

# Remuneration report

Report on the remuneration of the members of the Management Board and the Supervisory Board of Raiffeisen Bank International AG in the 2020 financial year

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# 1. At a glance

## Consolidated Profit ( in € million)



## Consolidated Return on Equity



## Cost/Income ratio



## NPE Ratio



# 2. Foreword

This **remuneration report**, which was prepared by the Management Board and the Supervisory Board, contains a comprehensive overview of the remuneration awarded or owed to current and former members of the Management Board and the Supervisory Board of Raiffeisen Bank International AG ("**RBI**" or "**Company**") in the 2020 financial year, including all benefits in any form.<sup>1</sup> The remuneration was granted and paid in accordance with the remuneration policy for members of RBI's Management Board and Supervisory Board ("**remuneration policy**") that was agreed at the Annual General Meeting on 20 October 2020 and in compliance with the legal and regulatory requirements for banks.

All monetary amounts in this remuneration report are rounded to **EUR thousands** and shown as **gross amounts** (excluding employer and other mandatory charges).<sup>2</sup>

<sup>1</sup>The English language version of the remuneration report is a translation of the German language report. The German language version is the sole authentic version.

<sup>2</sup>This remuneration report was prepared with the utmost care and the data have been checked. Nonetheless, rounding, transmission, typesetting or printing errors cannot be ruled out. The aggregation of rounded amounts and percentages may result in rounding differences.

### 3. Introduction – company performance in 2020

Like all banks, RBI ended the financial year below its own expectations and the previous year's results in light of the pandemic. Despite the challenging market conditions and the ongoing low interest rate environment, consolidated profit posted a comparatively moderate decline of 34 per cent, or EUR 423 million, to EUR 804 million.

Consolidated return on equity decreased accordingly by 4.6 percentage points to 6.4 per cent.

The recession caused by COVID-19 negatively affected RBI primarily through impairment losses on financial assets in the amount of EUR 630 million, corresponding to an increase of EUR 396 million, two-thirds of which related to corporate customers. Operating income decreased 5 per cent, or EUR 280 million, reflecting the impact of the pandemic, and was influenced in particular by a 5 per cent decline in net interest income and a 3 per cent decline in net fee and commission income. The lockdown measures resulted in revenue-related reductions, especially in the second quarter. Net interest income, despite loan growth of 4 per cent (on a currency-adjusted basis), was impacted by a lower level of interest rates, primarily due to key rate cuts in a number of markets, as well as by currency effects. As a consequence, and due to a strong increase in liquidity, the net interest margin declined by 29 basis points to 2.15 per cent.

General administrative expenses were also affected by currency movements along with cost savings in other administrative expenses, decreasing by 5 per cent or EUR 144 million. There was no significant change in the cost/income ratio.

### 4. Report on the remuneration of Management Board members in the 2020 financial year

The remuneration policy stipulates that the following remuneration components may be granted to members of the Management Board:

Compensation components		
Start of contract	Contract period	Termination of contract
<ul style="list-style-type: none"> <li>• <b>Buyout bonus</b>, limited to the first year of employment</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Base salary</b> and other <b>additional and fringe benefits</b> attributable to the fixed remuneration</li> <li>• <b>Annual performance bonus</b></li> </ul>	<ul style="list-style-type: none"> <li>• Statutory, voluntary or contractually agreed <b>severance payments</b></li> <li>• Entitlement to a fixed part of the base salary during post-contractual validity period of the <b>competition clause</b></li> </ul>
Time schedule		

In line with these guidelines, the following remuneration was granted to members of the Management Board in the 2020 financial year:

- **Fixed remuneration:**
  - base salary,
  - additional & fringe benefits and
  - remuneration for any supervisory board mandates in affiliated companies
- **Variable remuneration:** allocation of annual performance bonus for the 2020 financial year and payment of bonus allocations from previous periods

No other variable remuneration was granted or paid to the Management Board members. Members of the Management Board do not receive any variable remuneration for their supervisory board roles in affiliated companies. Moreover, apart from the allocation of some of the bonus in the form of phantom shares (see section 4.1.1), members of the Management Board were not granted any **share-based remuneration**.

**No buyout awards** were granted or paid to members of the Management Board in the 2020 financial year.

**Section 4.1** of the remuneration report below contains **disclosures on the total remuneration** that was granted, allocated and/or paid to members of the Management Board in relation to the 2020 financial year. This includes fixed remuneration paid in 2020 and the performance bonus allocated with regard to the 2020 financial year as well as a **severance payment** to a former Management Board member (section 4.1.1). In addition, information on variable remuneration relating to previous financial years that was granted, allocated or paid in 2020 can be found in section 4.1.2. Section 4.1.3 contains information on **pension payments** to former Management Board members.

**Section 4.2** contains detailed information on the **annual performance bonus** for the 2020 financial year.

Please refer to the **remuneration policy** (section 2.2.ff) for details of the individual remuneration components.<sup>3</sup>

## 4.1 Total remuneration of the Management Board in the 2020 financial year

### 4.1.1 Total remuneration of Management Board members in relation to the 2020 financial year

#### Overview of total remuneration of active Management Board members in relation to the 2020 financial year (table 1)

Amounts rounded in EUR thsd.

Name of board member	Business year	1 Fixed remuneration				2 Annual variable remuneration	2a up-front portion of annual variable remuneration	2b deferred portion of annual variable remuneration	3 Total remuneration	4 Variable remuneration as a proportion of total remuneration (including remuneration for supervisory board mandates)	5 Variable remuneration as a proportion of total remuneration (excluding remuneration for supervisory board mandates)
		1a Base salary	1b remuneration for supervisory board mandates in affiliated companies	1c Benefits	1d Pension fund contributions						
Johann Strobl CEO	2020	900	336	0	57	677	271	406	1 970	34%	41%
Peter Lennkh Corporate Banking	2020	750	385	18	47	564	226	339	1 765	32%	41%
Andreas Gschwenter COO/CIO	2020	750	340	13	47	564	226	339	1 714	33%	41%
Hannes Mösenbacher CRO	2020	750	322	13	47	564	226	339	1 697	33%	41%

#### Overview of total remuneration of former Management Board members in relation to the 2020 financial year (table 2)

Amounts rounded in EUR thsd.

Name of board member	Business year	1 Fixvergütung				2 Annual variable remuneration*	2a up-front portion of annual variable remuneration	2b deferred portion of annual variable remuneration	3 Total remuneration	4 Variable remuneration as a proportion of total remuneration (including remuneration for supervisory board mandates)	5 Variable remuneration as a proportion of total remuneration (excluding remuneration for supervisory board mandates)
		1a Base salary	1b remuneration for supervisory board mandates in affiliated companies	1c Benefits	1d Pension fund contributions						
Martin Grill CFO	2020	123	307	10	8	2 006	38	56	2 453	82%	93%

\*Contains a voluntary severance payment in an amount of EUR 1,900 Thousand. For more details please refer to section 2 Annual variable remuneration.

Notes on tables 1 and 2:

These tables show the fixed remuneration paid to members of the Management Board in 2020 and the allocation of performance bonuses with respect to the 2020 performance year.

<sup>3</sup>[https://www.rbinternational.com/resources/RBI/raiffeisen-bank-international/investors/corporate-governance/en/remuneration-policy/avGM\\_2020\\_remuneration\\_policy\\_extra.pdf](https://www.rbinternational.com/resources/RBI/raiffeisen-bank-international/investors/corporate-governance/en/remuneration-policy/avGM_2020_remuneration_policy_extra.pdf)

## 1. Fixed remuneration:

### 1a Base salary:

The amount of the base salary is based on the relevant professional training and experience and is commensurate with the individual Management Board member's duties and responsibilities, and the remuneration customary for the specific function. Base salary also includes monthly salary payments for the thirteenth and fourteenth months. The legally stipulated employer and other charges are not included (this pertains in particular to the employer contribution to social security, municipal taxes, employer contributions to the Family Burden Equalization Fund as well as the supplementary employer contributions and the contribution to the corporate pension fund).

### 1b Remuneration for supervisory board mandates in affiliated companies:

This relates to fixed remuneration that was paid to members of the Management Board in their role as supervisory board members in companies affiliated with RBI (§ 189a (8) of the Austrian Commercial Code (UGB)) in the 2020 financial year. The amount of the remuneration was determined at an appropriate level at the shareholder meetings of the affiliated companies.

