
EU-19b	(Excess inflows from a related specialised credit institution)					0	0	0	0
20	**TOTAL CASH INFLOWS**	16,318,743	14,493,715	16,329,477	18,795,374	14,547,580	12,737,823	12,009,849	11,845,797
EU-20a	***Fully exempt inflows***	0	0	0	0	0	0	0	0
EU-20b	***Inflows Subject to 90% Cap***	0	0	0	0	0	0	0	0
EU-20c	***Inflows Subject to 75% Cap***	16,318,743	14,493,715	16,329,477	18,795,374	14,547,580	12,737,823	12,009,849	11,845,797
						TOTAL ADJUSTED VALUE			
21	**LIQUIDITY BUFFER**					**22,125,072**	**25,293,337**	**23,607,929**	**23,764,572**
22	**TOTAL NET CASH OUTFLOWS**					**14,409,995**	**17,465,992**	**16,204,566**	**17,613,525**
23	**LIQUIDITY COVERAGE RATIO (%)**					154%	145%	146%	135%

Annex 3

Information on the consolidation method applied for each entity within the accounting and the regulatory scopes of consolidation of RBI Group as at 31 December 2017 is disclosed in the following tables.

Name of the entity	Method of accounting consolidation	Method of regulatory consolidation					Description of the entity
		Full consolidation	Proportional consolidation	Neither consolidated nor deducted	At-equity	Deducted	
Abade Immobilienleasing GmbH, 65760 Eschborn	Fully consolidated	x					Financial Institution
Abade Immobilienleasing GmbH & Co Projekt Lauterbach KG, 65760 Eschborn	Fully consolidated	x					Financial Institution
Abakus Immobilienleasing GmbH & Co Projekt Leese KG, 65760 Eschborn	Fully consolidated	x					Financial Institution
Abura Immobilienleasing GmbH & Co. Projekt Seniorenhaus Boppard KG, 65760 Eschborn	Fully consolidated	x					Financial Institution
Achat Immobilienleasing GmbH & Co. Projekt Hochtaunus-Stift KG, 65760 Eschborn	Fully consolidated	x					Financial Institution
Acridin Immobilienleasing GmbH & Co. Projekt Marienfeld KG, 65760 Eschborn	Fully consolidated	x					Financial Institution
Adagium Immobilienleasing GmbH, 65760 Eschborn	Fully consolidated	x					Financial Institution
Adamas Immobilienleasing GmbH & Co. Projekt Pflegeheim Werdau KG, 65760 Eschborn	Fully consolidated	x					Financial Institution
Adiantum Immobilienleasing GmbH & Co. Projekt Schillerhöhe Weimar KG, 65760 Eschborn	Fully consolidated	x					Financial Institution
Adipes Immobilienleasing GmbH & Co. Projekt Bremervörde KG, 60329 Frankfurt am Main	Fully consolidated	x					Financial Institution
Ados Immobilienleasing GmbH, 65760 Eschborn	Fully consolidated	x					Financial Institution
Agamemnon Immobilienleasing GmbH & Co. Projekt Pflegeheim Freiberg KG, 65760 Eschborn	Fully consolidated	x					Financial Institution
AKRISIOS Raiffeisen-Immobilien-Leasing GmbH, Vienna	Fully consolidated	x					Financial Institution
A-Leasing SpA, 31100 Treviso	Fully consolidated	x					Financial Institution
AMYKOS RBI Leasing-Immobilien GmbH, Vienna	Fully consolidated	x					Financial Institution
APUS Raiffeisen-Immobilien-Leasing Ges.m.b.H., Vienna	Fully consolidated	x					Financial Institution
ARCANA Raiffeisen-Immobilien-Leasing Gesellschaft m.b.H., Vienna	Fully consolidated	x					Financial Institution
A-Real Estate S.p.A., 39100 bolzano	Fully consolidated	x					Financial Institution
LLC "ARES Nedvizhimost", 107023 Moscow	Fully consolidated	x					Company with ancillary banking services
Raiffeisen Property Holding International GmbH, 1060 Vienna	Fully consolidated	x					Financial Institution
Austria Leasing Beteiligungsgesellschaft mbH, 65760 Eschborn	Fully consolidated	x					Financial Institution
Austria Leasing GmbH & Co. Immobilienverwaltung Projekt Hannover KG, 65760 Eschborn	Fully consolidated	x					Financial Institution
Austria Leasing GmbH, 65760 Eschborn	Fully consolidated	x					Financial Institution
AL Taunussteiner Grundstücks-GmbH & Co KG, 65760 Eschborn	Fully consolidated	x					Financial Institution
Raiffeisen Bank Aval JSC, 01011 Kyiv	Fully consolidated	x					Credit Institution
BAILE Handels- und Beteiligungsgesellschaft m.b.H., 1030 Vienna	Fully consolidated	x					Financial Institution
BUILDING BUSINESS CENTER DOO NOVI SAD, Novi Sad	Fully consolidated	x					Financial Institution
Bulevard Centar BBC Holding d.o.o., Beograd	Fully consolidated	x					Company with ancillary banking services
Burgenländische Kommunalgebäudeleasing Gesellschaft m.b.H., Vienna	Fully consolidated	x					Financial Institution
RL Thermal GmbH, 1190 Vienna	Fully consolidated	x					Financial Institution
RL Thermal Beteiligungen GmbH, 1190 Vienna	Fully consolidated	x					Financial Institution
RL Thermal GmbH & Co Liegenschaftsverwaltung KG, 1190 Vienna	Fully consolidated	x					Financial Institution
Canopa Raiffeisen-Immobilien-Leasing Ges.m.b.H., Vienna	Fully consolidated	x					Financial Institution
Raiffeisen CEE Region Holding GmbH, 1030 Vienna	Fully consolidated	x					Financial Holding Company
Raiffeisen Centrobank AG, 1010 Vienna	Fully consolidated	x					Credit Institution
CERES Raiffeisen-Immobilien-Leasing GmbH, Vienna	Fully consolidated	x					Financial Institution
CINOVA RBI Leasing-Immobilien GmbH, Vienna	Fully consolidated	x					Financial Institution
Raiffeisen CIS Region Holding GmbH, 1030 Vienna	Fully consolidated	x					Financial Holding Company
CUPIDO Raiffeisen-Immobilien-Leasing GmbH, Vienna	Fully consolidated	x					Financial Institution
CURO Raiffeisen-Immobilien-Leasing Gesellschaft m.b.H., Vienna	Fully consolidated	x					Financial Institution
DAV Holding Ltd., Budapest	Fully consolidated	x					Financial Institution
Doplnková dôchodková spoločnosť Tatra banky, a.s., Bratislava	Not consolidated	x					Financial Institution
DOROS Raiffeisen-Immobilien-Leasing GmbH, Vienna	Fully consolidated	x					Financial Institution
EPPA Raiffeisen-Immobilien-Leasing GmbH, Vienna	Fully consolidated	x					Financial Institution
ETEOKLES Raiffeisen-Immobilien-Leasing GmbH, Vienna	Fully consolidated	x					Financial Institution
FEBRIS Raiffeisen-Immobilien-Leasing GmbH, Vienna	Fully consolidated	x					Financial Institution
Floreasca City Center Verwaltung Kft., 1134 Budapest	Fully consolidated	x					Financial Institution
RBI IB Beteiligungs GmbH, 1030 Vienna	Fully consolidated	x					Financial Holding Company
GENO Leasing Ges.m.b.H., Vienna	Fully consolidated	x					Financial Institution
HABITO Raiffeisen-Immobilien-Leasing GmbH, Vienna	Fully consolidated	x					Financial Institution
Health Resort RBI Immobilien-Leasing GmbH, Vienna	Fully consolidated	x					Investment firm
Kathrein Capital Management GmbH, 1010 Vienna	Not consolidated	x					Financial Institution
IGNIS Raiffeisen-Immobilien-Leasing Gesellschaft m.b.H., Vienna	Fully consolidated	x					Financial Institution
Infrastruktur Heilbad Sauerbrunn GmbH, Vienna	Fully consolidated	x					Financial Institution
Infrastruktur Heilbad Sauerbrunn RBI-Leasing GmbH & Co.KG., 7202 Bad Sauerbrunn	Fully consolidated	x					Financial Institution
Kathrein Privatbank Aktiengesellschaft, 1010 Vienna	Fully consolidated	x					Credit Institution
KAURI Handels und Beteiligungs GmbH, 1030 Vienna	Fully consolidated	x					Financial Institution
Kiinteistö Oy Rovaniemen tietotekniikkakeskus, 00100 Helsinki	Fully consolidated	x					Financial Institution
Kiinteistö Oy Seinäjoen Joupinkatu 1, 00271 Helsinki	Fully consolidated	x					Financial Institution
KONEVOVA s.r.o., 13045 Prague 3 - Zizkov	Fully consolidated	x					Company with ancillary banking services
Lentia Immobilienleasing GmbH & Co. Albert-Osswald-Haus KG, 65760 Eschborn	Fully consolidated	x					Financial Institution
Lexxus Services Holding GmbH, 1030 Vienna	Fully consolidated	x					Financial Institution
LYRA Raiffeisen Immobilien Leasing GmbH, Vienna	Fully consolidated	x					Financial Institution
MOBIX Raiffeisen-Mobilien-Leasing AG, Vienna	Fully consolidated	x					Financial Institution
MOBIX Vermögensverwaltungsges.m.b.H., Vienna	Fully consolidated	x					Financial Institution
RL-Mörby AB, Stockholm	Fully consolidated	x					Financial Institution
Niederösterreichische Landes-Landwirtschaftskammer Errichtungs- und Betriebsgesellschaft m.b.H., Vienna	Fully consolidated	x					Financial Institution
RL-Nordic OY, 00100 Helsinki	Fully consolidated	x					Financial Institution
Raiffeisen ÖHT Beteiligungs GmbH, 1030 Vienna	Fully consolidated	x					Financial Institution
Orestes Immobilienleasing GmbH & Co. Projekt Wiesbaden KG, 65760 Eschborn	Fully consolidated	x					Financial Institution
Ostarrichi Immobilienleasing GmbH & Co. Projekt Langenbach KG, 65760 Eschborn	Fully consolidated	x					Financial Institution
Valida Plus AG, 1190 Vienna	Fully consolidated	x					Credit Institution
PARO Raiffeisen Immobilien Leasing Ges.m.b.H., Vienna	Fully consolidated	x					Financial Institution
Park City real estate Holding d.o.o., Novi Sad	Fully consolidated	x					Company with ancillary banking services
PERSES RBI Leasing-Immobilien GmbH, Vienna	Fully consolidated	x					Financial Institution
PLANA Raiffeisen-Immobilien-Leasing Gesellschaft m.b.H., Vienna	Fully consolidated	x					Financial Institution
Pointon Investment Limited, Limassol	Fully consolidated	x					Company with ancillary banking services
Priamos Immobilienleasing GmbH, 65760 Eschborn	Fully consolidated	x					Financial Institution
PRODEAL, a.s., Bratislava	Not consolidated	x					Company with ancillary banking services
FCC Office Building SRL, Bucharest	Fully consolidated	x					Company with ancillary banking services
Propria Raiffeisen-Immobilien-Leasing GmbH, Vienna	Fully consolidated	x					Financial Institution
Raiffeisen-Gemeindegebäudeleasing Gesellschaft m.b.H., 1190 Vienna	Fully consolidated	x					Financial Institution
Raiffeisen-Kommunalgebäudeleasing Gesellschaft m.b.H., Vienna	Fully consolidated	x					Financial Institution
RALT Raiffeisen-Leasing Gesellschaft m.b.H., 1030 Vienna	Fully consolidated	x					Financial Institution
RALT Raiffeisen-Leasing Gesellschaft m.b.H. & Co. KG, 1030 Vienna	Fully consolidated	x					Company with ancillary banking services
S.A.I. Raiffeisen Asset Management S.A., Bucharest	Not consolidated	x					Financial Institution
RAN elf Raiffeisen-Anlagenvermietung Ges.m.b.H., Vienna	Fully consolidated	x					Financial Institution
RAN zehn Raiffeisen-Anlagenvermietung Ges.m.b.H., Vienna	Fully consolidated	x					Financial Institution
RAN vierzehn Raiffeisen-Anlagevermietung GmbH, Vienna	Fully consolidated	x					Financial Institution
Raiffeisen-Anlagenvermietung Ges.m.b.H., Vienna	Fully consolidated	x					Financial Institution
Raiffeisen Bank Sh.a., Tirane	Fully consolidated	x					Credit Institution
Raiffeisenbank (Bulgaria) EAD, Sofia	Fully consolidated	x					Credit Institution
Raiffeisen Bank d.d. Bosna i Hercegovina, Sarajevo	Fully consolidated	x					Credit Institution
Priorbank JSC, 220002 Minsk	Fully consolidated	x					Credit Institution
RBI Beijing Branch, Beijing	Fully consolidated	x					Credit Institution
Raiffeisenbank a.s., 140 78 Prague 4	Fully consolidated	x					Credit Institution
RBI Deutschland Branch,	Fully consolidated	x					Credit Institution
Raiffeisenbank Austria d.d., Zagreb	Fully consolidated	x					Credit Institution
Raiffeisen Bank Zrt., Budapest	Fully consolidated	x					Credit Institution
Raiffeisen-RBHU Holding GmbH, 1030 Vienna	Fully consolidated	x					Financial Holding Company
Raiffeisen Bank International AG, 1030 Vienna	Fully consolidated	x					Credit Institution
RBI eins Leasing Holding GmbH,	Fully consolidated	x					Financial Institution
RBI ITS Leasing-Immobilien GmbH, Vienna	Fully consolidated	x					Financial Institution
RBI LEA Beteiligungs GmbH, 1030 Vienna	Fully consolidated	x					Financial Institution
RBI Leasing GmbH, Vienna	Fully consolidated	x					Financial Institution
RBI LGG Holding GmbH, 1030 Vienna	Fully consolidated	x					Financial Institution
RB International Markets (USA) LLC, New York	Fully consolidated	x					Financial Institution
Raiffeisen Bank Kosovo J.S.C., Pristina	Fully consolidated	x					Credit Institution
Raiffeisen Burgenland Leasing GmbH, 1190 Vienna	Fully consolidated	x					Financial Institution
Raiffeisen Bank Polska S.A., Warsaw	Fully consolidated	x					Credit Institution
Raiffeisen Bank S.A., Bucharest	Fully consolidated	x					Credit Institution
Raiffeisen banka a.d., Novi Beograd	Fully consolidated	x					Credit Institution
AO Raiffeisenbank, Moscow	Fully consolidated	x					Credit Institution
RBI Singapore Branch, Singapore	Fully consolidated	x					Credit Institution
Raiffeisen Bausparkasse Gesellschaft m.b.H., 1190 Vienna	Fully consolidated	x					Credit Institution
Raiffeisen stambena stedionica d.d., Zagreb	Fully consolidated	x					Credit Institution
Raiffeisen Bausparkassen Holding GmbH, 1190 Vienna	Fully consolidated	x					Financial Holding Company
Raiffeisen Banca pentru Locuinte S.A., Bucharest 014476	Fully consolidated	x					Credit Institution
RBI London Branch,	Fully consolidated	x					Credit Institution
Baumgartner Höhe RBI Leasing-Immobilien GmbH, Vienna	Fully consolidated	x					Financial Institution
REC Alpha LLC, Kiev 01011	Fully consolidated	x					Company with ancillary banking services
REMUS Raiffeisen-Immobilien-Leasing Ges.m.b.H., Vienna	Fully consolidated	x					Financial Institution
Rent Impex, s.r.o., 851 01 Bratislava	Fully consolidated	x					Financial Institution
Raiffeisen Factor Bank AG, 1190 Vienna	Fully consolidated	x					Financial Institution
RB International Finance (Hong Kong) Ltd., Hong Kong	Fully consolidated	x					Financial Institution
RZB Finance (Jersey) III Ltd, St. Helier JE4 8PX	Fully consolidated	x					Financial Institution

