

RAIFFEISEN BANK INTERNATIONAL

THIRD QUARTER REGULATORY DISCLOSURE REPORT 2022

DISCLOSURE OF RAIFFEISEN BANK INTERNATIONAL AKTIENGESELLSCHAFT
PURSUANT TO EU 575/2013 CAPITAL REQUIREMENTS REGULATION (CRR) PART 8

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 once a year in conjunction with the publication of RBI's Annual Report whereby certain information regarding Article 450 CRR will not be available until July 2022 and will be reported at that time. Furthermore, specific information is published more often pursuant to Articles 432(1), 432(2) and 433 CRR and Guidelines EBA/GL/2014/14. Relevant disclosures are either published as separate documents in the section "Regulatory Disclosures" or included in the annual/quarterly reports in the section "Reports" on RBI's homepage.

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.

© 2022

Regulatory Disclosure Report according to Capital Requirements Regulation (CRR) Version 1.0

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

November 22, 2022

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).

Content

Article 438 CRR Capital requirements.....	1
Article 451a CRR Liquidity Coverage Ratio.....	5
Article 455 CRR Use of internal market risk models	8

Article 438 CRR Capital requirements

Overview of total risk exposure amounts

EU OV1 in € thousand	Total risk exposure amounts (TREA)		Total own funds requirements
	30/09/2022	30/06/2022	30/09/2022
Credit risk (excluding CCR)	82,543,002	87,303,747	6,603,440
Of which the standardised approach	31,069,166	31,345,951	2,485,533
Of which the Foundation IRB (F-IRB) approach	39,575,315	44,247,205	3,166,025
Of which slotting approach	3,883,003	3,898,319	310,640
Of which equities under the simple riskweighted approach	5	6	0
Of which the Advanced IRB (A-IRB) approach	7,582,303	7,324,596	606,584
Counterparty credit risk - CCR	2,833,847	2,583,699	226,708
Of which the standardised approach	1,219,475	0	97,558
Of which internal model method (IMM)	0	0	0
Of which exposures to a CCP	37,251	3,131	2,980
Of which credit valuation adjustment - CVA	436,389	434,820	34,911
Of which other CCR	1,140,731	2,145,748	91,258
Settlement risk	85,642	106,721	6,851
Securitisation exposures in the non-trading book (after the cap)	1,470,416	1,472,000	117,633
Of which SEC-IRBA approach	982,747	978,577	78,620
Of which SEC-ERBA (including IAA)	77,101	75,970	6,168
Of which SEC-SA approach	410,568	417,453	32,845
Of which 1250% / deduction	0	0	0
Position, foreign exchange and commodities risks (Market risk)	7,357,155	6,111,193	588,572
Of which the standardised approach	5,434,433	4,612,725	434,755
Of which IMA	1,922,721	1,498,468	153,818
Large exposures	0	0	0
Operational risk	14,205,443	11,445,893	1,136,435
Of which basic indicator approach	0	0	0
Of which standardised approach	3,714,310	3,791,409	297,145
Of which advanced measurement approach	10,491,132	7,654,485	839,291
Amounts below the thresholds for deduction (subject to 250% risk weight)	0	151,009	0
Total	108,495,504	109,023,253	8,679,640