### 1c Benefits:

Benefits comprise the additional and fringe benefits besides the fixed remuneration and include, in accordance with the Company's remuneration policy, provision of a company car (incl. parking space), an allowance for the Group health insurance scheme, contributions to personal accident insurance and life insurance policies as well as reimbursement of relocation and accommodation expenses incurred by Management Board members coming from abroad. Additionally, there is a D&O insurance policy for the Management Board, the costs of which are borne by the Company.

### 1d Pension fund contributions

This consists of the basic contribution and where applicable a supplementary contribution to the corporate pension fund, in accordance with the remuneration policy. The contributions are not dependent on the performance of the individual Management Board member.

## 2. Annual variable remuneration

The amounts shown in the table under "Annual variable remuneration" reflect the annual performance bonus allocated by the Company's Supervisory Board and/or the Personnel Committee of the Supervisory Board in March 2021 for the 2020 financial year in accordance with the remuneration policy (see section 4.2 for details).

The annual bonus for all members of the Management Board in 2020 is subject to special payment procedures in accordance with the remuneration policy and the legal requirements for banks (see especially § 39b of the Austrian Banking Act (BWG) including the annex to § 39b BWG). Please refer to the remuneration policy for details (section 2.4.3).<sup>4</sup>

Accordingly, depending on the bonus amount, at least 40% (although usually 60% based on the bonus amount) is deferred, i.e. the final allocation (in accordance with an ex-post risk adjustment relating to any malus or clawback events) and the payments are made on a pro-rata basis over a five-year period. In addition, half of the total bonus is granted in the form of non-cash instruments (phantom shares), subject to a retention period of one year, with the value paid out in cash after the retention period has expired. The number of phantom shares allocated remains unchanged during the deferral and retention period. The calculation of the number of phantom shares allocated and the calculation of their respective (payout) value is based on the average annual stock market price of the Company's share (in the respective preceding year). Thus, it can be assumed that the total payments made with regard to phantom shares in the years ahead will differ from (i.e. either exceed or fall short of) the bonus amounts originally allocated in the form of phantom shares.

The total annual variable remuneration shown in table 2 includes the annual bonus allocated to a former Management Board member on a pro rata basis for the period served on the Management Board in 2020 in an amount of EUR 94 thousand (rounded amount), which was partially deferred in accordance with regulatory requirements. In addition, in 2020 a voluntary severance payment was granted in an amount of EUR 1,900 thousand (rounded amount) in connection with the termination of the Management Board mandate.

<sup>4</sup>[https://www.rbiinternational.com/resources/RBI/raiffeisen-bank-international/investors/corporate-governance/en/remuneration-policy/avGM\\_2020\\_remuneration\\_policy\\_extra.pdf](https://www.rbiinternational.com/resources/RBI/raiffeisen-bank-international/investors/corporate-governance/en/remuneration-policy/avGM_2020_remuneration_policy_extra.pdf)

## 2a Up-front portion of annual variable remuneration

This is the portion of the annual performance bonus that is not subject to deferral. All members of the Management Board were allocated 40% of their 2020 bonuses up front. Half of this amount was paid out in cash in 2021. The other half was allocated in the form of phantom shares and cannot be paid out until the one-year retention period has expired in 2022.

## 2b Deferred portion of annual variable remuneration

This is the portion of the annual performance bonus that is deferred for a five-year period. The deferred portion is 60% for all members of the Management Board, whereby half of this amount was allocated in the form of phantom shares (with a retention period of one year). Further information on the payment model can be found in section 4.2.6.

## 3. Total remuneration

The total remuneration for the 2020 financial year is the sum of column 1 (fixed remuneration) plus column 2 (variable remuneration).

## 4. Variable remuneration as a proportion of total remuneration (including remuneration for supervisory board mandates)

Indicates the variable remuneration (column 2) as a percentage of the total remuneration (column 3).

## 5. Variable remuneration as a proportion of total remuneration (excluding remuneration for supervisory board mandates)

Indicates the variable remuneration (column 2) as a percentage of the total remuneration (column 3), excluding remuneration for supervisory board mandates (excluding column 1b).

## 4.1.2 Variable remuneration of Management Board members in relation to previous financial years

### Overview of payments made to members of the Management Board in the 2020 financial year in relation to bonus allocations in previous years (table 3):

Amounts rounded in EUR thsd.

	<b>Bonus 2019</b>	<b>Bonus 2018</b>	<b>Bonus 2017</b>	<b>Bonus 2016</b>	<b>Bonus 2015</b>	<b>Bonus 2013</b>	<b>Sum</b>
<b>Johann Strobl CEO</b>	173	194	101	109	143	28	<b>748</b>
<b>Peter Lennkh Corporate Banking</b>	132	162	78	84	111	14	<b>582</b>
<b>Andreas Gschwenter COO/CIO</b>	144	162	77	78	52	-	<b>513</b>
<b>Hannes Mösenbacher CRO</b>	144	158	61	9	10	3	<b>386</b>
<b>Lukasz Januszewski Markets &amp; Investment Banking</b>	144	135	-	-	-	-	<b>279</b>
<b>Andrii Stepanenko Retail Banking</b>	144	121	-	-	-	-	<b>266</b>
<b>Former Board Members</b>	<b>Bonus 2019</b>	<b>Bonus 2018</b>	<b>Bonus 2017</b>	<b>Bonus 2016</b>	<b>Bonus 2015</b>	<b>Bonus 2013</b>	<b>Sum</b>
<b>Martin Grill</b>	144	162	84	91	119	25	<b>625</b>
<b>Aris Bogdaneris</b>	-	-	-	-	-	23	<b>23</b>
<b>Klemens Breuer</b>	-	-	75	97	127	26	<b>324</b>
<b>Karl Sevelda</b>	-	-	62	133	175	31	<b>400</b>
<b>Herbert Stepic</b>	-	-	-	-	-	17	<b>17</b>

Notes on table 3:

This table shows the payments made to active and former members of the Management Board in the 2020 financial year with regard to bonus allocations for the 2019 financial year and previous financial years.

### 4.1.3 Pension payments to former members of the Management Board

Furthermore, an amount of EUR 1,276 thousand was paid in the financial year to former members of the Management Board and their surviving dependents.

## 4.2 Performance bonus for the 2020 financial year

### 4.2.1 Introduction/Overview

The bonus system for members of the Company's Management Board is as follows:

**Step 1:** Any bonus allocation or payment requires that the regulatory and performance-related **step-in criteria** are met. The step-in criteria are applied cumulatively, i.e. if one of the step-in criteria is not met, the Management Board or Management Board member concerned is not entitled to a bonus for the relevant performance year. For further details, see sections 4.2.2, 4.2.3 and 4.2.4.

Bonus system for members of the Company's Management Board		
1. Step-in criteria	Regulatory step-in criteria	Performance-related step-in criteria
2. Bonus amount	Return on Equity (ROE)	Cost Income Ratio (CIR)
3. Payment	Deferral of a portion of the bonus for five years, use of non-cash instruments with a retention period of one year, bonus cap	
4. Malus/Clawback	Ex-post risk adjustment within a structured and transparent process ("malus/clawback")	

**Step 2:** If all step-in criteria are met, the bonus process continues with the calculation of the **bonus amount**. The specific amount of the bonus is calculated on the basis of the degree of fulfillment of the performance targets set by the Personnel Committee of the Company's Supervisory Board for the respective financial year regarding the two ratios ROE and CIR (each related to RBI Group results) with a weighting of 50% for each ratio. For further details, see section 4.2.5.

**Step 3: Payment** of the annual performance bonus is made in accordance with the payment model stipulated in the Austrian Banking Act (deferral of 40% or 60% of the bonus, 50% phantom shares). For more details on the payment model, see sections 4.1.1 (clause 2 on variable remuneration) and 4.2.6.

**Step 4:** In subsequent years, an ex-post risk adjustment will be made and the sustainability of performance will be reviewed before the deferred portions of the performance bonus are allocated or paid out. Clawback rules and clawback agreements ensure that the bonus can be reduced if **malus and clawback events** arise. For further details, see section 5.