Name of the entity	Method of accounting consolidation	Method of regulatory consolidation					Description of the entity
		Full consolidation	Proportional consolidation	Neither consolidated nor deducted	At-equity	Deducted	
Raiffeisen-Immobilien-Leasing Gesellschaft m.b.H., Vienna	Fully consolidated	x					Financial Institution
Raiffeisen International Liegenschaftsbesitz GmbH, 1060 Vienna	Fully consolidated	x					Financial Institution
Raiffeisen International Invest Holding GmbH, 1030 Vienna	Fully consolidated	x					Financial Institution
RIL VII Raiffeisen-Immobilien-Leasing Ges.m.b.H., Vienna	Fully consolidated	x					Financial Institution
RIL XIV Raiffeisen-Immobilien-Leasing Ges.m.b.H., Vienna	Fully consolidated	x					Financial Institution
Raiffeisen Immobilienfonds, Vienna	Fully consolidated	x					Financial Institution
Raiffeisen-Invest-Gesellschaft m.b.H., 1030 Vienna	Fully consolidated	x					Financial Institution
RIRE Holding GmbH, 1060 Vienna	Fully consolidated	x					Financial Institution
Raiffeisen Kapitalanlage-Gesellschaft mit beschränkter Haftung, 1190 Vienna	Fully consolidated	x					Credit Institution
Raiffeisen-Leasing Aircraft Finance GmbH, 1190 Vienna	Fully consolidated	x					Financial Institution
Raiffeisen Leasing sh.a., Tirane	Fully consolidated	x					Financial Institution
RL-Pro Auxo Sp.z.o.o., Warsaw	Fully consolidated	x					Financial Institution
RL Anlagenvermietung Gesellschaft m.b.H., 65760 Eschborn	Fully consolidated	x					Financial Institution
Raiffeisen-Leasing Bank Aktiengesellschaft, 1190 Vienna	Fully consolidated	x					Credit Institution
Raiffeisen-Leasing Beteiligung GesmbH, 1190 Vienna	Fully consolidated	x					Financial Institution
Raiffeisen Leasing Bulgaria EOOD, Sofia	Fully consolidated	x					Financial Institution
Raiffeisen Leasing d.o.o. Sarajevo, 71000 Sarajevo	Fully consolidated	x					Financial Institution
JLLC "Raiffeisen-leasing", 220002 Minsk, Belarus	Fully consolidated	x					Financial Institution
Raiffeisen-Leasing, s.r.o., 140 78 Prague 4	Fully consolidated	x					Financial Institution
Raiffeisen-Leasing Gesellschaft m.b.H., Vienna	Fully consolidated	x					Financial Institution
RL Grundstückverwaltung Klagenfurt-Süd GmbH, Vienna	Fully consolidated	x					Financial Institution
RL Hotel Palace Vienna Besitz GmbH, Vienna	Fully consolidated	x					Financial Institution
Raiffeisen-Leasing d.o.o., 10 000 Zagreb	Fully consolidated	x					Financial Institution
Raiffeisen-Leasing International Gesellschaft m.b.H., 1030 Vienna	Fully consolidated	x					Financial Institution
RLI Holding Gesellschaft m.b.H., 1030 Vienna	Fully consolidated	x					Financial Institution
Raiffeisen-Leasing Immobilienmanagement Gesellschaft m.b.H., 1190 Vienna	Fully consolidated	x					Financial Institution
Raiffeisen Leasing Kosovo LLC, Pristina, Kosovo	Fully consolidated	x					Financial Institution
Raiffeisen-Leasing Liegenschaftsverwaltung Kraußstraße Gesellschaft m.b.H., 1190 Vienna	Fully consolidated	x					Financial Institution
Raiffeisen-Leasing Lithuania UAB, Vilnius, Lithuania	Fully consolidated	x					Financial Institution
RL-Nordic AB, 114 32 Stockholm	Fully consolidated	x					Financial Institution
Raiffeisen Leasing-Projektfinanzierung Gesellschaft m.b.H., Vienna	Fully consolidated	x					Financial Institution
RL Retail Holding GmbH, Vienna	Fully consolidated	x					Financial Institution
Raiffeisen FinCorp, s.r.o., Prague 4	Fully consolidated	x					Financial Institution
Raiffeisen Leasing IFN S.A., Bucharest	Fully consolidated	x					Financial Institution
Raiffeisen Leasing d.o.o., Belgrad	Fully consolidated	x					Financial Institution
OOO Raiffeisen-Leasing, Moscow	Fully consolidated	x					Financial Institution
Raiffeisen Leasing d.o.o., 1000 Ljubljana	Fully consolidated	x					Financial Institution
Limited Liability Company Raiffeisen Leasing Aval, 04073 Kiev	Fully consolidated	x					Financial Institution
CJSC Mortgage Agent Raiffeisen 01, Moscow	Fully consolidated	x					Company with ancillary banking services
ROOF Smart S.A., Luxembourg	Fully consolidated	x					Financial Institution
S.C. PLUSFINANCE ESTATE 1 S.R.L., Bucharest	Fully consolidated	x					Company with ancillary banking services
Regional Card Processing Center s.r.o., 81106 Bratislava	Fully consolidated	x					Company with ancillary banking services
Raiffeisen Corporate Lízing Zrt., 1054 Budapest	Fully consolidated	x					Financial Institution
Raiffeisen Factoring Ltd., Zagreb	Fully consolidated	x					Financial Institution
Raiffeisen RS Beteiligungs GmbH, 1030 Vienna	Fully consolidated	x					Financial Holding Company
"Raiffeisen-Rent" Vermögensberatung und Treuhand Gesellschaft m.b.H., Vienna	Fully consolidated	x					Financial Institution
Raiffeisen stavebni sporitelna a.s., 13045 Prague 3 - Zizkov	Fully consolidated	x					Credit Institution
RBI KI Beteiligungs GmbH, 1030 Vienna	Fully consolidated	x					Financial Holding Company
RUBRA Raiffeisen-Immobilien-Leasing Gesellschaft m.b.H., Vienna	Fully consolidated	x					Financial Institution
FWR Russia Funding B.V., Amsterdam	Fully consolidated	x					Financial Institution
Raiffeisen Wohnbaubank Aktiengesellschaft, 1190 Vienna	Fully consolidated	x					Financial Institution
RZB - BLS Holding GmbH, 1030 Vienna	Fully consolidated	x					Financial Institution
RZB Invest Holding GmbH, 1030 Vienna	Fully consolidated	x					Financial Holding Company
RBI PE Handels- und Beteiligungs GmbH, 1030 Vienna	Fully consolidated	x					Financial Institution
RZB Sektorbeteiligung GmbH, 1030 Vienna	Fully consolidated	x					Financial Holding Company
RZB Versicherungsbeteiligung GmbH, 1030 Vienna	Fully consolidated	x					Financial Institution
SALVELINUS Handels- und Beteiligungsgesellschaft m.b.H, 1030 Vienna	Fully consolidated	x					Financial Institution
SAMARA Raiffeisen-Immobilien-Leasing Ges.m.b.H., Vienna	Fully consolidated	x					Financial Institution
Raiffeisen SEE Region Holding GmbH, 1030 Vienna	Fully consolidated	x					Financial Holding Company
SF Hotelerrichtungsgesellschaft m.b.H., Vienna	Fully consolidated	x					Financial Institution
SINIS Raiffeisen-Immobilien-Leasing Gesellschaft m.b.H., Vienna	Fully consolidated	x					Financial Institution
SOLAR II Raiffeisen-Immobilien-Leasing Gesellschaft m.b.H., Vienna	Fully consolidated	x					Financial Institution
SOLIDA Raiffeisen-Immobilien-Leasing Gesellschaft m.b.H., Vienna	Fully consolidated	x					Financial Institution
''S-SPV'' d.o.o. Sarajevo, 71000 Sarajevo	Fully consolidated	x					Financial Institution
Styria Immobilienleasing GmbH & Co. Projekt Ahlen KG, 65760 Eschborn	Fully consolidated	x					Financial Institution
Tatra Asset Management, správ. spol., a.s., Bratislava	Fully consolidated	x					Financial Institution
Tatra banka, a.s., Bratislava 1	Fully consolidated	x					Credit Institution
Tatra Residence, a.s., Bratislava	Fully consolidated	x					Company with ancillary banking services
THYMO Raiffeisen-Leasing Gesellschaft m.b.H., Vienna	Fully consolidated	x					Financial Institution
Tatra-Leasing, s.r.o., Bratislava	Fully consolidated	x					Financial Institution
Unterinntaler Raiffeisen-Leasing GmbH & Co KG, Vienna	Fully consolidated	x					Financial Institution
Ukrainian Processing Center PJSC, 04073 Kyiv	Fully consolidated	x					Company with ancillary banking services
URSA Raiffeisen-Immobilien-Leasing Gesellschaft m.b.H., Vienna	Fully consolidated	x					Financial Institution
RBI Vajnoria spol.s.r.o., Bratislava	Fully consolidated	x					Financial Institution
Vindalo Properties Limited, Limassol	Fully consolidated	x					Company with ancillary banking services
Vindobona Immobilienleasing GmbH & Co. Projekt Autohaus KG, 65760 Eschborn	Fully consolidated	x					Financial Institution
Valida Holding AG, 1190 Vienna	Fully consolidated	x					Financial Institution
WEGA Raiffeisen-Immobilien-Leasing Gesellschaft m.b.H., Vienna	Fully consolidated	x					Financial Institution
NOTARTREUHANDBANK AG, Vienna	At-equity				x		Credit Institution
Österreichische Hotel- und Tourismusbank Gesellschaft m.b.H., 1010 Vienna	At-equity				x		Credit Institution
Oesterreichische Kontrollbank Aktiengesellschaft, 1010 Vienna	At-equity				x		Credit Institution
Prva stavebna sporitelna a.s., 829 48 Bratislava	At-equity				x		Credit Institution
Raiffeisen Informatik GmbH, 1020 Vienna	At-equity				x		Company with ancillary banking services
UNIQA Insurance Group AG, 1029 Vienna	At-equity				x		Insurance Company
card complete Service Bank AG, Vienna	At-equity				x		Credit Institution
Posojilnica Bank eGen, 9020 Klagenfurt	At-equity				x		Credit Institution
Abakus Immobilienleasing GmbH, 65760 Eschborn	Not consolidated			x			Other Company Type
RL Schiffvermietungs GmbH, Vienna	Not consolidated			x			Other Company Type
Abrawiza Immobilienleasing GmbH, 65760 Eschborn	Not consolidated			x			Other Company Type
Abri Immobilienleasing GmbH, 65760 Eschborn	Not consolidated			x			Other Company Type
Abura Immobilienleasing GmbH, 65760 Eschborn	Not consolidated			x			Other Company Type
Abutilon Immobilienleasing GmbH, 65760 Eschborn	Not consolidated			x			Other Company Type
Achat Immobilienleasing GmbH, 65760 Eschborn	Not consolidated			x			Other Company Type
Acridin Immobilienleasing GmbH, 65760 Eschborn	Not consolidated			x			Other Company Type
Adamas Immobilienleasing GmbH, 65760 Eschborn	Not consolidated			x			Other Company Type
Adiantum Immobilienleasing GmbH, 65760 Eschborn	Not consolidated			x			Other Company Type
Adipes Immobilienleasing GmbH, 65760 Eschborn	Not consolidated			x			Other Company Type
Adorant Immobilienleasing GmbH, 65760 Eschborn	Not consolidated			x			Other Company Type
Adorant Immobilienleasing GmbH & Co. Projekt Heilsbronn und Neuendettelsau KG, 65760 Eschborn	Fully consolidated			x			Other Company Type
Adrett Immobilienleasing GmbH, 65760 Eschborn	Not consolidated			x			Other Company Type
Adrittura Immobilienleasing GmbH, 65760 Eschborn	Not consolidated			x			Other Company Type
Adrittura Immobilienleasing GmbH & Co. Projekt Eiching KG, 65760 Eschborn	Fully consolidated			x			Other Company Type
Adufe Immobilienleasing GmbH, 65760 Eschborn	Not consolidated			x			Other Company Type
Adular Immobilienleasing GmbH, 65760 Eschborn	Not consolidated			x			Other Company Type
AELLO Raiffeisen-Immobilien-Leasing GmbH, Vienna	Not consolidated			x			Other Company Type
Agamemnon Immobilienleasing GmbH, 65760 Eschborn	Not consolidated			x			Other Company Type
ÖKO-Drive Fuhrparkmanagement GmbH, Vienna	Not consolidated			x			Other Company Type
RL-ALPHA Holding GmbH, Vienna	Fully consolidated			x			Other Company Type
Angaga Handels- und Beteiligungs GmbH, 1030 Vienna	Not consolidated			x			Other Company Type
"A-SPV" d.o.o. Sarajevo, 71000 Sarajevo	Not consolidated			x			Other Company Type
ARTEMIA Raiffeisen-Immobilien-Leasing Ges.m.b.H., Vienna	Not consolidated			x			Financial Institution
Austria Leasing GmbH & Co. KG Immobilienverwaltung Projekt Eberdingen, 65760 Eschborn	Not consolidated			x			Financial Institution
Austria Leasing GmbH & Co KG Immobilienverwaltung Projekt EKZ Meitingen, 65760 Eschborn	Not consolidated			x			Other Company Type
B52 RBI Leasing-Immobilien GmbH, Vienna	Fully consolidated			x			Other Company Type
BRL Raiffeisen-Immobilien-Leasing Gesellschaft m.b.H., Vienna	Not consolidated			x			Financial Institution
BUXUS Handels- und Beteiligungs GmbH in Liqu., 1030 Vienna	Not consolidated			x			Other Company Type
CARNUNTUM Immobilienleasing GmbH, 65760 Eschborn	Fully consolidated			x			Other Company Type
Centrotrade Holding GmbH, 1010 Vienna	Not consolidated			x			Other Company Type
Queens Garden Sp z.o.o., 00380 Warsaw	Not consolidated			x			Other Company Type
CP Inlandsimmobilien-Holding GmbH, 1060 Vienna	Fully consolidated			x			Other Company Type
CP Logistikcenter Errichtungs- und Verwaltungs GmbH, 1060 Vienna	Not consolidated			x			Other Company Type
Centralised Raiffeisen International Services & Payments S.R.L., 020335 Bucharest 2	Not consolidated			x			Company with ancillary banking services
DAV-OUTLET Kft., Budapest	Not consolidated			x			Other Company Type
DAV Depo Projekt Korlátolt Felelősségű Társaság, Budapest	Not consolidated			x			Other Company Type
Dobré Bývanie s.r.o., Bratislava	Not consolidated			x			Other Company Type
Dom-office 2000, 220040 Minsk	Not consolidated			x			Other Company Type
Dúbravčice, s.r.o., Bratislava	Not consolidated			x			Other Company Type
Eastern European Invest Holding GmbH in Liqu., 1030 Vienna	Not consolidated			x			Other Company Type
Raiffeisen Energiaszolgáltató Kft., Budapest	Not consolidated			x			Other Company Type
Eurolease RE Leasing, s. r. o., Bratislava	Not consolidated			x			Other Company Type
Extra Year Investments Limited, Road Town	Not consolidated			x			Financial Institution

