Raiffeisen Bank

Annual Financial Report 2023

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Raiffeisen
Bank

Contents

Survey of Key Data

Unconsolidated data according to IFRS Accounting Standards (hereinafter referred to as the "IFRS")

in MCZK	2023	2022	2021	2020	2019
Income Statement					
Net interest income	13,335	14,176	7,648	7,239	8,539
Net commission income	4,172	4,532	3,537	2,920	3,095
Net profit on financial operations	(330)	(602)	21	(190)	(198)
Operating expenses *	(8,587)	(9,015)	(6,414)	(6,277)	(6,662)
Profit before tax	7,397	9,402	5,674	2,563	4,915
Profit after tax	5,498	7,541	4,687	2,140	4,188
Earnings per share/Diluted earnings per share (in CZK)	3,356	4,674	2,840	1,704	3,595
Balance Sheet					
Loans and advances to banks	160,669	166,807	177,340	99,684	87,043
Loans and advances to customers	366,259	349,753	262,377	249,083	246,644
Deposits from banks	22,788	10,674	13,017	12,194	21,900
Deposits from customers	538,857	489,634	420,163	334,673	290,691
Equity	53,858	51,305	44,423	35,351	32,703
Balance-sheet total	677,017	601,325	511,392	411,056	370,715
Regulatory information					
Risk-weighted assets (credit risk)	180,285	208,429	153,999	141,513	145,796
Total own funds requirement	16,390	18,561	13,975	12,935	13,148
Total regulatory capital	49,206	48,730	45,555	36,800	30,774
Tier 1 ratio – Basel III	21.3%	18.7%	23.1%	19.6%	16.5%
Capital adequacy ratio	24.0%	21.0%	26.1%	22.8%	18.7%
Performance					
Return on average equity (ROAE) before tax	13.8%	19.9%	14.2%	7.6%	16.1%
Return on average equity (ROAE) after tax	10.3%	16.0%	11.7%	6.3%	13.7%
Cost/income ratio	49.0%	49.3%	52.9%	60.4%	56.0%
Return on average assets (ROAA) before tax	1.1%	1.6%	1.2%	0.6%	1.3%
Return on average assets (ROAA) after tax	0.8%	1.3%	1.0%	0.5%	1.1%
Net provisioning ratio	0.2%	0.0%	0.0%	0.4%	0.1%
Non-performing loans ratio	1.5%	1.5%	1.9%	2.3%	1.7%
Risk/earnings ratio	7.8%	(0.7)%	0.4%	14.9%	2.8%
Resources as of reporting date					
Recalculated number of staff	3,208	3,358	2,787	2,699	2,966
Business outlets	119	125	106	119	128

* Includes personnel expenses, general operating expenses and depreciation/amortisation of property and equipment and intangible assets

The scope of the key alternative performance indicators used at the non-consolidated level is provided in the relevant section of this annual financial report.

On 7 February 2024, the Bank was awarded the following rating:

Rating agency	Long-term rating	Short-term rating	Outlook
Moody's Investors Service	A2	Prime-1	Stable

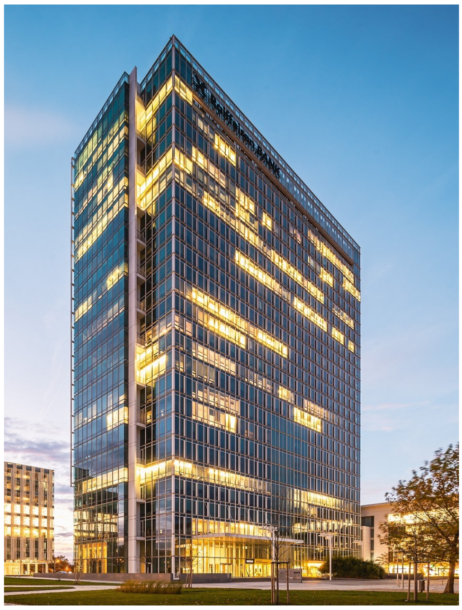
Introducing Raiffeisenbank a.s.