## 4.2.2 Fulfillment of regulatory step-in criteria

The regulatory step-in criteria refer to the regulatory requirements for granting and paying out variable remuneration, which are intended to ensure, in particular, that an adequate capital base is maintained and that the overall commercial and financial situation of the Company and of the RBI Group is taken into appropriate account.

The Supervisory Board's Remuneration Committee found in March 2021 that all regulatory requirements for granting and paying out the performance bonus for the 2020 financial year had been met:

- The granting and payment of variable remuneration (including the deferred portions from preceding years) is acceptable given the financial situation of RBI and the RBI Group and justified given the performance of RBI and the RBI Group.
- The legally required CET 1 ratio of RBI and the RBI Group has been achieved (for details see section 4.2.3) and all other capital and buffer requirements of the CRR and CRD that are necessary for regulatory purposes have been met.
- There is no prohibition on the granting or payment of variable remuneration by the relevant regulator, the ECB.
- The granting and payment of variable remuneration is not detrimental to the sound capitalization of RBI and the RBI Group.

In reaching its decision, the Remuneration Committee gave appropriate consideration to the expectation of the regulator (see letter from ECB dated 15 December 2020, SSM-2020-0763) that, in light of the COVID-19 pandemic, banks should exercise extreme caution when awarding variable remuneration until 30 September 2021 in order to preserve their capital bases. It also noted the following:

The RBI Group employs a conservative approach in international terms to the weighting of variable remuneration as a proportion of total remuneration and the remuneration system provides for accordingly moderate bonus budgets. The regulatory step-in criteria (which focus on appropriate capitalization of the RBI Group) and step-in criteria related to the business and performance (which include quantitative and qualitative relevant risk factors) ensure that the financial development and performance of the bank during the performance year as well as the current capital and financial position of RBI and the RBI Group are given due consideration in accordance with regulatory requirements. The Remuneration Committee of the Supervisory Board therefore determined in May 2020 that, in the context of the COVID-19 pandemic, no adjustment to the remuneration system within RBI or the RBI Group is necessary, as the remuneration system is already structured in such a way as to flexibly respond to difficult and challenging market conditions and developments. Accordingly, the bonus amount for the 2020 financial year is significantly reduced compared to the amount planned in the budget, which appropriately reflects the current situation caused by the COVID-19 pandemic. The bonus amount for 2020 and the payment of deferred bonus portions from previous years has only an insignificant effect on the capital position and – also with conservative capital planning and taking into account potential future negative market developments – is not necessary for the maintenance of a solid capital base for RBI and the RBI Group. The deferral of significant portions of the bonuses along with malus and clawback agreements also ensure that unexpected developments in subsequent years can result in a corresponding ex-post adjustment to the bonus amount.

## 4.2.3 General performance-related step-in criteria

### General performance-related step-in criteria

Any bonus payment also requires that the general performance-related step-in criteria are met, which relate to the achievement of the target for the Group's CET 1 ratio set by the Supervisory Board and/or Personnel Committee for the respective performance year and the achievement of the consolidated ROE mid-term target.

The general performance-related step-in criteria for 2020 and the degree to which they have been fulfilled are as follows:

Step-in Kriterium	Ziel	Erreicht	Status
The defined RBI Group CET 1 target is achieved	13,00%	13,60%	
50% of the consolidated ROE mid-term target is achieved	5,50%	6,45%	

### Individual performance-related step-in criteria

The individual performance-related step-in criteria for the 2020 financial year were determined by the Supervisory Board's Personnel Committee for each individual Management Board member as part of the performance management process, taking into account his or her duties and responsibilities. Details of the individually defined performance targets and their achievement can be found in section 4.2.4.

The specific individual key figures (performance criteria) for each member of the Management Board were defined in accordance with the remuneration policy and the performance management rules as set out by the Remuneration Committee. This ensured that the performance assessment was based on relevant key figures (performance criteria) for the specific Management Board area. These performance criteria should:

be derived from the <b>business and risk strategy</b> , objectives, values and long-term interests of the Company
meet <b>regulatory requirements</b> , especially regarding risk orientation and performance assessment
contain both <b>financial and non-financial objectives</b> , in an appropriate proportion
not lead to inappropriate short-term success orientation
be <b>ambitious</b> enough
have a <b>relative weighting</b>
be formulated in <b>clear and comprehensible</b> terms
contain clear and, as far as possible, objectifiable <b>parameters and methods for measuring</b> the achievement of objectives (including minimum performance levels)

Individual performance criteria for the 2020 financial year include financial performance criteria (quantitative, with a minimum weighting of 40%) and non-financial performance criteria (quantitative and qualitative, with a maximum weighting of 60%). A minimum weighting of 50% with regard to quantitative targets was taken into account in each of the individual performance agreements.

The **specification of the financial performance criteria** by the Personnel Committee takes place on the basis of a proposal from the Planning & Finance area. The involvement of experts from Planning & Finance in the specification of the financial performance criteria puts a strong focus on Group management factors. The high degree of alignment of the financial management criteria between RBI and the other banks in the RBI Group, domestically and abroad, provides a consistent standard to be applied to the measurement of the performance of management board members, which should ensure the success of the entire Group. Due consideration is given in particular to the important risk factor control function in the process.

In this way, factors relevant from a risk perspective as well as financial efficiency indicators were taken into account in the specification of the financial performance indicators, such as: NPE ratio (non-performing exposure ratio), RORAC (return on risk-adjusted capital) and CIR (cost/income ratio).

The **non-financial performance criteria** are based on the RBI Group's Mission/Vision 2025. This ensures that the performance targets are consistent with the strategic goals of RBI and the RBI Group and that the Management Board members make a significant contribution towards these.

**VISION 2025: WE ARE THE MOST RECOMMENDED FINANZIAL SERVICES GROUP**

**MISSION: WE TRANSFORM CONTINUOUS INNOVATION INTO SUPERIOR CUSTOMER EXPERIENCE**

Achievement of the Vision/Mission is assured by strategic roadmaps within the individual Management Board areas, which each have a two-year planning horizon. The Management Board and the Strategy department have jointly developed a proposal for the Management Board targets for 2020 derived from these, which has been approved by the Supervisory Board's Personnel Committee. In setting the targets, a clear focus was placed on RBI employees and the adaptive and digital transformation of the organization. The objective in this respect is to further strengthen the future ability to provide the best possible service to customers and to put them first.

A high level of employee engagement and enablement form a basis for RBI's commercial success. The Management Board aims to enable all employees – in the full sense of the social aspect of sustainability – to deliver optimal performance and fully develop their potential, and thereby support the long-term success of the Company. Engagement and enablement is therefore reflected as an explicit goal in all agreements with respect to objectives across all Management Board responsibilities. This is measured with the assistance of an employee survey from the Korn Ferry Hay Group based on an internationally recognized standard.

A further important strategic goal is the expansion of the digital offering for RBI customers, which aims to ensure not only strong growth in customer numbers, but also increase levels of customer satisfaction. This is intended to ensure that customers recommend RBI and/or the RBI Group as an expert business partner which adds value. These endeavors are appropriately reflected in corresponding targets for the respective Management Board members. Furthermore, there is a clear focus on exercising social responsibility within RBI and the RBI Group, on conducting banking business with customers in a sustainable and socially conscientious manner, and supporting customers in an advisory capacity in this process.

In order to also reflect the importance of the ESG goals in the targets for the Management Board, the Corporate area has its own objective with the theme of "Focus on responsible customers/business", with the Management Board area positioning itself as a valuable partner to our customers in relation to these issues. There are likewise ESG focal points pertaining to the topic of "Net Promoter Score" in the Markets and Investment Banking area, with initiatives to meet customer needs for a strong collaboration partner in this respect.

All of the core strategic issues stated for 2020 are appropriately reflected in the individual targets for the respective Management Board members.