Name of the entity	Method of accounting consolidation	Method of regulatory consolidation					Description of the entity
		Full consolidation	Proportional consolidation	Neither consolidated nor deducted	At-equity	Deducted	
FARIO Handels- und Beteiligungsgesellschaft m.b.H., 1030 Vienna	Not consolidated			x			Other Company Type
Faru Handels- und Beteiligungs GmbH, 1030 Vienna	Not consolidated			x			Other Company Type
FMK Fachmarktcenter Kohlbruck Betriebs GmbH, 65760 Eschborn	Fully consolidated			x			Other Company Type
Raiffeisen-Wagramer Straße 120 Projektentwicklungs GmbH, Vienna	Fully consolidated			x			Other Company Type
Golden Rainbow International Limited, Road Town	Not consolidated			x			Financial Institution
Humanitarian Fund ''Budimir Bosko Kostic'', Belgrad	Not consolidated			x			Other Company Type
ICTALURUS Handels- und Beteiligungs GmbH, 1030 Vienna	Not consolidated			x			Other Company Type
IDUS Handels- und Beteiligungs GmbH, 1030 Vienna	Not consolidated			x			Other Company Type
Invest Vermögensverwaltungs-GmbH, 1060 Vienna	Fully consolidated			x			Other Company Type
ISIS Raiffeisen Immobilien Leasing GmbH, Vienna	Not consolidated			x			Financial Institution
Raiffeisen investicni spolecnost a.s., Prague	Not consolidated			x			Financial Institution
R Karpo Immobilien Linie S.R.L., Bucharest	Fully consolidated			x			Other Company Type
Kathrein & Co. Trust Holding GmbH, 1010 Vienna	Not consolidated			x			Other Company Type
Kathrein & Co Life Settlement Gesellschaft m.b.H., 1010 Vienna	Not consolidated			x			Other Company Type
KIWANDA Handels- und Beteiligungs GmbH in Liqu., 1030 Vienna	Not consolidated			x			Other Company Type
Kathrein & Co. Private Equity I AG, 1010 Vienna	Not consolidated			x			Other Company Type
"K-SPV" d.o.o. Sarajevo, 71000 Sarajevo	Not consolidated			x			Other Company Type
LARENTIA Raiffeisen-Immobilien-Leasing GmbH, Vienna	Fully consolidated			x			Other Company Type
LENTIA Immobilienleasing GmbH, 65760 Eschborn	Not consolidated			x			Other Company Type
Objekt Linser Areal Immoblilienerrichtungs GmbH & Co. KG, Vienna	Fully consolidated			x			Other Company Type
LOTA Handels- und Beteiligungs-GmbH, 1030 Vienna	Not consolidated			x			Other Company Type
MAMONT GmbH, Kiew	Not consolidated			x			Other Company Type
St. Marx-Immobilien Verwertungs- und Verwaltungs GmbH, 1060 Vienna	Not consolidated			x			Other Company Type
MELIKERTES Raiffeisen-Mobilien-Leasing GmbH, Vienna	Not consolidated			x			Other Company Type
R MORMO IMMOBILIEN LINIE S.R.L., Bucharest	Not consolidated			x			Other Company Type
NAURU Handels- und Beteiligungs GmbH, 1030 Vienna	Not consolidated			x			Other Company Type
Raiffeisen Windpark Zistersdorf GmbH, Vienna	Not consolidated			x			Other Company Type
Nußdorf Immobilienverwaltung GmbH, 1060 Vienna	Not consolidated			x			Other Company Type
OCTANOS Raiffeisen Immobilien Leasing Ges.m.b.H., Vienna	Not consolidated			x			Financial Institution
Valida Pension AG, 1190 Vienna	Fully consolidated			x			Other Company Type
Orestes Immobilienleasing GmbH, 65760 Eschborn	Not consolidated			x			Other Company Type
ORION Raiffeisen-Immobilien-Leasing Gesellschaft m.b.H., Vienna	Not consolidated			x			Financial Institution
OSTARRICHI Immobilienleasing GmbH, 65760 Eschborn	Not consolidated			x			Other Company Type
Ötödik Vagyonkezelő Kft., Budapest	Not consolidated			x			Other Company Type
P & C Beteiligungs Gesellschaft m.b.H., 1030 Vienna	Not consolidated			x			Other Company Type
PEGA Raiffeisen-Immobilien Leasing Gesellschaft m.b.H., Vienna	Not consolidated			x			Financial Institution
PHOXIUS Handels- und Beteiligungsgesellschaft m.b.H., 1030 Vienna	Not consolidated			x			Other Company Type
Valida Consulting GmbH, 1190 Vienna	Not consolidated			x			Other Company Type
PROKNE Raiffeisen-Immobilien-Leasing GmbH, Vienna	Not consolidated			x			Other Company Type
Raiffeisen Autó Lízing Kft., 1054 Budapest	Not consolidated			x			Other Company Type
Raiffeisen Asset Management (Bulgaria) EAD, 1407 Sofia	Not consolidated			x			Financial Institution
RB Kereskedhőáz Kft., 1054 Budapest	Not consolidated			x			Other Company Type
RBM Wohnbau Ges.m.b.H., Vienna	Not consolidated			x			Other Company Type
OOO Raiffeisen Capital Asset Management Company, Moscow	Not consolidated			x			Financial Institution
RB Szolgáltató Központ Kft. - RBSC Kft., Nyíregyháza	Not consolidated			x			Other Company Type
R.B.T. Beteiligungsgesellschaft m.b.H, 1030 Vienna	Not consolidated			x			Other Company Type
Raiffeisen Capital a.d. Banja Luka, 7800 Banja Luka	Not consolidated			x			Financial Institution
Raiffeisen Corporate Leasing GmbH, 1190 Vienna	Not consolidated			x			Other Company Type
Raiffeisen Mandatory and Voluntary Pension Funds Management Company Plc., 10 000 Zagreb	Fully consolidated			x			Other Company Type
Realplan Alpha Liegenschaftsverwaltung Gesellschaft m.b.H., 1030 Vienna	Not consolidated			x			Other Company Type
Limited Liability Company REC GAMMA, Kiev 01011	Not consolidated			x			Company with ancillary banking services
BA Development, s.r.o., Bratislava	Not consolidated			x			Other Company Type
PLUSFINANCE RESIDENTIAL S.R.L., Bucharest	Not consolidated			x			Company with ancillary banking services
PLUSFINANCE LAND S.R.L., 020335 Bucharest	Not consolidated			x			Company with ancillary banking services
PLUSFINANCE OFFICE S.R.L., Bucharest	Not consolidated			x			Company with ancillary banking services
Raiffeisen Befektetési Alapkezelō Zrt., 1052 Budapest	Not consolidated			x			Financial Institution
Raiffeisen Invest d.o.o., 10 000 Zagreb	Not consolidated			x			Financial Institution
Raiffeisen Financial Services Polska Sp. z o.o., Warsaw	Not consolidated			x			Financial Institution
Raiffeisen Future AD Beograd drustvo za upravljanje dobrovoljnim penzijskim fondom, Belgrad	Not consolidated			x			Financial Institution
RAIFFEISEN INSURANCE BROKER EOOD, 1407 Sofia	Not consolidated			x			Company with ancillary banking services
Raiffeisen Investment Advisory GmbH, 1015 Vienna	Not consolidated			x			Financial Institution
Raiffeisen Bonus Ltd., 10 000 Zagreb, Croatia	Not consolidated			x			Company with ancillary banking services
Raiffeisen Biztosításközvetítö Kft., 1054 Budapest	Not consolidated			x			Insurance Company
Raiffeisen Insurance and Reinsurance Broker S.R.L, Bucharest	Not consolidated			x			Company with ancillary banking services
Raiffeisen Insurance Broker Kosovo L.L.C., Pristina, Kosovo	Not consolidated			x			Company with ancillary banking services
Raiffeisen Invest Drustvo za upravljanje fondovima d.o.o Sarajevo, Sarajevo	Not consolidated			x			Financial Institution
RAIFFEISEN INVEST AD DRUSTVO ZA UPRAVLJANJE INVESTICIONIM FONDOVIMA BEOGRAD, Belgrad	Not consolidated			x			Financial Institution
Raiffeisen Immobilien Kapitalanlage-Gesellschaft m.b.H., 1190 Vienna	Not consolidated			x			Credit Institution
RILREU Raiffeisen-Immobilien-Leasing Ges.m.b.H., Vienna	Not consolidated			x			Financial Institution
RIL VI Raiffeisen-Immobilien-Leasing Ges.m.b.H., Vienna	Not consolidated			x			Financial Institution
Raiffeisen Investment Polska sp.z.o.o., Warsaw	Not consolidated			x			Financial Institution
Ate Property, s.r.o., Prague	Not consolidated			x			Other Company Type
Amfion Property, s.r.o., Prague	Not consolidated			x			Other Company Type
RL-ATTIS Holding GmbH, Vienna	Not consolidated			x			Other Company Type
Boreas Property, s.r.o., Prague	Not consolidated			x			Other Company Type
Production unitary enterprise "PriortransAgro", 220002 Minsk	Not consolidated			x			Other Company Type
RL-Delta Holding GmbH, Vienna	Not consolidated			x			Other Company Type
Dafne Property, s.r.o., Prague	Not consolidated			x			Other Company Type
Eos Property, s.r.o., Prague	Not consolidated			x			Other Company Type
Erato Property, s.r.o., Prague 4	Not consolidated			x			Other Company Type
RL-ETA Holding GmbH, Vienna	Not consolidated			x			Other Company Type
GHERKIN, s.r.o., Prague 4	Not consolidated			x			Other Company Type
RL-FONTUS Holding GmbH, Vienna	Not consolidated			x			Other Company Type
Raiffeisen-Leasing Fuhrparkmanagement Gesellschaft m.b.H., 1190 Vienna	Fully consolidated			x			Other Company Type
Grainulos s.r.o., Prague	Not consolidated			x			Other Company Type
R.L.H. Holding GmbH, 1030 Vienna	Not consolidated			x			Financial Institution
Harmonia Property, s.r.o., Prague	Not consolidated			x			Other Company Type
Hypnos Property, s.r.o., Prague	Not consolidated			x			Other Company Type
Hestia Property, s.r.o., Prague	Not consolidated			x			Other Company Type
Hyperion Property, s.r.o., Prague 4	Not consolidated			x			Other Company Type
Janus Property, s.r.o., Prague	Not consolidated			x			Other Company Type
Kaliope Property, s.r.o., Prague 4	Not consolidated			x			Other Company Type
Kappa Estates s.r.o., Prague 4	Not consolidated			x			Other Company Type
Kleio Property, s.r.o., Prague	Not consolidated			x			Other Company Type
Don Giovanni Properties, s.r.o., Prague	Not consolidated			x			Other Company Type
TOO Raiffeisen Leasing Kazakhstan, 050008 Almaty	Not consolidated			x			Financial Institution
RL-Lamda s.r.o., 83104 Bratislava	Not consolidated			x			Financial Institution
RL-Lux Ingatlan Kft., Budapest	Not consolidated			x			Other Company Type
RL LUX Holding S.a.r.l., 2320 Luxembourg	Fully consolidated			x			Other Company Type
R LUX IMMOBILIEN LINIE S.R.L., Timisoara	Not consolidated			x			Financial Institution
RL-Assets Sp.z.o.o., Warsaw	Not consolidated			x			Other Company Type
ICS Raiffeisen Leasing s.r.l, 2012 Chisinau	Not consolidated			x			Financial Institution
Melete Property, s.r.o., Prague	Not consolidated			x			Other Company Type
Melpomene Property, s.r.o., Prague	Not consolidated			x			Other Company Type
Morfeus Property, s.r.o., Prague	Not consolidated			x			Other Company Type
Medea Property, s.r.o., Prague	Not consolidated			x			Other Company Type
RL Leasing Gesellschaft m.b.H., 65760 Eschborn	Not consolidated			x			Financial Institution
Nemesis Property, s.r.o., Prague	Not consolidated			x			Other Company Type
Neptun Property, s.r.o., Prague	Not consolidated			x			Other Company Type
Ofion Property, s.r.o., Prague 4	Not consolidated			x			Other Company Type
RL-Opis Holding GmbH, Vienna	Not consolidated			x			Other Company Type
Polymnia Property, s.r.o., Prague 4	Not consolidated			x			Other Company Type
Palace Holding s.r.o., Prague	Not consolidated			x			Other Company Type
Peito Property, s.r.o., Prague	Not consolidated			x			Other Company Type
RL-PROMITOR Holding GmbH, Vienna	Fully consolidated			x			Other Company Type
Appolon Property, s.r.o., Prague 4	Not consolidated			x			Other Company Type
Astra Property, s.r.o., Prague	Not consolidated			x			Other Company Type
ALT POHLEDY s.r.o., Prague 4	Not consolidated			x			Other Company Type
RLRE Beta Property, s.r.o., Prague 4	Not consolidated			x			Other Company Type
RLRE Carina Property, s.r.o., Prague 4	Not consolidated			x			Other Company Type
Chronos Property, s.r.o., Prague 4	Not consolidated			x			Other Company Type
FVE Cihelna s.r.o., Prague 4	Not consolidated			x			Other Company Type
CRISTAL PALACE Property s.r.o., Prague 4	Not consolidated			x			Other Company Type
Credibilis a.s., Prague 4	Not consolidated			x			Other Company Type
Photon SPV 10 s.r.o., Prague 4	Not consolidated			x			Other Company Type
Dike Property, s.r.o., Prague 4	Not consolidated			x			Other Company Type
Euros Property, s.r.o., Prague 4	Not consolidated			x			Other Company Type
RLRE Hotel Ellen, s.r.o., Prague 4	Not consolidated			x			Other Company Type
RLRE Eta Property, s.r.o., Prague 4	Not consolidated			x			Other Company Type
Gaia Property, s.r.o., Prague 4	Not consolidated			x			Other Company Type
Holeckova Property s.r.o., Prague 4	Not consolidated			x			Other Company Type
Hebe Property, s.r.o., Prague 4	Not consolidated			x			Other Company Type
Hermes Property, s.r.o., Prague 4	Not consolidated			x			Other Company Type

