

RAIFFEISEN BANK INTERNATIONAL

THIRD QUARTER REGULATORY DISCLOSURE REPORT 2021

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



**Raiffeisen Bank
International**

Member of RBI Group

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 consolidated group.

RBI has opted for the Internet as the medium for publishing its disclosures (www.rbinternational.com). The disclosure report as a main document is published on a quarterly basis in conjunction with the publication of RBI's Financial Reports.

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.

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Editor

Group Regulatory Planning & Reporting (Editor) supported by Active Credit Management, Balance Sheet Risk Management, Competence Centre Compensation & Benefits, Group Capital Markets Business Management, Group Collateral Management & HO Credit Control, Group Financial Reporting, Group Fund Finance and Alternative Investments, Group IRB Coordination, Group Special Exposures Management, Group Subsidiaries & Equity Investments, Group Supervisory Affairs & Regulatory Governance, Group Sustainability Management, Integrated Risk Management and Market Risk Management

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).

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Article 438 CRR Capital requirements

The capital requirements for credit risk, market risk and operational risk as at 30 September 2021 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.

Overview of total risk exposure amounts

EU OV1 in € thousand	Total risk exposure amounts (TREA)		Total own funds requirements 30/09/2021
	30/09/2021	30/06/2021	
Credit risk (excluding CCR)	72,017,060	68,506,201	5,761,365
Of which the standardised approach	25,701,225	23,387,293	2,056,098
Of which the Foundation IRB (F-IRB) approach	34,766,600	34,084,147	2,781,328
Of which slotting approach	3,397,115	3,316,153	271,769
Of which equities under the simple riskweighted approach	7	7	1
Of which the Advanced IRB (A-IRB) approach	7,782,980	7,368,006	622,638
Counterparty credit risk - CCR	1,749,041	1,692,117	139,923
Of which the standardised approach	0	0	0
Of which internal model method (IMM)	0	0	0
Of which exposures to a CCP	1,395	2,797	112
Of which credit valuation adjustment - CVA	255,188	257,407	20,415
Of which other CCR	1,492,459	1,431,912	119,397
Settlement risk	12	1,720	1
Securitisation exposures in the non-trading book (after the cap)	699,389	743,871	55,951
Of which SEC-IRBA approach	181,702	181,112	14,536
Of which SEC-ERBA (including IAA)	106,639	130,127	8,531
Of which SEC-SA approach	411,048	432,633	32,884
Of which 1250% / deduction	0	0	0
Position, foreign exchange and commodities risks (Market risk)	5,630,399	6,155,869	450,432
Of which the standardised approach	2,514,551	2,556,929	201,164
Of which IMA	3,115,848	3,598,941	249,268
Large exposures	0	0	0
Operational risk	8,655,195	7,754,346	692,416
Of which basic indicator approach	0	0	0
Of which standardised approach	3,566,615	3,539,026	285,329
Of which advanced measurement approach	5,088,580	4,215,320	407,086
Amounts below the thresholds for deduction (subject to 250% risk weight)	109,151	101,098	8,732
Total	88,860,247	84,955,223	7,108,820