Further details of the bonus system for members of the Company's Management Board can be found in section 2.4 of the remuneration policy.<sup>5</sup>

#### 4.2.4 Fulfillment of performance targets by individual Management Board members

Breakdown of the individual targets including their weighting and the performance level achieved by the individual Management Board members (performance targets in EUR m, unless otherwise indicated):

<sup>5</sup>[https://www.rbinternational.com/resources/RBI/raiffeisen-bank-international/investors/corporate-governance/en/remuneration-policy/avGM\\_2020\\_remuneration\\_policy\\_extra.pdf](https://www.rbinternational.com/resources/RBI/raiffeisen-bank-international/investors/corporate-governance/en/remuneration-policy/avGM_2020_remuneration_policy_extra.pdf)

Individual Objectives CEO: Johann Strobl							
Financial Objectives (50%)	%	Measured Performance					Result
Consolidated Profit - Group RORAC - Group Cost/Income Ratio - Group Average Factor calculated by Group Planning & Finance : 3 exceeds expectations >1,2 2: meets expectations 1,2-0,8 1: below expectations < 0,8	50%	KPI	% Deviation Actual vs. Budget	Factor	Weight	W-Factor	2
		Consolidated Profit - Group	-33,6%	0,66	0,33	0,22	
		RORAC - Group	-18,4%	0,82	0,33	0,27	
		Cost/Income Ratio - Group	0,4%	1,00	0,33	0,33	
		Average Factor calculated	0,83				
Non-financial Objectives (50%)	%	Measured Performance				Result	
highly engaged and enabled Employees RBI Head Office total measured by annual employee survey 2020 based on standardized methodology and benchmarks (KornFerryHay Group) 2: meets expectation: +/- 6 (2020 Austrian Norm provided by KornFerryHay Group)	10%		annual Survey Result	Austria Norm	Deviation	2	
		Enablement Score RBI Head Office	72	74	-2		
		Engagement Score RBI Head Office	68	71	-3		
Become the most recommended bank (measured by NPS) by orchestrating and monitor the portfolio of projects and initiatives ensuring achieving this ambition and develop an assessment for NPS plus baseline values	10%	<ul style="list-style-type: none"> <li>Introduction of a "Strategic Roadmap" on Group and on NWB level for strategy execution and progress tracking towards achieving the goal of becoming the most recommended financial services group including a regular revision process of strategic parameters</li> <li>A NPS assessment methodology was enacted across our Network Banks and business lines               <ul style="list-style-type: none"> <li>- progress on NWB level checked twice per year and 4 times per year on Group level</li> <li>- benchmarking is done against traditional competitors and pure-play digital banks</li> </ul> </li> </ul>				2	
Developing skills for the future by focusing 2020 on developing a strategic steering tool for skill development for RBI AT with a special focus on IT and UX skills and people skills regarding leadership, communication & feedback skills	15%	<ul style="list-style-type: none"> <li>Based on a strategic impact map several target group specific learning academies were held to develop and foster skills in focus areas (e.g. data science and customer experience academy, Scrum Master journey)</li> <li>strong focus on 'remote leadership', 'feedback in remote settings' and a regular exchange with B-1s to strengthen the leadership community in times of crisis</li> <li>structured feedback introduced as a standard instrument in the performance management process</li> <li>1.927 RBI AG employees and leaders participated in workshops developed to anchor RBI's Vision, Mission and Values</li> <li>an IT Job Architecture including a skills development framework was developed to adapt to new realities of agile working and is currently piloted in IT Delivery</li> </ul>				2	
implementing an adaptive organizational architecture by developing an HR framework to support and facilitate the adaptive transformation in IT	15%	<ul style="list-style-type: none"> <li>Adaptive transformation journey has largely been achieved with hundreds of people already working in agile settings, especially in IT development and product delivery.</li> <li>Changes to the current people architecture were implemented in order to facilitate the work of agile teams by designing solutions, piloting them and thus achieve scalability. The following milestones were delivered:               <ul style="list-style-type: none"> <li>- Identified needs and created a comprehensive understanding of lived realities of adaptive roles</li> <li>- Job descriptions for the adaptive roles of Product Owner and Scrum Master were developed</li> <li>- A pilot selection process for new adaptive roles was introduced</li> <li>- A product-based compensation concept was designed and tested</li> <li>- Appropriate performance management practices were piloted</li> </ul> </li> </ul>				2	
	100%					2,00	

Individual Objectives Market & Investment Banking: Lukasz Januszewski							
Financial Objectives (40%)	%	Measured Performance					Result
Cost/Income Ratio - total BL TCI - Total Business Line RORAC Total Business Line Total Gross Income in Products related to Board Area' Average Factor calculated by Group Planning & Finance : 3 exceeds expectations >1,2 2: meets expectations 1,2-0,8 1: below expectations < 0,8	40%	<b>KPI</b>	<b>% Deviation Actual vs. Budget</b>	<b>Factor</b>	<b>Weight</b>	<b>W-Factor</b>	2
		Total Comprehensive Income - Total Business Line FI & Markets	7,6%	1,08	0,25	0,27	
		RORAC - Total Business Line FI & Markets	18,2%	1,18	0,25	0,30	
		Cost/Income Ratio - Total Business Line FI & Markets	-3,4%	1,03	0,25	0,26	
		Total Gross Income in Products related to Board Area	-3,8%	0,96	0,25	0,24	
		<b>Average Factor calculated</b>	<b>1,06</b>				
Non-financial Objectives (60%)	%	Measured Performance				Result	
highly engaged and enabled Employees RBI Board Area measured by annual employee survey 2020 based on standardized methodology and benchmarks (KornFerryHay Group) 2: meets expectation: +/- 6 (2020 Austrian Norm provided by KornFerryHay Group)	10%		<b>annual Survey Result</b>	<b>Austria Norm</b>	<b>Deviation</b>	2	
		Enablement Score RBI Markets Area	71	74	-3		
		Engagement Score RBI Markets Area	69	71	-2		
Become the best bank for Institutional Clients in the region (measured by NPS) by starting to have a baseline plus action plan to improve client experience/feedback	10%	<ul style="list-style-type: none"> <li>#1 in Institutional Clients (IC) Satisfaction measurement survey in 3 out of 6 core markets identified as baseline.</li> <li>Action plan to improve client experience/feedback e.g. enhancing of onboarding of key IC products, improving of the IC Digital journey, product innovations</li> </ul> Strong focus on Sustainability to support NPS Development: <ul style="list-style-type: none"> <li>RBI Group ranked # 2 in sustainable bonds by volume &amp; #1 by nb of transactions in AT &amp; CEE as of YE20 (source: Bloomberg)</li> <li>successfully advised a number of major international strategic players and infrastructure funds on high profile M&amp;A transactions in the renewable energy sector.</li> <li>RCM &amp; RCB significantly extended sustainable product range</li> </ul>					2
Bring digital FX product experience to our customer universe by implementing R-Flex FX platform in minimum 1 networkbank with an active client base	15%	<ul style="list-style-type: none"> <li>R-Flex FX platform rolled out to RBRO 29.01.2021 and rollout to RBHR kicked-off.</li> <li>Several electronic FX upgrades provided to our international and local client base</li> <li>FX data-driven dynamic pricing implemented on several markets &amp; sales channels</li> </ul>					2
Offer our relationship managers a modern digital customer relationship management (CRM) tool and ensure active usage by Relation Managers (measured based on number of logins and # of Relation Managers)	15%	<ul style="list-style-type: none"> <li>New Institutional Clients customer relationship management tool rolled out to RBI AT and RBRO (3 month implementation)</li> <li>Agile release plans to ensure continuous delivery of new features and innovations</li> <li>Over 100 active users and 2.000 monthly sessions in HO only; ~ +10% monthly trend</li> <li>Started integration of Corporate area into customer relationship management tool in one pilot country</li> </ul>					3
Digital transformation of Institutional Client segment based on strategic roadmap of prioritized use cases & delivery of features foreseen for 2020	10%	<ul style="list-style-type: none"> <li>Launch of new Institutional Client website content</li> <li>Monthly Institutional Client Newsletter for 1850 recipients launched &amp; regular well-attended Webinars on our research, products and services.</li> <li>Launch of the "Global Investor Gate" platform. Continuous improvement of online client experience via dedicated agile product team (e.g. Fund Info and Market Info features released)</li> <li>Introduction of agile team dedicated to the improvement of the Institutional Client Digital Journey; 1st minimum viable product delivered (digital securities a/c opening)</li> </ul>					2
	<b>100%</b>						<b>2,15</b>