Name of the entity	Method of accounting consolidation	Method of regulatory consolidation					Description of the entity
		Full consolidation	Proportional consolidation	Neither consolidated nor deducted	At-equity	Deducted	
Ino Property, s.r.o., Prague	Not consolidated			x			Other Company Type
Iris Property, s.r.o., Prague 4	Not consolidated			x			Other Company Type
RLRE Jota Property, s.r.o., Prague	Not consolidated			x			Other Company Type
Kalypso Property, s.r.o., Prague 4	Not consolidated			x			Other Company Type
Exit 90 SPV s.r.o., Prague 4	Not consolidated			x			Other Company Type
Leto Property, s.r.o., Prague	Not consolidated			x			Other Company Type
Luna Property, s.r.o., Prague 4	Not consolidated			x			Other Company Type
Niobe Property, s.r.o., Prague	Not consolidated			x			Other Company Type
NC Ivancice, s.r.o., Prague	Not consolidated			x			Other Company Type
Raiffeisen Direct Investments CZ s.r.o., 140 78 Prague 4	Not consolidated			x			Financial Institution
Na Starce, s.r.o., Prague 4	Not consolidated			x			Other Company Type
Orchideus Property, s.r.o., Prague 4	Not consolidated			x			Other Company Type
FORZA SOLE s.r.o., Prague 4	Not consolidated			x			Other Company Type
Photon Energie s.r.o., Prague 4	Not consolidated			x			Other Company Type
Pontos Property, s.r.o., Prague 4	Not consolidated			x			Other Company Type
Photon SPV 3 s.r.o., Prague 4	Not consolidated			x			Other Company Type
PZ PROJEKT a.s., Prague 4	Not consolidated			x			Other Company Type
Photon SPV 11 s.r.o., Prague 4	Not consolidated			x			Other Company Type
Rheia Property, s.r.o., Prague 4	Not consolidated			x			Other Company Type
GS55 Sazovice s.r.o., Prague 4	Not consolidated			x			Other Company Type
Photon SPV 6 s.r.o., Prague	Not consolidated			x			Other Company Type
Selene Property, s.r.o., Prague 4	Not consolidated			x			Other Company Type
Sirius Property, s.r.o., Prague 4	Not consolidated			x			Other Company Type
Photon SPV 4 s.r.o., Prague 4	Not consolidated			x			Other Company Type
Residence Park Trebes, s.r.o., Prague 4	Not consolidated			x			Other Company Type
UPC Real, s.r.o., Prague 4	Not consolidated			x			Other Company Type
Viktor Property, s.r.o., Prague 4	Fully consolidated			x			Other Company Type
Michalka - Sun s.r.o., Prague 4	Not consolidated			x			Other Company Type
RLRE Ypsilon Property, s.r.o., Prague 4	Not consolidated			x			Other Company Type
Onyx Energy s.r.o., Prague 4	Not consolidated			x			Other Company Type
Onyx Energy Projekt II s.r.o., Prague 4	Not consolidated			x			Other Company Type
Zefyros Property, s.r.o., Prague 4	Not consolidated			x			Other Company Type
Photon SPV 8 s.r.o., Prague 4	Not consolidated			x			Other Company Type
Rezidence Pod Skalou s.r.o., Prague 1	Not consolidated			x			Other Company Type
Raiffeisen WohnBau Tirol GmbH, Vienna	Not consolidated			x			Other Company Type
Tmolos Property, s.r.o., Prague	Not consolidated			x			Other Company Type
Theia Property, s.r.o., Prague 4	Not consolidated			x			Other Company Type
Urania Property, s.r.o., Prague	Not consolidated			x			Other Company Type
Raiffeisen-Leasing Wärmeversorgungsanlagenbetriebs GmbH, 1190 Vienna	Not consolidated			x			Financial Institution
RLX Dvorak S.A., 2530 Luxembourg	Fully consolidated			x			Other Company Type
Raiffeisen INVEST Sh.a., Tirane	Not consolidated			x			Financial Institution
Raiffeisen Property International GmbH, 1060 Vienna	Fully consolidated			x			Other Company Type
Raiffeisen Pension Insurance d.d., 10 000 Zagreb	Fully consolidated			x			Insurance Company
R.P.I. Handels- und Beteiligungsgesellschaft m.b.H., 1030 Vienna	Fully consolidated			x			Financial Institution
Raiffeisen-Rent-ImmobilienprojektentwicklungsgmbH.,Objekt Lenaugasse 11 KG, Vienna	Fully consolidated			x			Other Company Type
Raiffeisen-Rent Immobilienprojektentwicklung Gesellschaft m.b.H. Objekt Wallgasse 12 KG, Vienna	Fully consolidated			x			Other Company Type
Raiffeisen Assistance doo Sarajevo, 71000 Sarajevo	Not consolidated			x			Financial Institution
Raiffeisen Rent DOO, 11070 Belgrad	Fully consolidated			x			Other Company Type
Raiffeisen consulting d.o.o., Zagreb	Fully consolidated			x			Other Company Type
Raiffeisen Gazdasági Szolgáltató Zrt., 1052 Budapest	Not consolidated			x			Other Company Type
Raiffeisen Salzburg Invest Kapitalanlage GmbH, 5020 Salzburg	Not consolidated			x			Credit Institution
Raiffeisen Solutions Spółka z ograniczoną odpowiedzialnością, Warsaw	Not consolidated			x			Financial Institution
Raiffeisen Towarzystwo Funduszy Inwestycyjnych S.A., Warsaw	Not consolidated			x			Financial Institution
RBI Group IT GmbH, 1190 Vienna	Not consolidated			x			Company with ancillary banking services
Raiffeisen Wohnbauleasing Gesellschaft m.b.H., Vienna	Not consolidated			x			Financial Institution
SAM-House Kft, Budapest	Not consolidated			x			Company with ancillary banking services
DAV-ESTATE Kft., 1012 Budapest	Not consolidated			x			Other Company Type
DAV Management Kft., 1012 Budapest	Not consolidated			x			Other Company Type
DAV-LAND Kft., 1012 Budapest	Not consolidated			x			Other Company Type
DAV-PROPERTY Kft., 1012 Budapest	Fully consolidated			x			Other Company Type
OOO SB "Studia Strahovania", Minsk	Not consolidated			x			Other Company Type
SCTB Ingatlanfejlesztés Ingatlanhasznosító Kft., 1054 Budapest	Not consolidated			x			Other Company Type
Harmadik Vagyonkezelő Kft., Budapest	Fully consolidated			x			Company with ancillary banking services
SCT Kárász utca Ingatlankezelő Kft., 1054 Budapest	Not consolidated			x			Other Company Type
Sky Tower Immobilien- und Verwaltung Kft, 1134 Budapest	Fully consolidated			x			Other Company Type
Unitary insurance enterprise "Priorlife", Minsk	Not consolidated			x			Insurance Company
Stadtpark Liegenschaftsbeteiligung GmbH, 1030 Vienna	Not consolidated			x			Financial Institution
Group Cloud Solutions, s.r.o., Bratislava	Not consolidated			x			Company with ancillary banking services
STYRIA Immobilienleasing GmbH, 65760 Eschborn	Not consolidated			x			Other Company Type
Raiffeisen WohnBau Vienna GmbH, Vienna	Fully consolidated			x			Other Company Type
RAIFFEISEN SERVICE EOOD, Sofia	Not consolidated			x			Other Company Type
Valida Industrie Pensionskasse AG, 1190 Vienna	Fully consolidated			x			Other Company Type
VANELLA Raiffeisen-Immobilien-Leasing Ges.m.b.H., Vienna	Not consolidated			x			Financial Institution
VINDOBONA Immobilienleasing GmbH, 65760 Eschborn	Not consolidated			x			Other Company Type
OOO "Vneshleasing", 107005, Moscow	Not consolidated			x			Financial Institution
ZHS Office- & Facilitymanagement GmbH, 1030 Vienna	Fully consolidated			x			Company with ancillary banking services
ZRB 17 Errichtungs GmbH, Vienna	Not consolidated			x			Other Company Type
Abrawiza Immobilienleasing GmbH & Co. Projekt Fernwald KG, 65760 Eschborn	Not consolidated			x			Other Company Type
Abutilon Immobilienleasing GmbH & Co. Projekt Autohof Ibbenbüren KG, 65760 Eschborn	Not consolidated			x			Financial Institution
Adular Immobilienleasing GmbH & Co. Projekt Rödermark KG, 65760 Eschborn	Not consolidated			x			Financial Institution
AGITO Immobilien-Leasing GesmbH, Vienna	Not consolidated			x			Financial Institution
Austria Leasing GmbH & Co. KG Immobilienverwaltung CURA, 65760 Eschborn	Not consolidated			x			Financial Institution
AURIGA Raiffeisen-Immobilien-Leasing Gesellschaft m.b.H., Vienna	Not consolidated			x			Financial Institution
Austria Leasing Immobilienverwaltungsgesellschaft mbH, 65760 Eschborn	Not consolidated			x			Other Company Type
Bukovina Residential SRL, Timisoara	Not consolidated			x			Other Company Type
CADO Raiffeisen-Immobilien-Leasing Ges.m.b.H., Vienna	Not consolidated			x			Financial Institution
CZ Invest GmbH, Vienna	Not consolidated			x			Other Company Type
Essox d.o.o.,	Not consolidated			x			Other Company Type
GTNMS RBI Immobilien-Leasing GmbH, Vienna	Not consolidated			x			Other Company Type
HERA Raiffeisen Immobilien Leasing GmbH, Vienna	Not consolidated			x			Financial Institution
HSL INVEST S.R.L., Ploiesti, judentul Buzau	Not consolidated			x			Other Company Type
Immoservice Polska Sp.z.o.o., Warsaw	Not consolidated			x			Other Company Type
First Leasing Service Center GmbH, Vienna	Not consolidated			x			Other Company Type
Körlog Logistika Építö és Kivitelezö Korlátolt Feleösségü Társaság, Budapest	Not consolidated			x			Other Company Type
KOTTO Raiffeisen-Immobilien-Leasing GmbH, Vienna	Not consolidated			x			Other Company Type
LIBRA Raiffeisen-Immobilien-Leasing GmbH, Vienna	Not consolidated			x			Financial Institution
Objekt Linser Areal Immobilienerrichtungs GmbH, Vienna	Not consolidated			x			Other Company Type
MIRA Raiffeisen-Immobilien-Leasing Gesellschaft m.b.H., Vienna	Not consolidated			x			Financial Institution
OBI Eger Kft, Budapest	Not consolidated			x			Financial Institution
OBI Miskolc Ingatlankezelö Korlatolt Felelösségü Tarsasag, Budapest	Not consolidated			x			Financial Institution
OPORA Raiffeisen-Immobilien-Leasing GmbH, Vienna	Not consolidated			x			Other Company Type
OBI Veszprem Ingatlankezelö Korlatolt Felelösségü Tarsasag, Budapest	Not consolidated			x			Financial Institution
PELIAS Raiffeisen-Immobilien-Leasing GmbH, Vienna	Not consolidated			x			Financial Institution
RBI Real Estate Services Czechia s.r.o., Prague	Not consolidated			x			Financial Institution
RBI Real Estate Services Polska SP.z.o.o., Warsaw	Not consolidated			x			Financial Institution
RB International Investment Asia Limited, Labuan F.T.	Not consolidated			x			Financial Institution
ZUNO AG, Vienna	Not consolidated			x			Other Company Type
RIL IV Raiffeisen-Immobilien-Leasing Ges.m.b.H., Vienna	Not consolidated			x			Financial Institution
RIL XIII Raiffeisen-Immobilien-Leasing Ges.m.b.H., Vienna	Not consolidated			x			Financial Institution
RL-BETA Holding GmbH, Vienna	Not consolidated			x			Other Company Type
RL-Epsilon Holding GmbH, Vienna	Not consolidated			x			Financial Institution
RL-Gamma Holding GmbH, Vienna	Not consolidated			x			Financial Institution
Hemera Property, s.r.o., Prague	Not consolidated			x			Other Company Type
Raiffeisen-Leasing Immobilienverwaltung Gesellschaft m.b.H., 1190 Vienna	Not consolidated			x			Other Company Type
RL-Jota Holding GmbH, Vienna	Not consolidated			x			Financial Institution
Raiffeisen-Leasing Gesellschaft m.b.H. & Co KG, 1190 Vienna	Not consolidated			x			Other Company Type
RL-Nordic Finans AB, 114 32 Stockholm	Not consolidated			x			Financial Institution
Lucius Property, s.r.o., Prague 4	Not consolidated			x			Other Company Type
ACB Ponava, s.r.o., Prague 4	Not consolidated			x			Other Company Type
RIOBAU s.r.o., Prague	Not consolidated			x			Other Company Type
Zatisi Rokytka s.r.o., Prague	Not consolidated			x			Other Company Type
SCTS Kft., Budapest	Not consolidated			x			Other Company Type
SCTE Elsö Ingatlanfejlesztö és Ingatlanhasznosító Kft., 1054 Budapest	Not consolidated			x			Company with ancillary banking services
Raiffeisen Ingatlan Vagyonkezelő Kft., Budapest	Not consolidated			x			Other Company Type
SPICA Raiffeisen-Immobilien-Leasing Ges.m.b.H., Vienna	Not consolidated			x			Financial Institution
Am Hafen" Sutterlüty GmbH & Co KG, Vienna	Not consolidated			x			Financial Institution
LEIPNIK-LUNDENBURGER INVEST Beteiligungs Aktiengesellschaft, 1020 Vienna	At-equity			x			Other Company Type
Analytical Credit Rating Agency (Joint Stock Company), Moscow	Not consolidated			x			Other Company Type
PSA Payment Services Austria GmbH, Vienna	Not consolidated			x			Financial Institution
Adoria Grundstückvermietungs Gesellschaft m.b.H., St. Pölten	Not consolidated			x			Financial Institution