Raiffeisenbank has been present on the Czech market for thirty years, since 1993. Even in 2023, with its share of the total assets it maintained its **attractive position as the fifth strongest bank of the Czech banking sector**.

Raiffeisenbank offers products and services to private individuals, entrepreneurs, and companies. We rely on making our clients' lives easier with our services. We are available to them online and in person in an extensive branch network. We create products and services that are simple, clear, and easy for clients to use in a digital environment.

The range of products and **services includes personal and business accounts, loans, savings and investment products, specialised financial services, and consultation for business clientele and large corporations**. A detailed overview of all services is available at www.rb.cz.

We are a comprehensive bank providing services to a wide range of clients. We focus on active clients who prefer to solve their common everyday banking tasks themselves comfortably online and, in the case of complex products, who are happy to consult with a banker at a branch office in person or by phone. Client satisfaction and making their life easier are for us a key mantra in all that we do and offer as a bank.



Raiffeisenbank's wide range of awards confirms the outstanding quality of the services it offers. Also in 2023, the Bank succeeded in the fifteenth year of the Hospodářské noviny awards and became **the Best Bank of 2023** and **the Most Client-Friendly Bank for 2023** again. Raiffeisenbank has thus become the first bank to defend its double first place in both main categories of the Hospodářské noviny Visa Best Bank 2023 competition. In total, Raiffeisenbank has been named the best bank of the year for the third time since 2013, the seventh most client-friendly bank of the year and the first bank to win both awards three times in one year. In 2023 Raiffeisenbank also won the **Mastercard Responsible Bank of the Year award**.

All our clients can easily manage their products online in mobile or internet banking. They can also use the large network of branch offices or contact bankers by phone via the contact centre. Information can be also found on the Bank's website, or on LinkedIn, Facebook, or social network X.

Apart from its business activities, Raiffeisenbank is also involved in a number of community service activities **related to education, charity, and culture**. Social responsibility is an integral part of the Bank's corporate values, culture, and strategy and reflects the longstanding traditions of the Raiffeisen brand. Raiffeisenbank is a responsible bank and supports the society in which it does business and communities that are developing the values of civil society. The Bank proudly and actively observes the principles of responsible banking. We are aware of the key role and great responsibility we have as a bank in the process of a green transformation and its financing.

At the end of 2023, the Raiffeisen Group in the Czech Republic served around **1,960 thousand clients in a network of 119 branch offices, 162 advisory centres and a client centre located in Teplice**. The Group provides jobs for **more than 3,600 employees**.

According to a definition applied by the Czech National Bank, **Raiffeisenbank is one of the most systemically important banks in the Czech Republic**. Raiffeisenbank's majority shareholder is the Austrian financial institution Raiffeisen Bank International AG (RBI). RBI provides services to corporate and investment clientele in Austria and also serves clients in many countries in Central and Eastern Europe. The RBI shares have been listed on the Vienna Stock Exchange since 2005.

Statement of the Chairman of the Board of Directors

Photo: ND Zdeněk Sokol

Dear Ladies and Gentlemen,

In 2023, Raiffeisenbank celebrated thirty years on the Czech market. Today, we are a financial group with almost two million clients, specifically two million of the Czech market's most satisfied clients. We celebrated our thirtieth anniversary by being named again the Bank of the Year and the Most Client-Friendly Bank of the Year. We are the first bank on the Czech market to win the two awards for the second time in a row. At the same time, our record results in the acquisition of new clients and the volume of loans serves as proof that we still are the Bank willing to grow and improve our services. I believe that the results presented on the following pages of this Annual Report are convincing enough to see that the thirty years have been extremely successful years. At this point I would like to thank our clients for the extraordinary confidence and inspiration they relentlessly give us, as well as all my colleagues for their endurance, courage and creativity that make us the right place for our clients.