Individual Objectives Corporate Banking: Peter Lennkh							
Financial Objectives (40%)	%	Measured Performance					Result
Cost/Income Ratio - total BL TCI - Total Business Line RORAC - Total Business Line Average Factor calculated by Group P&F : 3 exceeds expectations >1,2 2: meets expectations 1,2-0,8 1: below expectations < 0,8	40%	<b>KPI</b>	<b>% Deviation Actual vs. Budget</b>	<b>Factor</b>	<b>Weight</b>	<b>W-Factor</b>	2
		Total Comprehensive Income - Total Business Line Corporate	-16,3%	0,84	0,33	0,28	
		RORAC - Total Business Line Corporate	-7,7%	0,92	0,33	0,31	
		Cost/Income Ratio - Total Business Line Corporate	-7,2%	1,08	0,33	0,36	
		<b>Average Factor calculated</b>	<b>0,95</b>				
Non-financial Objectives (60%)	%	Measured Performance				Result	
highly engaged and enabled Employees RBI Board Area measured by annual employee survey 2020 based on standardized methodology and benchmarks (KornFerryHay Group) 2: meets expectation: +/- 6 (2020 Austrian Norm provided by KornFerryHay Group)	10%		<b>annual Survey Result</b>	<b>Austria Norm</b>	<b>Deviation</b>	2	
		Employee Engagement Corporate Area	67	71	-4		
		Employee Enablement Corporate Area	75	74	1		
Focus on responsible customers / businesses by 1) Implementing the identification of responsible customers and businesses in respective systems in RBI Group 2) Developing new products and build up the know-how for best-in-class advisory with the focus on responsible customers. 3) Enhancing the monitoring of the development of the regulatory framework and foster cooperation of stakeholders across the Group.	15%	<b>Ad 1)</b> Implementation of ESG Base customer score was achieved. Also implementation of transactional flagging system to support the identification of sustainable transactions was finalized. <b>Ad 2)</b> Roll-out of two new ESG Products. A Sustainable Finance Team was established in the Corporate Board Area, enabling us to provide tailor-made products, advise customers on social and green bonds and act as a green structurer. <b>Ad 3)</b> Sustainable activities were described in an ESG Rulebook and a cross-national agile network of sustainable finance experts was established. Trainings on ESG customer score, EU Taxonomy, ESG transaction definition and identification, practical workshops on existing portfolio assessment and technical flagging were provided to our Networkbanks.					2
Become the most recommended bank (measured by NPS) 1) by enhancing RBI AT Corporate digital platform (focus eLending and eGateway). 2) Building Best in Class Customer Onboarding (KYC, Account Opening) by simplifying process, reducing documents required and introducing Digital Front End in Austria. 3) Reshaping Lending Process with focus on fast, convenient and transparent process for Customers.	15%	Consistent measurement of net promoter score ("NPS") and Brand Perception established in 2020 across all Networkbanks. NPS position #1 held in 10 out of 14 markets. <b>Ad 1)</b> - go-live of the new digital Corporate Banking Platform ("myRaiffeisen") - online lending solution "eFinance" successfully launched <b>Ad 2)</b> - business go-live of eAccount Opening - possibility to sign documents via qualified electronic signature (QES) was introduced. - introduced a customer-friendly Cross Border Account Opening Process - improvements of eKYC digital front end <b>Ad 3)</b> - Corporate Lending Optimization project officially started - Completed definition of the product vision, best thinkable client journey, definition of Greenfield Target Process, evaluation of existing gaps and drafting the initial backlog.					2
Joint execution of Corporate Strategic Roadmap initiatives across the Group by further improve agile/adaptive style of working by beginning to execute defined initiatives of the Corporate Strategic Roadmap. Collaborate across the NWUs and set up speedboats within the strategic initiatives to test hypotheses.	10%	- 7 strategic initiatives (co-headed by Network Bank Board Members) are pursued in distinct workstreams which operate in an agile setup and progress is transparently documented. Overall, 92 working packages have achieved the final status "done" in 2020. - agile/adaptive style of working further promoted within Board Area by a newly designed, hands-on curriculum on Organizational Design & Change, Adaptive Leadership, Process Optimization and Customer Focus where 20 managers successfully participated.					2
Use Data/ Analytics to push Corporate Business by 1) Identifying data and monetize it for the Corporate P&L, including external data sources 2) Pro-actively explore new analytics use-cases	10%	<b>Ad 1)</b> - 3 Product Sales Campaigns launched based on usage of central data - Due to Covid no lending signals have been sent out in H1 - acquisition lists created based on external data analyses and provided to Networkbanks - Transactional data for analytics use cases successfully sourced <b>Ad 2)</b> - Implementation of Analytics Signals Tool for Corporate Relationship Managers incl. integration into an existing app and group-wide roll-out - Exploration of analytics use cases based on transactional data done and first signals generated.					2
	<b>100%</b>						<b>2,00</b>

Individual Objectives Retail: Andrii Stepanenko							
Financial Objectives (40%)	%	Measured Performance					Result
Cost/Income Ratio - total BL TCI - Total Business Line RORAC - Total Business Line Average Factor calculated by Group P&F : 3 exceeds expectations >1,2 2: meets expectations 1,2-0,8 1: below expectations < 0,8	40%	<b>KPI</b>	<b>% Deviation Actual vs. Budget</b>	<b>Factor</b>	<b>Weight</b>	<b>W-Factor</b>	1
		Total Comprehensive Income - Total Business Line Retail	-38,5%	0,61	0,33	0,20	
		RORAC - Total Business Line Retail	-30,3%	0,70	0,33	0,23	
		Cost/Income Ratio - Total Business Line Retail	8,1%	0,93	0,33	0,31	
		<b>Average Factor calculated</b>	<b>0,75</b>				
Non-financial Objectives (60%)	%	Measured Performance				Result	
highly engaged and enabled Employees RBI Board Area measured by annual employee survey 2020 based on standardized methodology and benchmarks (KornFerryHay Group) 2: meets expectation: +/- 6 (2020 Austrian Norm provided by Korn FerryHay Group)	10%		<b>annual Survey Result</b>	<b>Austria Norm</b>	<b>Deviation</b>	1	
		Enablement Score RBI Retail Area	51	74	-23		
		Engagement Score RBI Retail Area	45	71	-26		
Become the most recommended bank (measured by NPS) 75% weight on roll-out of a unified NPS methodology in 1H2020 25% weight on becoming #1 in NPS in xx/13 markets 3 exceeds expectations 9-11 Markets 2: meets expectations 6-8 Markets 1: below expectations 3-5 Markets	15%	Methodology: <ul style="list-style-type: none"> <li>NPS assessment methodology designed and entered into force in whole group containing over 20 individual rules that pertain to measurement frequency</li> <li>methodology aligned and agreed in all three business lines and converted to special instructions</li> <li>new measurement methodology broadened significantly the pool of banks now benchmarking ourselves against both traditional banks as well as digital pure-play competitors</li> <li>insights conducted for the unified methodology used for goal setting purposes with the vast majority of board members across our Networkbanks. Even including pure digital banks we are currently the NPS leader in 5 countries which means +1 in comparison to 2019.</li> </ul>				3	
Grow Client Base: Increase PI active client base from 11,55 million to 12,3 (100%) million clients 3 exceeds expectations 105-114% 2: meets expectations 95-104% 1: below expectations 90-94%	20%	+3.3% YoY growth (11.93 mio active customers as of Dec 2020) Customer acquisition limited due to Covid measures incl. lockdown across all markets starting from February 2020. Lower new business and strict risk policy influenced bottom line.				2	
Digital Transformation: increase share of PI active clients using mobile banking from 33% to 46% (114%) 3 exceeds expectations 105-114% 2: meets expectation 95-104% 1: below expectations 90-94%	15%	Share of PI active clients using mobile banking is 43%				3	
	<b>100%</b>					<b>1,73</b>	