Name of the entity	Method of accounting consolidation	Method of regulatory consolidation					Description of the entity
		Full consolidation	Proportional consolidation	Neither consolidated nor deducted	At-equity	Deducted	
AGIOS Raiffeisen-Immobilien Leasing Ges.m.b.H., Vienna	Not consolidated			x			Financial Institution
AIL Swiss-Austria Leasing AG, 8152 Glattbrugg ZH	Not consolidated			x			Financial Institution
ALCS Association of Leasing Companies in Serbia, 11070 Belgrad	Not consolidated			x			Other Company Type
ALMC hf.,	Not consolidated			x			Other Company Type
Rehazentrum Kitzbühel Immobilien-Leasing GmbH, 6020 Innsbruck	Not consolidated			x			Financial Institution
A-Trust Gesellschaft für Sicherheitssysteme im elektronischen Datenverkehr GmbH, 1030 Vienna	Not consolidated			x			Other Company Type
Austrian Reporting Services GmbH, Vienna	Not consolidated			x			Company with ancillary banking services
Aventin Grundstücksverwaltungs Gesellschaft m.b.H., St. Pölten	Not consolidated			x			Financial Institution
Biroul de Credit S.A., Bucharest	Not consolidated			x			Financial Institution
Bad Sauerbrunn Thermalwasser Nutzungs- und Verwertungs GmbH., Bad Sauerbrunn	Not consolidated			x			Other Company Type
BTS Holding a.s. "v likvidácii", Bratislava 811 01	Not consolidated			x			Other Company Type
Cards & Systems EDV-Dienstleistungs GmbH, 1030 Vienna	Not consolidated			x			Other Company Type
CF Pharma Gyógyszergyártó Kft, 1097 Budapest	Not consolidated			x			Other Company Type
CONATUS Grundstückvermietungs Ges.m.b.H., 3100 St. Pölten	Not consolidated			x			Financial Institution
Cash Service Company AD, 1632 Sofia	Not consolidated			x			Company with ancillary banking services
CULINA Grundstückvermietungs Gesellschaft m.b.H., 3100 St. Pölten	Not consolidated			x			Financial Institution
Die Niederösterreichische Leasing Gesellschaft m.b.H., Vienna	Not consolidated			x			Other Company Type
Die Niederösterreichische Leasing GmbH & Co KG, Vienna	Not consolidated			x			Financial Institution
EMERGING EUROPE GROWTH FUND II, L.P., Wilmington, Delaware	Not consolidated			x			Other Company Type
EMCOM Beteiligungs GmbH, 1030 Vienna	Not consolidated			x			Financial Institution
Epsilon - Grundverwertungsgesellschaft m.b.H., Vienna	Not consolidated			x			Financial Institution
ESQUILIN Grundstücksverwaltungs GmbH, St. Pölten	Not consolidated			x			Financial Institution
FACILITAS Grundstücksvermietungs GmbH, 3100 St. Pölten	Not consolidated			x			Financial Institution
Fondul de Garantare a Creditului Rural S.A., Bucharest	Not consolidated			x			Financial Institution
FORIS Grundstückvermietungs Ges.m.b.H., St. Pölten	Not consolidated			x			Financial Institution
G + R Leasing Gesellschaft m.b.H. & Co. KG., 8010 Graz	Not consolidated			x			Financial Institution
Hrvatski registar obveza po kreditima d.o.o., 10 000 Zagreb	Not consolidated			x			Company with ancillary banking services
K & D Progetto s.r.l., 39100 bolzano	Not consolidated			x			Financial Institution
Kommunal-Infrastruktur & Immobilien Zeltweg GmbH, 8740 Zeltweg	Not consolidated			x			Other Company Type
LITUS Grundstückvermietungs Gesellschaft m.b.H., 3100 St. Pölten	Not consolidated			x			Financial Institution
Medicur - Holding Gesellschaft m.b.H., 1020 Vienna	Not consolidated			x			Other Company Type
Top Vorsorge-Management GmbH, 1130 Vienna	Not consolidated			x			Other Company Type
AVION-Grundverwertungsgesellschaft m.b.H., Vienna	Not consolidated			x			Financial Institution
N.Ö. Kommunalgebäudeleasing GmbH, Vienna	Not consolidated			x			Financial Institution
NÖ-KL Kommunalgebäudeleasing GmbH, Vienna	Not consolidated			x			Financial Institution
NÖ Raiffeisen Kommunalprojekte Service Gesellschaft m.b.H., Vienna	Not consolidated			x			Financial Institution
NÖ. HYPO Leasing und Raiffeisen-Immobilien-Leasing Traisenhaus GesmbH & Co OG, 3100 St. Pölten	Not consolidated			x			Financial Institution
ÖAMTC-Leasing GmbH, Vienna	Not consolidated			x			Other Company Type
ÖAMTC-Leasing GmbH & Co KG, Vienna	Not consolidated			x			Financial Institution
O.Ö. Leasing für Gebietskörperschaften Ges.m.b.H., Linz	Not consolidated			x			Financial Institution
O.Ö. Leasing für öffentliche Bauten Ges.m.b.H., 4020 Linz	Not consolidated			x			Financial Institution
Österreichische Wertpapierdaten Service GmbH, 1030 Vienna	Not consolidated			x			Company with ancillary banking services
PBG S.A., Przeźmierowo	Not consolidated			x			Other Company Type
QUIRINAL Grundstücksverwaltungs GmbH, Vienna	Not consolidated			x			Financial Institution
Raiffeisen-Landesbank Tirol AG, 6020 Innsbruck	Not consolidated			x			Credit Institution
Raiffeisen e-force GmbH, 1020 Vienna	Not consolidated			x			Company with ancillary banking services
Realplan Beta Liegenschaftsverwaltung GmbH, Vienna	Not consolidated			x			Financial Institution
RC Gazdasági és Adótanácsadó Zrt., 1027 Budapest	Not consolidated			x			Other Company Type
RAIFFEISEN-HOLDING NIEDERÖSTERREICH-Vienna registrierte Genossenschaft mit beschränkter Haftung, 1020 Vienna	Not consolidated			x			Credit Institution
Raiffeisen-IMPULS-Immobilien Leasing Ges.m.b.H., 4020 Linz	Not consolidated			x			Financial Institution
Raiffeisen-IMPULS-Liegenschaftsverwaltung Ges.m.b.H., 4020 Linz	Not consolidated			x			Financial Institution
Raiffeisen-Impuls-Zeta Immobilien GmbH, 4020 Linz	Not consolidated			x			Financial Institution
Raiffeisen-Leasing BOT s.r.o., 14078 Prague 4	Not consolidated			x			Other Company Type
Raiffeisen-Leasing Anlagen und KFZ Vermietungs GmbH, 1190 Vienna	Not consolidated			x			Financial Institution
RLB Holding eGen OÖ, 4020 Linz	Not consolidated			x			Financial Institution
RLKG Raiffeisen-Leasing GmbH, Vienna	Not consolidated			x			Financial Institution
Raiffeisen-Leasing Management GmbH, 1190 Vienna	Not consolidated			x			Other Company Type
Raiffeisen Salzburg Leasing GmbH, 5020 Salzburg	Not consolidated			x			Financial Institution
RSAL Raiffeisen Steiermark Anlagenleasing GmbH, 8010 Graz	Not consolidated			x			Financial Institution
RSC Raiffeisen Service Center GmbH, 1190 Vienna	Not consolidated			x			Company with ancillary banking services
RSIL Immobilienleasing Raiffeisen Steiermark GmbH, 8010 Graz	Not consolidated			x			Financial Institution
Raiffeisen Services SRL, Bucharest	Not consolidated			x			Other Company Type
LLC "Insurance Company 'Raiffeisen Life", Moscow	Not consolidated			x			Insurance Company
Slovak Banking Credit Bureau, s.r.o., Bratislava	Not consolidated			x			Company with ancillary banking services
Seilbahnleasing GmbH, 6020 Innsbruck	Not consolidated			x			Financial Institution
Raiffeisen Rehazentrum Schruns Immobilienleasing GmbH, Vienna	Not consolidated			x			Financial Institution
SKR Lager 102 AB, Stockholm	Not consolidated			x			Other Company Type
SPRON ehf., Reykjavik	Not consolidated			x			Other Company Type
Stemcor Global Holdings Limited, St Helier	Not consolidated			x			Other Company Type
Steirische Gemeindegebäude Leasing Gesellschaft m.b.H., Vienna	Not consolidated			x			Financial Institution
Steirische Kommunalgebäudeleasing GmbH, Vienna	Not consolidated			x			Financial Institution
Steirische Leasing für öffentliche Bauten Ges.m.b.H., Vienna	Not consolidated			x			Financial Institution
Studiengesellschaft für Zusammenarbeit im Zahlungsverkehr (STUZZA) GmbH, 1070 Vienna	Not consolidated			x			Other Company Type
SUPRIA Raiffeisen-Immobilien-Leasing Ges.m.b.H., Vienna	Not consolidated			x			Financial Institution
SWO Kommunalgebäudeleasing Gesellschaft m.b.H., Vienna	Not consolidated			x			Financial Institution
UNIQA Raiffeisen Software Service Kft., 1053 Budapest	Not consolidated			x			Other Company Type
Syrena Immobilien Holding AG, 9800 Spittal an der Drau	Not consolidated			x			Other Company Type
Tiroler Kommunalgebäudeleasing Gesellschaft m.b.H., 6020 Innsbruck	Not consolidated			x			Financial Institution
TKL II. Grundverwertungsgesellschaft m.b.H., 6020 Innsbruck	Not consolidated			x			Financial Institution
TKL V Grundverwertungs GmbH, 6020 Innsbruck	Not consolidated			x			Financial Institution
TKL VI Grundverwertungs GmbH, 6020 Innsbruck	Not consolidated			x			Financial Institution
TKL VII Grundverwertungsgesellschaft m.b.H., 6020 Innsbruck	Not consolidated			x			Financial Institution
TKL VIII Grundverwertungs GmbH, 6020 Innsbruck	Not consolidated			x			Financial Institution
TRABITUS Grundstücksvermietungs Ges.m.b.H., Vienna	Not consolidated			x			Financial Institution
Closed Joint Stock Company Truskavets Valeological Innovative Centre, 82200, Truskavets, Lviv region	Not consolidated			x			Other Company Type
UNDA Grundstücksvermietungs Gesellschaft m.b.H., 3100 St. Pölten	Not consolidated			x			Financial Institution
VALET Grundstücksverwaltungsges.m.b.H., St. Pölten	Not consolidated			x			Financial Institution
Viminal Grundstückverwaltungs Gesellschaft m.b.H., Vienna	Not consolidated			x			Financial Institution
Closed Joint Stock Company Vinegar-yeast Factory, 09161 Uzyn	Not consolidated			x			Other Company Type
Vorarlberger Kommunalgebäudeleasing Ges.m.b.H., 6850 Dornbirn	Not consolidated			x			Financial Institution
VKL II Grundverwertungs GesmbH, 6850 Dornbirn	Not consolidated			x			Financial Institution
W 3 Errichtungs- und Betriebs-Aktiengesellschaft, Vienna	Not consolidated			x			Other Company Type
Wohnbauinvestitionsbank GmbH, 1010 Vienna	Not consolidated			x			Credit Institution
"Zentrum Puntigam" Errichtungs- und Betriebsgesellschaft m.b.H., 1220 Vienna	Not consolidated			x			Other Company Type
Private Joint Stock Company Sumy Enterprise Agrotechservice, Sumy 40020	Not consolidated			x			Other Company Type
Accession Mezzanine Capital II L.P., Bermuda	Not consolidated			x			Other Company Type
Accession Mezzanine Capital III L.P., St. Helier	Not consolidated			x			Other Company Type
Burza cennych papierov v. Bratislave, a.s., 811 06 Bratislava	Not consolidated			x			Other Company Type
Belarussian currency and stock exchange JSC, 220013 Minsk	Not consolidated			x			Other Company Type
Private Joint Stock Company Bird Farm Bershadskyi, 24412 Viytivka	Not consolidated			x			Other Company Type
CEESEG Aktiengesellschaft, 1014 Vienna	Not consolidated			x			Financial Institution
Bucharest Stock Exchange, Bucharest 2	Not consolidated			x			Other Company Type
Commodity Exchange Crimean Interbank Currency Exchange, Simferopil 95017	Not consolidated			x			Other Company Type
Central Depository and Clearing Company, Inc., 10 000 Zagreb	Not consolidated			x			Financial Institution
Commodity Exchange of the Agroindustrial Complex of Central Regions of Ukraine, 18036 Cherkassy	Not consolidated			x			Other Company Type
Czech Real Estate Fund (CREF) B.V., 1043BW Amsterdam	Not consolidated			x			Financial Institution
D. Trust Certifikacná Autorita, a.s., 821 09 Bratislava	Not consolidated			x			Other Company Type
DZ BANK AG Deutsche Zentral-Genossenschaftsbank, 60265 Frankfurt am Main	Not consolidated			x			Credit Institution
Euro Banking Association (ABE Clearing S.A.S.), 75116 Paris	Not consolidated			x			Financial Institution
European Investment Fund S.A., 2968 Luxembourg	Not consolidated			x			Financial Institution
Открытое акционерное общество "Небанковская кредитно-финансовая организация "Единое расчетное и информационное пространс, Minsk	Not consolidated			x			Financial Institution
Einlagensicherung der Banken und Bankiers Gesellschaft m.b.H., 1010 Vienna	Not consolidated			x			Company with ancillary banking services
Private Joint Stock Company First All-Ukrainian Credit Bureau, Kyiv 02002	Not consolidated			x			Other Company Type
GELDSERVICE AUSTRIA Logistik für Wertgestionierung und Transportkoordination G.m.b.H., 1090 Vienna	Not consolidated			x			Other Company Type
G + R Leasing Gesellschaft m.b.H., 8010 Graz	Not consolidated			x			Other Company Type
Garantiqa Hitelgarancia ZRt., 1082 Budapest	Not consolidated			x			Company with ancillary banking services
HOBEX AG, 5020 Salzburg	Not consolidated			x			Financial Institution
INVESTOR COMPENSATION FUND, 020922 Bucharest	Not consolidated			x			Other Company Type