Key metrics template

RWEA flow statements of credit risk exposures under the IRB approach

EU KM1 in € thousand	30/09/2021	30/06/2021
Available own funds (amounts)		
Common Equity Tier 1 (CET1) capital	11,272,516	11,295,663
Tier 1 capital	12,919,092	12,958,496
Total capital	15,298,222	15,389,307
Risk-weighted exposure amounts		
Total risk exposure amount	88,680,247	84,955,223
Capital ratios (as a percentage of risk-weighted exposure amount)		
Common Equity Tier 1 ratio (%)	12,69%	13,30%
Tier 1 ratio (%)	14,54%	15,25%
Total capital ratio (%)	17,22%	18,11%
Additional own funds requirements to address risks other than the risk of excessive leverage (as a % of RWEA)		
Additional own funds requirements to address risks other than the risk of excessive leverage (%)	2,25%	2,25%
of which: to be made up of CET1 capital (percentage points)	1,27%	1,27%
of which: to be made up of Tier 1 capital (percentage points)	1,69%	1,69%
Total SREP own funds requirements (%)	10,25%	10,25%
Combined buffer and overall capital requirement (as a % of RWEA)		
Capital conservation buffer (%)	2,50%	2,50%
Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)	0,00%	0,00%
Institution specific countercyclical capital buffer (%)	0,17%	0,16%
Systemic risk buffer (%)	1,00%	1,00%
Global Systemically Important Institution buffer (%)	0,00%	0,00%
Other Systemically Important Institution buffer (%)	1,00%	1,00%
Combined buffer requirement (%)	4,67%	4,66%
Overall capital requirements (%)	14,92%	14,91%
CET1 available after meeting the total SREP own funds requirements (%)	6,92%	7,54%
Leverage ratio		
Total exposure measure (transitional definition)	221,812,653	212,144,202
Leverage ratio (%) (transitional definition of Tier 1 capital)	5,82%	6,11%
Additional own funds requirements to address the risk of excessive leverage (as a % of total exposure measure)		
Additional own funds requirements to address the risk of excessive leverage (%)	0,00%	0,00%
of which: to be made up of CET1 capital (percentage points)	0,00%	0,00%
Total SREP leverage ratio requirements (%)	3,00%	0,00%
Leverage ratio buffer and overall leverage ratio requirement (as a % of total exposure measure)		
Leverage ratio buffer requirement (%)	0,00%	0,00%
Overall leverage ratio requirement (%)	3,00%	3,00%
Liquidity Coverage Ratio		
Total high-quality liquid assets (HQLA) (Weighted value -average)	39,562,196	39,758,393
Cash outflows - Total weighted value	42,824,957	40,415,437
Cash inflows - Total weighted value	18,088,027	14,369,055
Total net cash outflows (adjusted value)	24,736,930	26,046,383
Liquidity coverage ratio (%)	159,93%	152,64%
Net Stable Funding Ratio		
Total available stable funding	155,358,571	150,676,268
Total required stable funding	115,198,751	110,080,738
NSFR ratio (%)	135%	137%

EU CR8 in € thousand	Risk weighted exposure amount
Risk weighted exposure amount as at the end of the previous reporting period	46,491,974,
Asset size (+/-)	310,709
Asset quality (+/-)	(1,061,019)
Model updates (+/-)	-
Methodology and policy (+/-)	-
Acquisitions and disposals (+/-)	1,657,135
Foreign exchange movements (+/-)	280,201
Other (+/-)	109,141
Risk weighted exposure amount as at the end of the reporting period	47,788,141

Article 451 CRR Leverage

Qualitative information on LCR

Explanations on the main drivers of LCR results and the evolution of the contribution of inputs to the LCR's calculation over time

Both the average liquid assets and the net outflows increased slightly. In general RBI Group shows a stable LCR result. The LCR consist of a solid retail deposit base in the network with a significant contribution of corporate deposits. The main drivers of volatility are interbank activities and secured financing transactions.

Explanations on the changes in the LCR over time

Changes in LCR over time are determined mainly by the development of the major balance sheet drivers like retail and corporate term deposits, respectively by the dynamics in loans to customers. The month on month volatility is mainly determined by the short term capital markets business. Liquidity surplus increase in previous period, driven by significant higher increase of customer deposits compared to increase of loans to customers, was reflected to level of HQLA that resulted in increased NWBs LCR.

Explanations on the actual concentration of funding sources

The LCR only considers outflows within the next 30 days. Therefore, the main contribution to concentration risk comes from 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

High-level description of the composition of the institution's liquidity buffer

Half of the liquidity buffer consists of central bank reserves. The remaining part is mainly sovereign exposure.

Derivative exposures and potential collateral calls

Derivative positions are shown in the 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 the LCR

For RBI 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.

Other items in the LCR calculation that are not captured in the LCR disclosure template but that the institution considers relevant for its liquidity profile

A description of the degree of centralization of liquidity management and interaction between the Group's units:

For the LCR calculation within RBI, 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 the LCR and the internal stress test is implemented both on single unit level as well as on overall RBI 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.