Individual Objectives CIO/COO: Andreas Gschwenter							
Financial Objectives (40%)	%	Measured Performance					Result
Cost/Income Ratio - Group Cost Growth - Group Average Factor calculated by Group P&F : 3 exceeds expectations >1,2 2: meets expectations 1,2-0,8 1: below expectations < 0,8	40%	<b>KPI</b>	<b>% Deviation Actual vs. Budget</b>	<b>Factor</b>	<b>Weight</b>	<b>W-Factor</b>	3
		Cost Growth - Group	-266,3%	1,60	0,50	0,80	
		Cost/Income Ratio - Group	0,4%	1,00	0,50	0,50	
		<b>Average Factor calculated</b>	<b>1,30</b>				
Non-financial Objectives (60%)	%	Measured Performance				Result	
highly engaged and enabled Employees RBI Board Area measured by annual employee survey 2020 based on standardized methodology and benchmarks (KornFerryHay Group) 2: meets expectation: +/- 6 (2020 Austrian Norm provided by Korn FerryHay Group)	10%		<b>annual Survey Result</b>	<b>Austria Norm</b>	<b>Deviation</b>	2	
		Enablement Score RBI COO/ CIO Area	74	74	0		
		Engagement Score RBI COO/ CIO Area	73	71	2		
Become the best bank for Institutional Clients in the region (measured by NPS) by starting to have a baseline plus action plan to improve client experience/ feedback	10%	action plan derived from our standardized tool called "Strategic Roadmap" with strong focus on digitalization to enhance customer experience by: <ul style="list-style-type: none"> <li>- bringing new technologies to the group</li> <li>- strengthen digital sales &amp; service channels in various projects</li> <li>- Agile Transformation</li> <li>- Projects to achieve operational excellence (OM50)</li> </ul> all initiatives are periodically tracked using the standardized revision process of the strategic roadmap					2
Adaptive Transformation in IT continued by doing 80% of change the bank (ctb) IT activities in Vienna according to agile methodology	10%	<ul style="list-style-type: none"> <li>• 88% of change the bank (ctb) IT activities in Vienna are working according to agile methodology in 31 Tribes/Product Streams</li> <li>• Governance of Agile Product Teams established with quarterly planning and reviewing cycles</li> <li>• Established guilds for cross Tribe technical alignment and governance</li> <li>• Cross functional delivery model developed</li> <li>• Agile Engineering established</li> <li>• Job Architecture for IT agile team members implemented</li> </ul>					2
RBI becomes Datadriven by facilitating the data literacy and data analytics capability development of RBI Group; advanced analytics use cases live	10%	<ul style="list-style-type: none"> <li>• Data Literacy framework defined and embedded in the staff skill development activities</li> <li>• Advanced Analytics and Artificial Intelligence setup professionalized by training around 1.000 employees in Data Science academy, setting up of 5 new local advance analytic Tribes in the network banks</li> <li>• cloud based deployment platform (ADOPT) in production</li> <li>• 9 new use cases went live for Retail, Markets, Corporate and Operations</li> <li>• 5 new chatbots suites deployed</li> <li>• New Retail Customer Relationship Management platform with Customer 360 approach set-up</li> <li>• Personalization engine for Digital services setup</li> <li>• Data Lake built and rollout out to 13 Networkunits, all compliance standards met</li> <li>• "Time to Data" reduced by switching to continuous release based Data delivery across 98 entities</li> <li>• High level of test automatization and automatic deployment of solutions achieved</li> <li>• Data Ecosystem extended by Data Virtualization platform and Group ODS</li> </ul>					2
Steer, guide, facilitate and support the digital transformation in the RBI group	10%	<b>1) Work on the foundation of digital delivery – agile transformation:</b> <ul style="list-style-type: none"> <li>- All Networkunits established at least one agile Product Team for a retail product</li> <li>- 144 people from Networkunits and Head Office trained in "GoIT" Accademy, 36 Product Owners attended Retail Product Owner Academy</li> <li>- &gt;3000 people work in Agile Teams in the Group</li> <li>- &gt;70 people join Agile Transformation Community in Group</li> </ul> <b>2) Digital Delivery in RBI / daVinci:</b> <ul style="list-style-type: none"> <li>- established new eGateway 1.0 called myRaiffeisen</li> <li>- enlarged digital KYC (Know your Customer) for Corporate Customers for our Financial Institution-Customers</li> <li>- Supporting all business digital initiatives</li> </ul>					2
RBI has highest security standard implemented; continued security developments are in place	10%	<ul style="list-style-type: none"> <li>• 900 Security controls established and controlled (evidence based) per networkunit</li> <li>• IAM (Identity Access Management) upgrade delivered, new PAM platform delivered</li> <li>• Integration / Connection of applications to the platforms ongoing.</li> <li>• CASB (Cloud Access Security Broker) rollout to the group</li> <li>• Security in Agile concept and Security champions in Vienna rolled out and 150 IT resources in Vienna trained.</li> <li>• Deep dive trainings (blue-belt like Cloud Security, Mobile App Security, ...) developed and trainings started.</li> <li>• SIEM (Security Information Event Management) / SOC (Security Operation Center) rolled out in 7 networkunits, 6 Austrian subsidiaries and 2 Raiffeisen Landesbanken</li> <li>• SOC (Security Operation Center) fully staffed and operational processes established</li> </ul>					2
	<b>100%</b>						<b>2,40</b>

Individual Objectives CRO: Hannes Mösenbacher							
Financial Objectives (40%)	%	Measured Performance					Result
Board Area Costs Portfolio Quality - Group Risk Costs - Group NPE Ratio - Group 3 exceeds expectations >1,2 2: meets expectations 1,2-0,8 1: below expectations < 0,8	40%	<b>KPI</b>	<b>% Deviation Actual vs. Budget</b>	<b>Factor</b>	<b>Weight</b>	<b>W-Factor</b>	2
		Portfolio Quality - Group	-13,5%	1,16	0,25	0,29	
		Board Area Costs	-5,8%	1,06	0,25	0,27	
		Risk Costs - Group	29,9%	0,77	0,25	0,19	
		NPE Ratio - Group	-5,0%	1,05	0,25	0,26	
		<b>Average Factor calculated</b>	<b>1,01</b>				
Non-financial Objectives (60%)	%	Measured Performance				Result	
highly engaged and enabled Employees RBI Board Area measured by annual employee survey 2020 based on standardized methodology and benchmarks (KornFerryHay Group) 2: meets expectation: +/- 6 (2020 Austrian Norm provided by KornFerry-Hay Group)	10%		<b>annual Survey Result</b>	<b>Austria Norm</b>	<b>Deviation</b>	2	
		Enablement Score RBI Risk Area	72	74	-2		
		Engagement Score RBI Risk Area	65	71	-6		
Strong Risk Governance by identifying, measuring, monitoring and managing all relevant risk factors in compliance with the relevant regulations of the competent authorities. Risk Taking Capacity is a core ingredient for business planning and budgeting.	20%	<ul style="list-style-type: none"> <li>• due to Covid-19 crisis special credit policy actions established already 03/20</li> <li>• Existing committees and structures have been working very well</li> <li>• Recovery Plan governance was activated and a dedicated contingency committee was put in place 03/20</li> <li>• Standardized reporting was delivered on short notice</li> <li>• additional underwriting deep dives were performed and actions derived.</li> <li>• clear guidance on potential risk costs was effectively communicated to external stakeholders early in the year and eventually verified correctly.</li> <li>• Forecasts based on internal group models, complementing top down macro stress testing and bottom up analysis and anticipation of mid term recovery assumptions for industries and sub portfolios.</li> </ul>					3
Our models and decisions are based on facts, data and analytical capacities, combined with our expertise and experience. Models are back tested and validated in accordance with industry standards and a comprehensive model risk policy.	10%	<ul style="list-style-type: none"> <li>• Project finance and corporate models were activated beginning of the year</li> <li>• Fully automatized SMB rating model approved by ECB</li> <li>• Full regulatory acceptance of a new Sovereign rating model</li> <li>• Activation of a model risk framework including a transparent life cycle reporting of all material models</li> <li>• Dynamic dashboard reporting of all relevant risk areas</li> <li>• new internal Data Science Academy launched (group-wide 600+ completions first level, 63 3rd level, 17 4th level)</li> <li>• in total 17 use cases supported by AA started and/or finalized</li> <li>• Roadmap and backlog for further project execution in place</li> </ul>					2
Organizational structures and work approaches within Risk Area follow the principles of adaptive setups, fostering end to end responsibility in cross functional teams. Targets of the risk organization contribute to Corporate Values and the Vision/Mission and we react in an agile way to sudden external events, swiftly forming capable teams and shifting priorities.	10%	<ul style="list-style-type: none"> <li>• 11 Agile setups implemented in several area, involving 338 employees and taking responsibility for a budget of EUR 63,5 mn</li> <li>• Several smaller scale adaptive setups in place (e.g. FI Risk and Analysis)</li> <li>• CRO responsibility extended to include the Group Compliance function as well as Group Regulatory Affairs &amp; Data Governance</li> <li>• Strategic road map for risk management defined and started across RBI group defining contributions from risk to the overall vision &amp; mission for the next years.</li> </ul>					2
Digitization of Risk Processes by assessing all our core processes to transform them towards digital, using state of the art technology, in order to support a seamless end to end customer experience.	10%	<ul style="list-style-type: none"> <li>• Implementation of a modern, future oriented limit management system (LMS) combining all Non-Retail segments allowing to expand digitization towards end to end customer journey</li> <li>• Redesign of the standard Corporate lending process was initiated</li> <li>• Project for one credit risk (OCR) targeting at one common cloud based regulatory capital calculation platform for the group was set up</li> <li>• Introduction of Proebiz platform enabling one common debt sale platform</li> <li>• Introduction of collection in the cloud increasing efficiency across the group</li> <li>• Several transactional scorecards developed by a common team enabling standardized lending process across the group.</li> <li>• Migration market risk infrastructure to amazon cloud (first regulatory production system on cloud basis in the group) leading to significant reduction of operational cost.</li> <li>• First fully automatized rating model and in the small and medium (SMB) business area.</li> <li>• Introduction of robotics into the lending process for selected subportfolios (Funds ratings and credit)</li> </ul>					2
	<b>100%</b>						<b>2,20</b>