Name of the entity	Method of accounting consolidation	Method of regulatory consolidation					Description of the entity
		Full consolidation	Proportional consolidation	Neither consolidated nor deducted	At-equity	Deducted	
Agricultural Open Joint Stock Company Illintsi Livestock Breeding Enterprise, 22700 Vinitsa region, Illinci	Not consolidated			x			Other Company Type
ARGE Zentrumsgarage Ischgl, Linz	Not consolidated			x			Other Company Type
MasterCard Inc, 10577 New York	Not consolidated			x			Credit Institution
Open Joint Stock Company Kyiv Special Project and Design Bureau Menas, Kyiv 01032	Not consolidated			x			Other Company Type
National Settlement Depositary, 125009 Moscow	Not consolidated			x			Financial Institution
Limited Liability Company Scientific-Production Enterprise Assembling and Implementation of Telecommunication Sytems, 49055 Dnepropetrovsk	Not consolidated			x			Other Company Type
Easdaq NV, 3000 Leuven	Not consolidated			x			Other Company Type
Public Joint Stock Company National Depositary of Ukraine, Kyiv 04071	Not consolidated			x			Company with ancillary banking services
NÖ Raiffeisen-Leasing Gemeindeprojekte Gesellschaft m.b.H., Vienna	Not consolidated			x			Financial Institution
Österreichische Raiffeisen-Einlagensicherung eGen, 1030 Vienna	Not consolidated			x			Company with ancillary banking services
Oberpinzg. Fremdenverkehrförderungs- und Bergbahnen AG, Neukirchen am Großvenediger, Salzburg	Not consolidated			x			Other Company Type
OT-Optima Telekom d.d., Zagreb	Not consolidated			x			Other Company Type
OVIS Raiffeisen-Immobilien-Leasing Gesellschaft m.b.H., Vienna	Not consolidated			x			Financial Institution
Public Joint Stock Company Stock Exchange PFTS, 01601 Kiev	Not consolidated			x			Other Company Type
Raiffeisen Software GmbH, Linz	Not consolidated			x			Company with ancillary banking services
S.C. DEPOZITARUL CENTRAL S.A., Bucharest	Not consolidated			x			Other Company Type
Polish Real Estate Investment Limited, 3040 Limassol	Not consolidated			x			Other Company Type
Raiffeisenlandesbank Kärnten - Rechenzentrum und Revisionsverband, registrierte Genossenschaft mit beschränkter Haftung, 9020 Klagenfurt	Not consolidated			x			Credit Institution
Registry of Securities in FBH, Sarajevo	Not consolidated			x			Other Company Type
Sarajevska berza-burza vrijednosnih papira dd Sarajevo, 71000 Sarajevo	Not consolidated			x			Other Company Type
Scanviwood Co. Ltd., Ho Chi Minh City	Not consolidated			x			Other Company Type
Public Joint Stock Company Settlement Center for Servicing of Contracts in Financial Markets, Kyiv 04107	Not consolidated			x			Financial Institution
SELENE Raiffeisen-Immobilien-Leasing Ges.m.b.H., Vienna	Not consolidated			x			Other Company Type
CASA DE COMPENSARE S.A., 020922 Bucharest	Not consolidated			x			Other Company Type
Societatea de Transfer de Fonduri si Decontari-TRANSFOND S.A, Bucharest	Not consolidated			x			Company with ancillary banking services
Society for Worldwide Interbank Financial Telekommunication scrl, 1310 La Hulpe	Not consolidated			x			Financial Institution
Therme Amade Errichtungs- und Betriebsgesellschaft m.b.H., Altenmarkt	Not consolidated			x			Other Company Type
Tiroler Landesprojekte Grundverwertungs GmbH, 6020 Innsbruck	Not consolidated			x			Financial Institution
Transilvania LEASING SI CREDIT IFN S.A., Brasov	Not consolidated			x			Financial Institution
Private Joint Stock Company Ukrainian Interbank Currency Exchange, 04070 Kiev	Not consolidated			x			Other Company Type
Visa Inc., San Francisco, CA 94128	Not consolidated			x			Company with ancillary banking services
Open Joint Stock Company Volodymyr-Volynskyi Sugar Refinery, 44700 Volodimir-Volynskiy city	Not consolidated			x			Other Company Type
Zhytomyr Commodity Agroindustrial Exchange, 10001 Zhitomir	Not consolidated			x			Other Company Type
Ziloti Holding S.A., Luxembourg	Not consolidated			x			Other Company Type
The Zagreb Stock Exchange joint stock company, Zagreb 10000	Not consolidated			x			Other Company Type