Quantitative information on LCR

EU LIQ1 in € thousand	Total unweighted value (average)			
	30.09.2021	30.06.2021	31.03.2021	31.12.2020
Quarter ending on:	30.09.2021	30.06.2021	31.03.2021	31.12.2020
Number of data points used in the calculation of averages	12	12	12	12
HIGH-QUALITY LIQUID ASSETS				
Total high-quality liquid assets (HQLA)				
CASH - OUTFLOWS				
Retail deposits and deposits from small business customers, of which:	54,518,077	51,833,591	50,056,734	48,425,523
Stable deposits	28,496,260	26,898,380	25,580,781	23,996,163
Less stable deposits	26,021,817	24,935,211	24,475,952	24,429,360
Unsecured wholesale funding	49,170,768	47,183,328	45,605,689	44,484,390
Operational deposits (all counterparties) and deposits in networks of cooperative banks	20,771,743	20,051,987	19,056,133	18,324,855
Non-operational deposits (all counterparties)	28,399,025	27,131,341	26,549,556	26,159,535
Unsecured debt	-	-	-	-
Secured wholesale funding				
Additional requirements	14,835,029	14,476,226	14,110,729	14,062,414
Outflows related to derivative exposures and other collateral requirements	740,191	784,559	836,149	788,670
Outflows related to loss of funding on debt products	-	-	-	-
Credit and liquidity facilities	14,085,378	13,680,671	13,263,214	13,261,039
Other contractual funding obligations	-	-	-	-
Other contingent funding obligations	34,048,382	32,793,536	31,976,565	31,747,172
TOTAL CASH OUTFLOWS				
CASH - INFLOWS				
Secured lending (e.g. reverse repos)	14,538,754	13,372,722	12,657,682	12,522,190
Inflows from fully performing exposures	10,142,590	9,474,988	8,599,011	7,711,802
Other cash inflows	650,485	713,292	839,675	875,997
TOTAL CASH INFLOWS	25,331,830	23,561,002	22,096,368	21,109,989
Inflows subject to 75% cap	25,331,830	23,561,002	22,096,368	21,109,989
TOTAL ADJUSTED VALUE				
LIQUIDITY BUFFER				
TOTAL NET CASH OUTFLOWS				
LIQUIDITY COVERAGE RATIO				

EU LIQ1 in € thousand	Total weighted value (average)			
Quarter ending on:	30.09.2021	30.06.2021	31.03.2021	31.12.2020
Number of data points used in the calculation of averages	12	12	12	12
HIGH-QUALITY LIQUID ASSETS				
Total high-quality liquid assets (HQLA)	36,626,303	35,419,428	34,204,230	32,409,965
CASH - OUTFLOWS				
Retail deposits and deposits from small business customers, of which:	4,992,274	4,788,015	4,655,656	4,524,408
Stable deposits	1,424,813	1,344,919	1,279,039	1,199,808
Less stable deposits	3,567,461	3,443,096	3,376,617	3,324,600
Unsecured wholesale funding	28,552,643	27,485,568	26,442,303	25,678,654
Operational deposits (all counterparties) and deposits in networks of cooperative banks	12,163,156	11,803,071	11,100,890	10,530,891
Non-operational deposits (all counterparties)	16,389,486	15,682,498	15,341,413	15,147,763
Unsecured debt	-	-	-	-
Secured wholesale funding	4,992,274	4,788,015	4,655,656	4,524,408
Additional requirements	2,379,467	2,359,624	2,386,970	2,330,127
Outflows related to derivative exposures and other collateral requirements	740,191	784,559	836,149	788,670
Outflows related to loss of funding on debt products	-	-	-	-
Credit and liquidity facilities	1,629,347	1,563,600	1,538,986	1,528,283
Other contractual funding obligations	-	-	-	-
Other contingent funding obligations	900,278	859,695	807,493	769,562
TOTAL CASH OUTFLOWS	38,324,756	36,863,855	35,768,730	35,221,482
CASH - INFLOWS				
Secured lending (e.g. reverse repos)	6,971,124	6,936,366	7,185,579	7,712,950
Inflows from fully performing exposures	8,227,412	7,645,481	6,945,956	6,095,109
Other cash inflows	486,742	546,889	665,139	679,873
TOTAL CASH INFLOWS	15,685,279	15,128,735	14,796,675	14,487,931
Inflows subject to 75% cap	15,685,279	15,128,735	14,796,675	14,487,931
TOTAL ADJUSTED VALUE				
LIQUIDITY BUFFER	6,971,124	6,936,366	7,185,579	7,712,950
TOTAL NET CASH OUTFLOWS	8,227,412	7,645,481	6,945,956	6,095,109
LIQUIDITY COVERAGE RATIO	486,742	546,889	665,139	679,873

Article 455 CRR

Use of internal market risk models

EU MR2-B in € thousand	VaR	SVaR	Comprehensive			Total RWAs	Total capital requirements
			IRC	risk measure	Other		
RWAs 30/06/2021	82,211	205,704				3,598,941	287,915
Regulatory adjustment	0	0				0	0
RWAs 30/06/2021 (end of the day)	82,211	205,704				3,598,941	287,915
Movement in risk levels	(24,892)	(13,675)				(482,089)	(38,567)
Model updates/changes	(52)	(28)				(1,004)	(80)
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 30/09/2021 (end of the day)	57,267	192,001				3,115,848	249,268
Regulatory adjustment	0	0				0	0
RWAs 30/09/2021 (end of the day)	57,267	192,001				3,115,848	249,268