Key metrics template

EU KM1 in € thousand	30/09/2022	30/06/2022	31/03/2022	31/12/2021	30/09/2021
Available own funds (amounts)					
Common Equity Tier 1 (CET1) capital	15,888,042	14,619,926	12,156,337	11,812,244	11,272,516
Tier 1 capital	17,560,977	16,292,495	13,831,902	13,459,611	12,919,092
Total capital	19,966,688	18,253,854	15,988,819	15,806,848	15,298,222
Risk-weighted exposure amounts					
Total risk exposure amount	108,495,504	109,023,253	104,028,953	89,928,197	88,860,247
Capital ratios (as a percentage of risk-weighted exposure amount)					
Common Equity Tier 1 ratio (%)	14.64%	13.41%	11.69%	13.14%	12.69%
Tier 1 ratio (%)	16.19%	14.94%	13.30%	14.97%	14.54%
Total capital ratio (%)	18.40%	16.74%	15.37%	17.58%	17.22%
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 (%)	2.20%	2.20%	2.20%	2.25%	2.25%
of which: to be made up of CET1 capital (percentage points)	1.24%	1.24%	1.24%	1.27%	1.27%
of which: to be made up of Tier 1 capital (percentage points)	1.65%	1.65%	1.65%	1.69%	1.69%
Total SREP own funds requirements (%)	10.20%	10.20%	10.20%	10.25%	10.25%
Combined buffer and overall capital requirement (as a % of RWEA)					
Capital conservation buffer (%)	2.50%	2.50%	2.50%	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%	0.00%	0.00%	0.00%
Institution specific countercyclical capital buffer (%)	0.27%	0.26%	0.16%	0.17%	0.17%
Systemic risk buffer (%)	1.00%	1.00%	1.00%	1.00%	1.00%
Global Systemically Important Institution buffer (%)	0.00%	0.00%	0.00%	0.00%	0.00%
Other Systemically Important Institution buffer (%)	1.00%	1.00%	1.00%	1.00%	1.00%
Combined buffer requirement (%)	4.77%	4.76%	4.66%	4.67%	4.67%
Overall capital requirements (%)	14.97%	14.96%	14.86%	14.92%	14.92%
CET1 available after meeting the total SREP own funds requirements (%)	8.91%	7.67%	5.95%	7.37%	6.92%

Leverage ratio					
Total exposure measure (transitional definition)	243,879,628	243,991,172	220,078,966	219,173,043	221,812,653
Leverage ratio (%) (transitional definition of Tier 1 capital)	7.06%	6.58%	6.19%	6.14%	5.82%
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%	0.00%	0.00%	0.00%
of which: to be made up of CET1 capital (percentage points)	0.00%	0.00%	0.00%	0.00%	0.00%
Total SREP leverage ratio requirements (%)	3.00%	3.00%	3.00%	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%	0.00%	0.00%	0.00%
Overall leverage ratio requirement (%)	3.00%	3.00%	3.00%	3.00%	3.00%
Liquidity Coverage Ratio					
Total high-quality liquid assets (HQLA) (Weighted value -average)	40,033,158	39,345,115	38,411,926	37,559,715	36,626,303
Cash outflows - Total weighted value	44,869,283	43,197,600	41,455,296	40,046,984	38,324,756
Cash inflows - Total weighted value	22,286,347	19,473,393	16,880,306	16,358,556	15,685,279
Total net cash outflows (adjusted value)	22,582,936	23,724,206	24,574,989	23,688,428	22,639,477
Liquidity coverage ratio (%)	180.70%	167.22%	156.44%	158.89%	162.08%
Net Stable Funding Ratio					
Total available stable funding	166,780,495	164,923,412	158,165,973	159,005,985	155,358,571
Total required stable funding	124,713,275	131,153,374	122,876,901	119,079,310	115,198,751
NSFR ratio (%)	133.73%	125.75%	128.72%	133.53%	134.86%

RWEA flow statements of credit risk exposures under the IRB approach

EU CRB in € thousand	Risk weighted exposure amount
Risk weighted exposure amount as at the end of the previous reporting period	57,936,128
Asset size (+/-)	(262,883)
Asset quality (+/-)	(3,195,896)
Model updates (+/-)	-
Methodology and policy (+/-)	-
Acquisitions and disposals (+/-)	-
Foreign exchange movements (+/-)	396,879
Other (+/-)	(1,208,330)
Risk weighted exposure amount as at the end of the reporting period	53,665,899