Annex 4

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.

Issuer	Raiffeisen Bank International AG	Raiffeisen Bank International AG	RZB Finance (Jersey) III Limited
Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	AT0000606306	XS1640667116	XS0193631040
Governing Law(s) of the instrument	Austrian Law	German/Austrian Law	Jersey Law/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	Additional Tier 1	In-eligible
Eligible at solo/(sub-)consolidated/solo and (sub-) consolidated	Solo and consolidated	Solo and consolidated	Consolidated
Instrument type (types to be specified by each jurisdiction)	Subscribed capital	Additional Tier 1 instrument according to Article 52 CRR	Perpetual non-cumulative subordinated floating rate capital notes
Amount recognized in regulatory capital as of 31 December 2017	EUR 1,003,265,844	EUR 645,803,642	EUR 90,475,000
Nominal amount of instrument	EUR 1,003,265,844	EUR 650,000,000	EUR 90,475,000
Issue price	N/A	100%	100%
Redemption price	N/A	100%	100%
Accounting classification	Shareholder's equity	Equity	Liability - amortized cost
Original date of issuance	25 April 2005	5 July 2017	15 June 2004
Perpetual or dated	N/A	Perpetual	Perpetual
Original maturity date	N/A	No maturity	No maturity
Issuer call subject to prior supervisory approval	N/A	Yes	Yes
Optional call date, contingent call dates, and redemption amount	N/A	15 December 2022; tax and regulatory call rights; optional redemption at par	15 June 2009; in addition tax and regulatory call rights; redemption price
Subsequent call dates, if applicable	N/A	Semi-annually	Semi-annually
Coupons / dividends			
Fixed or floating dividend/coupon	Floating	Fixed to Reset Rate	Floating
Coupon rate and any related index	N/A	6.125% until 15.12.2022 / 5Y Mid Swap rate + Margin of 5.954%	0.92%
Existence of a dividend stopper	N/A	No	No
Fully discretionary, partially discretionary or Mandatory (in terms of timing)	N/A	Fully discretionary	Mandatory - Link to Distributable Profits
Fully discretionary, partially discretionary or Mandatory (in terms of amount)	N/A	Fully discretionary	Mandatory - Link to Distributable Profits
Existence of step up or other incentive to redeem	N/A	No	No
Non-cumulative 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, specify instrument type convertible into	N/A	N/A	N/A
If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A
Write-down features	N/A	Yes	No
If write-down, write-down trigger (s)	N/A	5,125% CET trigger on RBI Regulatory Group or Issuer level; statutory approach	N/A
If write-down, full or partial	N/A	Fully or partially	N/A
If write-down, permanent or temporary	N/A	Temporary	N/A
If temporary write-down, description of write-up mechanism	N/A	Write Up at sole discretion of the Issuer to the extent permitted in compliance with the Applicable Supervisory Regulations (applied on a pro-rata basis)	N/A
Position in subordination hierachy in liquidation (specify instrument type immediately senior to instrument)	Additional Tier 1	Tier 2	Tier 2
Non-compliant transitioned features	N/A	No	No
If yes, specify non-compliant features	N/A	N/A	N/A

Issuer	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 and (sub-) consolidated	Solo and consolidated	Solo and consolidated	Solo and 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 recognized in regulatory capital as of 31 December 2017	EUR 289,925,652	EUR 212,917,219	EUR 232,509,067
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	Liability - fair value option	Liability - fair value option	Liability - amortized cost
Original date of issuance	29 October 2012	24 May 2013	18 December 2013
Perpetual or dated	Dated	Dated	Dated
Original maturity date	27.Apr.23	24 May 2023	18 June 2024
Issuer call subject to prior supervisory approval	Yes	Yes	Yes
Optional call date, contingent call dates, and redemption amount	27 April 2018; tax & regulatory call rights; principal amount	24 May 2018; tax & regulatory call rights; principal amount	18 June 2019; tax & regulatory call rights; 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
Non-cumulative 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, specify instrument type convertible into	N/A	N/A	N/A
If convertible, specify 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)	Senior	Senior	Senior
Non-compliant transitioned features	No	No	No
If yes, specify non-compliant features	N/A	N/A	N/A

Issuer	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 and (sub-) consolidated	Solo and consolidated	Solo and consolidated	Solo and 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 recognized in regulatory capital as of 31 December 2017	EUR 336,913,641	EUR 20,000,000	EUR 27,360,000
Nominal amount of instrument	EUR 500,000,000	EUR 20,000,000	EUR 54,810,000
Issue price	99%	100%	100%
Redemption price	100%		
Accounting classification	Liability - fair value option	Liability - amortized cost	Liability - fair value option
Original date of issuance	18 May 2011	28 September 2005	01 July 2008
Perpetual or dated	Dated	Dated	Dated
Original maturity date	18 May 2021	28 September 2035	30 June 2020
Issuer call subject 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
Non-cumulative 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, specify instrument type convertible into	N/A	N/A	N/A
If convertible, specify 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)	Senior	Senior	Senior
Non-compliant transitioned features	No	No	No
If yes, specify non-compliant features	N/A	N/A	N/A

Issuer	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 and (sub-) consolidated	Solo and consolidated	Solo and consolidated	Solo and 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 recognized in regulatory capital as of 31 December 2017	EUR 19,948,112	EUR 20,972,099	EUR 3,098,302
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	Liability - fair value option	Liability - fair value option	Liability - fair value option
Original date of issuance	01 October 2008	10 November 2008	02 January 2009
Perpetual or dated	Dated	Dated	Dated
Original maturity date	30 September 2020	31 October 2023	31 December 2018
Issuer call subject 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
Non-cumulative 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, specify instrument type convertible into	N/A	N/A	N/A
If convertible, specify 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)	Senior	Senior	Senior
Non-compliant transitioned features	No	No	No
If yes, specify non-compliant features	N/A	N/A	N/A

Issuer	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 and (sub-) consolidated	Solo and consolidated	Solo and consolidated	Solo and 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 recognized in regulatory capital as of 31 December 2017	EUR 4,709,141	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	Liability - fair value option	Liability - fair value option	Liability - amortized cost
Original date of issuance	02 January 2009	02 January 2009	15 September 2005
Perpetual or dated	Dated	Dated	Dated
Original maturity date	31 December 2020	29 December 2023	15 September 2025
Issuer call subject 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
Non-cumulative 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, specify instrument type convertible into	N/A	N/A	N/A
If convertible, specify 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)	Senior	Senior	Senior
Non-compliant transitioned features	No	No	No
If yes, specify non-compliant features	N/A	N/A	N/A

Issuer	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_2	HP0FD050905_1	HP0MCD130905_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 and (sub-) consolidated	Solo and consolidated	Solo and consolidated	Solo and 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 recognized in regulatory capital as of 31 December 2017	EUR 2,000,000	EUR 20,000,000	EUR 2,500,000
Nominal amount of instrument	EUR 2,000,000	EUR 20,000,000	EUR 2,500,000
Issue price	100%	100%	100%
Redemption price	100%	100%	100%
Accounting classification	Liability - amortized cost	Liability - fair value option	Liability - amortized cost
Original date of issuance	15 September 2005	15 September 2005	27 September 2005
Perpetual or dated	Dated	Dated	Dated
Original maturity date	15 September 2025	15 December 2025	27 September 2035
Issuer call subject to prior supervisory approval	No	No	No
Optional call date, contingent call dates, and redemption amount	No	No	27 September 2025; 100%
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%	4.50%
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
Non-cumulative 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, specify instrument type convertible into	N/A	N/A	N/A
If convertible, specify 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)	Senior	Senior	Senior
Non-compliant transitioned features	No	No	No
If yes, specify non-compliant features	N/A	N/A	N/A

Issuer	Raiffeisen Bank International AG	Raiffeisen Bank International AG	Raiffeisen Bank International AG
Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	HP0SCSSI190107	AT000B012125	CSSI130407_1
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 and (sub-) consolidated	Solo and consolidated	Solo and consolidated	Solo and 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 recognized in regulatory capital as of 31 December 2017	EUR 6,999,877	EUR 81,689,211	EUR 10,000,000
Nominal amount of instrument	EUR 7,000,000	EUR 83,100,000	EUR 10,000,000
Issue price	100%	100%	100%
Redemption price	100%		100%
Accounting classification	Liability - fair value option	Liability - fair value option	Liability - fair value option
Original date of issuance	26 January 2007	01 December 2010	23 April 2007
Perpetual or dated	Dated	Dated	Dated
Original maturity date	26 January 2027	30 November 2022	23 April 2027
Issuer call subject to prior supervisory approval	No	No	No
Optional call date, contingent call dates, and redemption amount	22 January 2019; 100%	No	23 April 2019; 100%
Subsequent call dates, if applicable	No	No	No
Coupons / dividends			1
Fixed or floating dividend/coupon	Fixed Rate	Inflation Linked Zero-bond	Fixed Rate
Coupon rate and any related index	5.02%	((Inflation end/Inflation beginnning) - 1)*100%, floor at 64,4%	5.18%
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
Non-cumulative 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, specify instrument type convertible into	N/A	N/A	N/A
If convertible, specify 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)	Senior	Senior	Senior
Non-compliant transitioned features	No	No	No
If yes, specify non-compliant features	N/A	N/A	N/A

Issuer	Raiffeisen Bank International AG	Raiffeisen Bank International AG	Raiffeisen Bank International AG
Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	FSSCMSFL0905081	SSD_20130801_01	SSD_20130814_01
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 and (sub-) consolidated	Solo and consolidated	Solo and consolidated	Solo and 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 recognized in regulatory capital as of 31 December 2017	EUR 409,091	EUR 5,000,000	EUR 9,887,295
Nominal amount of instrument	EUR 1,500,000	EUR 5,000,000	EUR 10,000,000
Issue price	100%	100%	98%
Redemption price	100%	100%	100%
Accounting classification	Liability - fair value option	Liability - fair value option	Liability - fair value option
Original date of issuance	12 May 2009	07 August 2013	21 August 2013
Perpetual or dated	Dated	Dated	Dated
Original maturity date	12 May 2019	07 August 2028	21 August 2023
Issuer call subject to prior supervisory approval	No	Yes	Yes
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	Fixed Rate	Fixed Rate
Coupon rate and any related index	EUR CMS 10Y/1Y + 3.626%, floor at6.85%	5.45%	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
Non-cumulative 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, specify instrument type convertible into	N/A	N/A	N/A
If convertible, specify 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)	Senior	Senior	Senior
Non-compliant transitioned features	No	No	No
If yes, specify non-compliant features	N/A	N/A	N/A