## Notes on the tables

The tables show the achievement of the individual Management Board members' performance targets along with explanations in accordance with the Performance Management Guidelines defined by the Remuneration Committee.

The overall assessment is calculated based on the weighted rating of each target. Each target assessed/performance criteria is assigned a value for the calculation:

Exceeds expectations = evaluation rating 3

Fully meets expectations = evaluation rating 2

Below expectations = evaluation rating 1

For a performance evaluation of "fully meets expectations", it is necessary that a weighted overall assessment rating of at least 1.71 is achieved. This rating was achieved by all Management Board members.

The Personnel Committee of the Company's Supervisory Board therefore determined in March 2021 that all Management Board members had performed to the level of "fully meets expectations" at a minimum and that the individual step-in criterion for a bonus payment is thus met for all Management Board members.

## 4.2.5 Bonus amount

The specific amount of the bonus for all members of the Company's Management Board is calculated on the basis of the degree of fulfillment of the two ratios ROE and CIR (each related to RBI Group results) with a weighting of 50% for each ratio. For both of these ratios, strategic goals exist that were set by the Personnel Committee as performance targets over several years and against which RBI Group ROE and CIR values actually achieved in a performance year are measured (see table below). For a bonus to be granted, the minimum performance threshold (hurdle rate) set for the ROE and CIR of 50% must be reached. Overall performance is calculated as the weighted average level of ROE and CIR target fulfillment. In order to incentivize the Management Board to exceed the targets in the interest of shareholders, under-fulfillment of one key figure may be offset by over-fulfillment of the other, provided that the hurdle rates for both ROE and CIR are reached. This does not affect the maximum possible bonus cap of 100% of the target bonus.

Please refer to section 2.4.2 of the Company's remuneration policy for further details on how the bonus system for members of the Management Board works.<sup>6</sup>

Fulfillment of the targets for the ROE and CIR ratios in 2020 is as follows:

2020 Targets	% of Bonus	Target	Achieved	% of target	Performance
Cost Income Ratio RBI Group	50%	52.50%	56,76%	91.89%	<b>75.25%</b>
Return on Equity RBI Group	50%	11.00%	6.45%	58.60%	

The overall performance relevant to bonus payments amounted to 75,25% in 2020. The percentage of the overall performance calculated in this way (achievement of ROE/CIR targets) was multiplied by the target bonus specifically set by the Personnel Committee for each Management Board member (up to 100% of the base salary) to determine the annual bonus that was granted.

The annual performance bonus is therefore calculated as follows:



<sup>6</sup>[https://www.rbinternational.com/resources/RBI/raiffeisen-bank-international/investors/corporate-governance/en/remuneration-policy/avGM\\_2020\\_remuneration\\_policy\\_extra.pdf](https://www.rbinternational.com/resources/RBI/raiffeisen-bank-international/investors/corporate-governance/en/remuneration-policy/avGM_2020_remuneration_policy_extra.pdf)

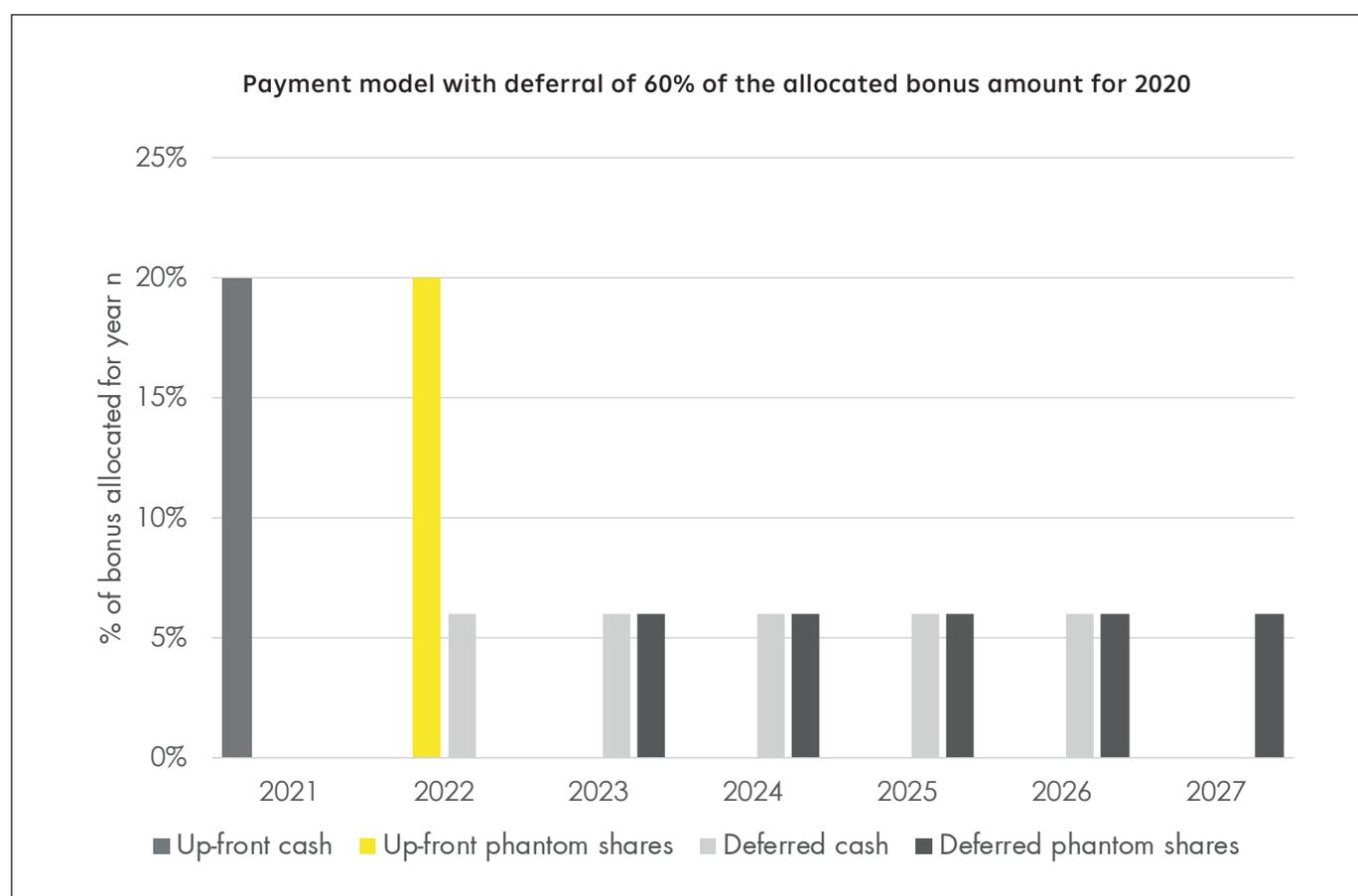
As the Company's Personnel Committee determined that the step-in criteria for granting a bonus for 2020 were met (see sections 4.2.1 to 4.2.4) and there was no reason for the Company to apply the "malus" or "clawback" rules (see section 5), the Company's Personnel Committee allocated the performance bonuses for 2020, as calculated on the basis of the above formula, to the members of the Management Board.