Article 451a CRR Liquidity Coverage Ratio

Quantitative information on LCR

EU LIQ1	Total unweighted value (average)			
In € millions				
Quarter ending on:	30.09.2022	30.06.2022	31.03.2022	31.12.2021
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:	60,922	60,468	58,591	56,922
Stable deposits	32,163	32,301	31,360	30,038
Less stable deposits	28,758	28,167	27,231	26,884
Unsecured wholesale funding	60,379	57,037	53,722	51,409
Operational deposits (all counterparties) and deposits in networks of cooperative banks	25,084	23,859	22,434	21,486
Non-operational deposits (all counterparties)	35,295	33,178	31,288	29,923
Unsecured debt	0	0	0	0
Secured wholesale funding				
Additional requirements	17,631	17,172	16,428	15,448
Outflows related to derivative exposures and other collateral requirements	745	692	659	696
Outflows related to loss of funding on debt products	0	0	0	0
Credit and liquidity facilities	16,867	16,461	15,753	14,741
Other contractual funding obligations	0	0	0	0
Other contingent funding obligations	41,055	39,365	35,546	35,546
TOTAL CASH OUTFLOWS				
CASH - INFLOWS				
Secured lending (e.g. reverse repos)	18243	17,515	16,751	15,763
Inflows from fully performing exposures	15,009	12,926	11,021	10,621
Other cash inflows	918	847	731	646
TOTAL CASH INFLOWS	34,171	31,288	28,502	27,029
Inflows subject to 75% cap	34,171	31,288	28,502	27,029
TOTAL ADJUSTED VALUE				
LIQUIDITY BUFFER				
TOTAL NET CASH OUTFLOWS				
LIQUIDITY COVERAGE RATIO				

EU LIQ1	Total weighted value (average)			
In € millions				
Quarter ending on:	30.09.2022	30.06.2022	31.03.2022	31.12.2021
Number of data points used in the calculation of averages	12	12	12	12
HIGH-QUALITY LIQUID ASSETS				
Total high-quality liquid assets (HQLA)	40,033	39,345	38,412	37,560
CASH - OUTFLOWS				
Retail deposits and deposits from small business customers, of which:	5,555	5,463	5,269	5,155
Stable deposits	1,608	1,615	1,568	1,502
Less stable deposits	3,947	3,848	3,701	3,653
Unsecured wholesale funding	33,829	32,438	30,981	29,918
Operational deposits (all counterparties) and deposits in networks of cooperative banks	13,973	13,531	13,002	12,543
Non-operational deposits (all counterparties)	19,856	18,907	17,978	17,375
Unsecured debt	0	0	0	0
Secured wholesale funding	777	765	841	828
Additional requirements	2,738	2,642	2,516	2,428
Outflows related to derivative exposures and other collateral requirements	745	692	659	696
Outflows related to loss of funding on debt products	0	0	0	0
Credit and liquidity facilities	1,974	1,931	1,841	1,722
Other contractual funding obligations	0	0	0	0
Other contingent funding obligations	989	959	918	918
TOTAL CASH OUTFLOWS	44,869	43,198	41,455	40,047
CASH - INFLOWS				
Secured lending (e.g. reverse repos)	8,604	7,968	7,413	7,264
Inflows from fully performing exposures	13,022	10,887	8,942	8,621
Other cash inflows	660	618	526	473
TOTAL CASH INFLOWS	22,286	19,473	16,880	16,359
Inflows subject to 75% cap	22,286	19,473	16,880	16,359
TOTAL ADJUSTED VALUE				
LIQUIDITY BUFFER		39,345	38,412	37,560
TOTAL NET CASH OUTFLOWS		23,724	24,575	23,688
LIQUIDITY COVERAGE RATIO		167%	156%	159%

Qualitative information on LCR

Explanations regarding 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, or by the dynamics in loans to customers. Month-on-month volatility is mainly determined by the short-term capital markets business. The growth in the liquidity surplus in the previous period, driven by the significantly stronger increase in customer deposits compared to the increase in loans to customers, was reflected in the level of HQLA that resulted in increased LCR of NWBs.

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

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

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 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 carried out 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 at a single unit level as well as at the 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 under 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.

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 30/06/2022	493,646	1,004,822			1,498,468	119,877
Regulatory adjustment	283,756	688,321			972,077	77,766
RWAs 30/06/2022 (end of the day)	209,890	316,501			526,391	42,111
Movement in risk levels						
Model updates/changes						
Methodology and policy						
Acquisitions and disposals						
Foreign exchange movements						
Other						
RWAs 30/09/2022 (end of the day)	272,430	365,701			638,131	51,050
Regulatory adjustment	469,262	815,328			1,284,590	102,767
RWAs 30/09/2022 (end of the day)	741,692	1,181,029			1,922,721	153,818