Issuer	Raiffeisen Bank International AG	RAIFFEISENBANK a.s.	Raiffeisen Bank International AG
Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	SSD_20130814_02	CZ0003702961	XS1034950672
Governing Law(s) of the instrument	German Law	Czech 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 and (sub-) consolidated	Solo and consolidated	Consolidated	Solo and consolidated
Instrument type (types to be specified by each jurisdiction)	Tier 2 instrument according to Article 63 CCR	Capital instrument	Tier 2 instrument according to Article 63 CCR
Amount recognized in regulatory capital as of 31 December 2017	EUR 10,000,000	EUR 707,646	EUR 498,740,786
Nominal amount of instrument	EUR 10,000,000	EUR 4,624,491	EUR 500,000,000
Issue price	98%	100%	100%
Redemption price	100%	100%	100%
Accounting classification	Liability - fair value option	Liability - amortized cost	Liability - fair value option
Original date of issuance	21.Aug.13	21 September 2011	21 February 2014
Perpetual or dated	Dated	dated	Dated
Original maturity date	21.Aug.23	21 September 2018	21 February 2025
Issuer call subject to prior supervisory approval	Yes	No	Yes
Optional call date, contingent call dates, and redemption amount	No	No	21 February 2020; tax & regulatory call rights; principal amount
Subsequent call dates, if applicable	No	No	No
Coupons / dividends			
Fixed or floating dividend/coupon	Fixed Rate	Float	Fixed Rate with reset
Coupon rate and any related index	5.30%	6M PRIBOR + 2.50 %	4.50% / 5Y EUR MidSwap + 3.30%
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
Non-cumulative or cumulative	Non-cumulative	noncumulative	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, specify instrument type convertible into	N/A	N/A	N/A
If convertible, specify 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)	Senior	Senior	Senior
Non-compliant transitioned features	No	No	No
If yes, specify non-compliant features	N/A	N/A	N/A

Issuer	Raiffeisen Bank International AG	Raiffeisen Bank International AG	Raiffeisen Bank International AG
Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	CH0194405343	XS0981632804	AT000B010947
Governing Law(s) of the instrument	German Law	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 and (sub-) consolidated	Solo and consolidated	Solo and consolidated	Solo and 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 recognized in regulatory capital as of 31 December 2017	EUR 205,028,723	EUR 499,240,245	EUR 2,752,848
Nominal amount of instrument	CHF 250,000,000 / EUR 230,733,733	EUR 500,000,000	EUR 15,050,000
Issue price	100%	100%	100%
Redemption price	100%	100%	100%
Accounting classification	Liability - fair value option	Liability - fair value option	Liability - fair value option
Original date of issuance	24 October 2012	16 October 2013	01 December 2008
Perpetual or dated	Dated	Dated	Dated
Original maturity date	24 October 2022	16 October 2023	30 November 2018
Issuer call subject to prior supervisory approval	No	Yes	No
Optional call date, contingent call dates, and redemption amount	No	tax & regulatory call rights; principal amount	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	4.75%	6.00%	5.00%
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
Non-cumulative 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, specify instrument type convertible into	N/A	N/A	N/A
If convertible, specify 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)	Senior	Senior	Senior
Non-compliant transitioned features	No	No	No
If yes, specify non-compliant features	N/A	N/A	N/A

Issuer	Raiffeisen Bank International AG	Raiffeisen Bank International AG	Raiffeisen Bank International AG
Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	AT000B010954	AT000B010962	AT000B011192
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 and (sub-) consolidated	Solo and consolidated	Solo and consolidated	Solo and 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 recognized in regulatory capital as of 31 December 2017	EUR 2,856,322	EUR 13,000,000	EUR 2,126,443
Nominal amount of instrument	EUR 4,900,000	EUR 13,000,000	EUR 13,200,000
Issue price	100%	100%	100%
Redemption price	100%	100%	100%
Accounting classification	Liability - fair value option	Liability - fair value option	Liability - amortized cost
Original date of issuance	01 December 2008	01 December 2008	22 October 2008
Perpetual or dated	Dated	Dated	Dated
Original maturity date	30 November 2020	30 November 2023	22 October 2018
Issuer call subject 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	Floating Rate
Coupon rate and any related index	5.00%	5.30%	1Y Euribor + 1.7%, floor at0.125%
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
Non-cumulative 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, specify instrument type convertible into	N/A	N/A	N/A
If convertible, specify 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)	Senior	Senior	Senior
Non-compliant transitioned features	No	No	No
If yes, specify non-compliant features	N/A	N/A	N/A

Issuer	Raiffeisen Bank International AG	Raiffeisen Bank International AG	Raiffeisen Bank International AG
Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	AT000B012042	AT000B012067	HP0FD050905_2
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 and (sub-)consolidated	Solo and consolidated	Solo and consolidated	Solo and 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 recognized in regulatory capital as of 31 December 2017	EUR 84,364,732	EUR 87,108,543	EUR 20,000,000
Nominal amount of instrument	EUR 97,500,000	EUR 93,400,000	EUR 20,000,000
Issue price	100%	100%	100%
Redemption price	174%	173%	100%
Accounting classification	Liability - fair value option	Liability - fair value option	Liability - fair value option
Original date of issuance	03 May 2010	01 September 2010	15 September 2005
Perpetual or dated	Dated	Dated	Dated
Original maturity date	29 April 2022	30 August 2022	15 December 2025
Issuer call subject 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	4.74%	4.67%	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
Non-cumulative 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, specify instrument type convertible into	N/A	N/A	N/A
If convertible, specify 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)	Senior	Senior	Senior
Non-compliant transitioned features	No	No	No
If yes, specify non-compliant features	N/A	N/A	N/A

Issuer	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	MCSSI010207_1	XS0120255137
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 and (sub-) consolidated	Solo and consolidated	Solo and consolidated	Solo and 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 recognized in regulatory capital as of 31 December 2017	EUR 10,000,000	EUR 1,000,000	EUR 14,860,427
Nominal amount of instrument	EUR 10,000,000	EUR 1,000,000	EUR 25,000,000
Issue price	100%	100%	100%
Redemption price	100%	100%	
Accounting classification	Liability - fair value option	Liability - fair value option	Liability - fair value option
Original date of issuance	13 September 2005	05 February 2007	19 December 2000
Perpetual or dated	Dated	Dated	Dated
Original maturity date	13 September 2023	05 February 2027	21 December 2020
Issuer call subject to prior supervisory approval	No	No	No
Optional call date, contingent call dates, and redemption amount	No	05 February 2017	No
Subsequent call dates, if applicable	No	05 February 2022	No
Coupons / dividends			
Fixed or floating dividend/coupon	Fixed Rate	Fixed Rate	Floating Rate
Coupon rate and any related index	4.00%	5.26%	CMS 10Y1Y
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
Non-cumulative 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, specify instrument type convertible into	N/A	N/A	N/A
If convertible, specify 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)	Senior	Senior	Senior
Non-compliant transitioned features	No	No	No
If yes, specify non-compliant features	N/A	N/A	N/A

Issuer	Raiffeisen Bank International AG	Raiffeisen Bank International AG	Raiffeisen Bank International AG
Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	XS0146284442	HP0FD080905_3	HP0FD080905_2
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 and (sub-) consolidated	Solo and consolidated	Solo and consolidated	Solo and 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 recognized in regulatory capital as of 31 December 2017	EUR 10,397,384	EUR 2,000,000	EUR 10,000,000
Nominal amount of instrument	EUR 23,000,000	EUR 2,000,000	EUR 10,000,000
Issue price	91%	100%	100%
Redemption price	100%	100%	100%
Accounting classification	Liability - amortized cost	Liability - fair value option	Liability - fair value option
Original date of issuance	15 April 2002	13 September 2005	13 September 2005
Perpetual or dated	Dated	Dated	Dated
Original maturity date	15 April 2020	13 September 2023	13 September 2023
Issuer call subject 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	3mEuribor	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
Non-cumulative 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, specify instrument type convertible into	N/A	N/A	N/A
If convertible, specify 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)	Senior	Senior	Senior
Non-compliant transitioned features	No	No	No
If yes, specify non-compliant features	N/A	N/A	N/A

Issuer	Raiffeisen Bank International AG	Raiffeisen Bank International AG	Raiffeisen Zentralbank Österreich AG
Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	HP0FSS030206_1	HP0FSS030206_2	AT0000A1AVM9
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 and (sub-)consolidated	Solo and consolidated	Solo and consolidated	Solo and 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 recognized in regulatory capital as of 31 December 2017	EUR 10,000,000	EUR 10,000,000	EUR 51,969,545
Nominal amount of instrument	EUR 10,000,000	EUR 10,000,000	EUR 52,000,000
Issue price	100%	100%	100%
Redemption price	100%	100%	100%
Accounting classification	Liability - fair value option	Liability - fair value option	Liability - amortized cost
Original date of issuance	13 February 2006	13 February 2006	19 December 2014
Perpetual or dated	Dated	Dated	Dated
Original maturity date	13 February 2024	13 February 2024	19 December 2024
Issuer call subject to prior supervisory approval	No	No	Yes
Optional call date, contingent call dates, and redemption amount	No	No	19 December 2019; 100%
Subsequent call dates, if applicable	No	No	No
Coupons / dividends			
Fixed or floating dividend/coupon	Fixed Rate	Fixed Rate	Fixed to Floating Rate
Coupon rate and any related index	4.24%	4.24%	1Y-5Y: 5.2%; 6Y-10Y: 3mEuribor + 5%, min. 5%
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
Non-cumulative 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, specify instrument type convertible into	N/A	N/A	N/A
If convertible, specify 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)	Senior	Senior	Senior
Non-compliant transitioned features	No	No	No
If yes, specify non-compliant features	N/A	N/A	N/A

Issuer	Raiffeisen Zentralbank Österreich AG	Raiffeisen Zentralbank Österreich AG
Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	AT0000A1E5F7	AT0000A1FGP2
Governing Law(s) of the instrument	Austrian Law	Austrian Law
Regulatory treatment		
Transitional CRR rules	Tier 2	Tier 2
Post-transitional CRR rules	Tier 2	Tier 2
Eligible at solo/(sub-)consolidated/solo and (sub-) consolidated	Solo and consolidated	Solo and 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
Amount recognized in regulatory capital as of 31 December 2017	EUR 10,422,051	EUR 4,285,188
Nominal amount of instrument	CZK 270,000,000 / EUR 9,991,489	CZK 111,000,000 / EUR 4,107,612
Issue price	98%	98%
Redemption price	100%	100%
Accounting classification	Liability - fair value option	Liability - fair value option
Original date of issuance	04 May 2015	03 July 2015
Perpetual or dated	Dated	Dated
Original maturity date	04 May 2025	03 July 2025
Issuer call subject to prior supervisory approval	Yes	Yes
Optional call date, contingent call dates, and redemption amount	No	No
Subsequent call dates, if applicable	No	No
Coupons / dividends		
Fixed or floating dividend/coupon	Fixed Rate	Fixed Rate
Coupon rate and any related index	5.40%	5.40%
Existence of a dividend stopper	No	No
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
Non-cumulative or cumulative	Non-cumulative	Non-cumulative
Convertible or non-convertible	Non-convertible	Non-convertible
If convertible, conversion trigger (s)	N/A	N/A
If convertible, fully or partially	N/A	N/A
If convertible, conversion rate	N/A	N/A
If convertible, Mandatory or optional conversion	N/A	N/A
If convertible, specify instrument type convertible into	N/A	N/A
If convertible, specify issuer of instrument it converts into	N/A	N/A
Write-down features	No	No
If write-down, write-down trigger (s)	N/A	N/A
If write-down, full or partial	N/A	N/A
If write-down, permanent or temporary	N/A	N/A
If temporary write-down, description of write-up mechanism	N/A	N/A
Position in subordination hierachy in liquidation (specify instrument type immediately senior to instrument)	Senior	Senior
Non-compliant transitioned features	No	No
If yes, specify non-compliant features	N/A	N/A