The bonus amounts specifically allocated to the individual members of the Management Board for the 2020 financial year are shown in the "Variable remuneration" column of table 1 [and table 2] in section 4.1.

## 4.2.6 Payment model

The annual performance bonus awarded to members of the Management Board for the 2020 financial year is subject to the statutory payment procedures under banking law. Accordingly, half of the bonus was allocated in the form of non-cash instruments (phantom shares) and a significant portion of the bonus (specifically 60%) will be deferred over a five-year period. Further information can be found in section 4.1.1 (clause 2 on variable remuneration).

The following overview illustrates the **payment model for the 2020 annual bonus**:



## 5. Malus and clawback

### Annual performance bonus for the 2020 financial year

In accordance with the remuneration policy and the regulatory requirements, the performance bonus allocated for the 2020 financial year is subject to clawback rules, and corresponding clawback agreements have been or will be made with the Management Board members. In the event that the performance for which Management Board members have been awarded remuneration is not sustainable or the Company's financial position and profitability have deteriorated, the Company may reduce the deferred variable remuneration or waive it entirely ("**malus**") in accordance with the payment model (see section 4.2.6). In addition, the Company may, under certain circumstances, reclaim bonus components already paid out in the event of serious misconduct ("**clawback**").

### Bonus allocations in previous years

In accordance with the remuneration policy, the sustainability of performance for which bonuses were awarded in previous years was reviewed as part of the annual review process. This ex-post risk review **did not produce any evidence of a malus or clawback event**. These findings were confirmed by the Remuneration Committee and the Supervisory Board's Personnel Committee, allowing the bonus portions allocated for the previous years, which were due for payment in the 2020 financial year in accordance with the payment model, to be paid in full (details of the amounts can be found in table 3 under section 4.1.2).

## 6. Deviations from the remuneration policy

None.

## 7. Comparison with the Company's performance and employee remuneration

When determining the Management Board's remuneration, the Company's **employees' remuneration and employment conditions** were taken into account appropriately. As the table below shows, there is no undue imbalance in the wage and salary structure (including on a year-on-year basis).

The performance criteria for the Management Board's annual performance bonus for the 2020 financial year and the performance criteria for bonus-entitled employees, particularly senior management (pursuant to § 2 (1b) BWG), were determined on the basis of similar criteria oriented to the business strategy (while taking specific tasks and responsibilities into account).

The following **overview** shows the annual changes in the total remuneration of the individual Management Board members, the Group's commercial success (Group performance) and average employee remuneration:

Year-on year change of board member compensation		2020 vs 2019
Johann Strobl CEO	% absolute amount	<b>-16%</b> <b>-297</b>
Peter Lennkh Corporate Banking	% absolute amount	<b>-8%</b> <b>-118</b>
Andreas Gschwenter COO/CIO	% absolute amount	<b>-16%</b> <b>-242</b>
Hannes Mösenbacher CRO	% absolute amount	<b>-16%</b> <b>-241</b>
Lukasz Januszewski Markets & Investment Banking	absolute amount	<b>-8%</b> <b>-118</b>
Andrii Stepanenko Retail Banking	% absolute amount	<b>-15%</b> <b>-239</b>
Group performance		2019
ROE	11%	6.45%
CIR	56.0%	56.76%
Year-on-year change of average employee remuneration on FTE basis		
Employees of the company	% absolute amount	<b>1%</b> <b>0.8</b>

### Notes:

**Total remuneration:** The total remuneration is the sum of the fixed remuneration that was paid or allocated in the respective financial year (excluding remuneration for supervisory board mandates and pension fund contributions) and the annual variable remuneration for the respective financial year. See section 4.2.1 for the relevant information on the 2020 financial year. The annual change is listed as both a percentage and an absolute amount.

**Group performance:** The performance of the RBI Group is shown on the basis of the ROE and CIR ratios (consolidated). These figures reflect the performance actually achieved and not the percentage change relative to a prior period.

**Average employee remuneration on FTE basis:** The basis for calculation is the average remuneration of all Company employees on a full-time equivalent basis.

## 8. Report on the remuneration of Supervisory Board members in the 2020 financial year

The remuneration policy stipulates that no variable remuneration is granted to members of the Company's Supervisory Board, although they do receive appropriate annual fixed remuneration. The fixed remuneration paid to the members of the Supervisory Board is structured in such a way that it is proportionate to the Company's situation, size and complexity, is in line with market conditions and is differentiated with regard to individual functions on the Supervisory Board. In addition, Supervisory Board members may be granted an appropriate fee for attending meetings.

In line with these principles, as of the 2017 financial year members of the Supervisory Board (capital representatives) are granted the following remuneration in accordance with the resolution of the Annual General Meeting dated 21 June 2018, unless the Annual General Meeting passes any future resolutions to the contrary:

- EUR 120,000 for the Chairman of the Supervisory Board
- EUR 90,000 each for the Deputy Chairmen of the Supervisory Board
- EUR 60,000 each for every other elected member of the Supervisory Board
- an additional EUR 10,000 each for the Chairmen of the Audit Committee and Risk Committee
- an additional attendance fee of EUR 1,000 for every elected member of the Supervisory Board for each meeting they attend

The annual remuneration for the respective financial year is allocated and paid on a pro rata basis or in its entirety depending on how long the Supervisory Board member has served on the Supervisory Board.

On the basis of these principles, remuneration for members of the Supervisory Board for the 2020 financial year has been calculated as follows (subject to any resolutions to the contrary at the Annual General Meeting in 2021):

Amounts in EUR thsd.

Supervisory Board Member	Fixed remuneration	Attendance fee	Fixed remuneration for Committee Chairmanships	Total remuneration
<b>Erwin Hameseder</b>	120	32		<b>152</b>
<b>Martin Schaller</b>	90	27		<b>117</b>
<b>Heinrich Schaller</b>	90	23		<b>113</b>
<b>Klaus Buchleitner</b>	60	5		<b>65</b>
<b>Peter Gauper</b>	60	6		<b>66</b>
<b>Wilfried Hopfner</b>	60	6		<b>66</b>
<b>Rudolf Könighofer</b>	60	13		<b>73</b>
<b>Johannes Ortner</b>	28	4		<b>32</b>
<b>Günther Reibersdorfer</b>	48	2		<b>50</b>
<b>Reinhard Mayr</b>	12	4		<b>16</b>
<b>Heinz Konrad</b>	12	3		<b>15</b>
<b>Eva Eberhartinger</b>	60	16	10	<b>86</b>
<b>Birgit Noggler</b>	60	32	10	<b>102</b>
<b>Andrea Gaal</b>	60	32		<b>92</b>
<b>Sum</b>	<b>820</b>	<b>205</b>		<b>1045</b>

The total remuneration of the Supervisory Board members in relation to the 2020 financial year corresponds to 58% of the average remuneration of a member of RBI's Management Board in the 2020 financial year.

The employee representatives in the Supervisory Board do not receive any remuneration for exercising their supervisory board mandates.

There is a D&O insurance policy for the members of the Supervisory Board, the costs of which are borne by the Company.

## **9. Consideration of votes at the last Annual General Meeting**

The remuneration policy includes provisions which also enable criteria related to the Company's social responsibility, including ecological factors, to be used when setting the individual performance criteria for the Management Board members' annual performance bonus. The detailed regulations for setting performance criteria and for the performance management process (Performance Management Regulations for the Management Board) are specified by the Supervisory Board's Remuneration Committee in accordance with the remuneration policy.

At the 2020 Annual General Meeting, shareholders expressed the wish that sustainability issues be appropriately taken into consideration in the remuneration system. The Remuneration Committee has amended the Performance Management Regulations for the Management Board to the effect that, starting from the 2021 performance year, it is obligatory that at least one sustainability objective relating to environmental, social and governance (ESG) factors be provided for each Management Board member.

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