Over the years of Raiffeisenbank's operations in the Czech Republic, both the financial stability of the Czech banking industry and the financial literacy of the Czech society has improved notably. At the same time, the expectations of clients in respect of services provided by banks are rising. Over the past two decades, the Czech Republic has become one of the European countries with the highest penetration of digital technologies, which goes hand in hand with high demands for the digitization of banking services. In this respect, Raiffeisenbank aims to be the market leader and facilitate its clients' lives through modern, secure and easy-to-use technology. Therefore, we have invested most of our efforts, ideas and resources in the digitization of our services also in 2023.

Our initiatives fruited in more than 70 innovations and improvements in mobile banking focused on convenience, clarity, user-friendliness and security. We are among the pioneers of the Czech banking industry, introducing key digital innovations, such as the Pay a contact or Click to Pay services last year. Our new investment application was made fully available to all Raiffeisenbank clients in 2023. We are also constantly improving the already popular online banking services and functionalities, such as income and expense reports, widget payments, payment card data administration or blocking of payments with currency conversion. We test all development works in respect of our services with our clients before launch. Most importantly and perhaps surprisingly, clients also help us invent and prepare new services and forms of online banking functionalities. Their ideas and immediate feedback let us deploy changes and innovations in our online banking that clients will actually use and appreciate and that will make their lives easier. That is also a reason why three quarters of our clients use mobile banking today. Satisfaction with our online services reaches the market's top values. Last year, half of the more than 250,000 new clients opened an account with Raiffeisenbank online.

Rapid development and use of artificial intelligence marked the future of digitization in 2023. AI has already enabled us to accurately analyse client feedback to better and faster understand the clients' needs. The foreseen and prepared applications of artificial intelligence encompass a number of areas, including customer support, data analytics or faster development and individualization of online services. Availability of artificial intelligence in the Bank's systems also made life easier for our employees and made their work more efficient in many aspects. We see that the rapid development of digitization, assisted by artificial intelligence, is essential for making the lives of our clients easier. However, we are well aware of the persisting importance of personal contact at our branches and corporate centres. Such importance is often increasing in the case of comprehensive consulting and with regard to the wide range of digital services. That is why our top-quality personal services and advisory still are and will be available to our clients.

At Raiffeisenbank, we are aware that our growth goes hand in hand with increasing social responsibility, supported not only by the Raiffeisenbank group's taxes and mandatory contributions (including our customers' and employees') to the government, which for 2023 amounted to CZK 5.7 billion. Our role in sustainability, education, culture, and support for the socially disadvantaged is also increasing. In 2023, we successfully completed the largest issue of sustainable bonds in Central and Eastern Europe worth CZK 12 billion. We expanded our range of green products and services to include, among other things, promoted loans for photovoltaic projects for corporate clients and subsidy consulting, green loans, or responsible mortgage loans for private individuals. We are now ESG ISO 14001 certified and partners of CEE Sustainable Finance Summit, the largest ESG conference in the CEE region. We have long seen Raiffeisenbank's strong responsibility in supporting diversity, and I am proud that many women from Raiffeisenbank are annually named as the most prominent women of the Czech business and finance world. We pay great attention to the development and education of our employees as well as to the support of educational projects across the Czech Republic. Today, we are one of the ten companies with the greatest positive impact on education, according to the #ČESKObudoucnosti project. We have been inherently dedicated to support children in the long term. Our support takes the form of development and education as well as support of children disadvantaged in any manner, and that is why we have been helping and financially supporting the Good Angel Foundation in its great help to ill children and their families. As the long-term general partner of the National Theatre, we intensively support Czech culture and its development.

All these initiatives also helped us reach for the Responsible Bank of the Year 2023 award for the first time, in addition to the Bank of the Year and the Most Client-Friendly Bank accolades.

Let me conclude by addressing all our clients, employees, shareholders and partners once again. You are an inspiration and motivation for us and you made us the fastest growing bank on today’s Czech market. You let us participate in the development and growth of the entire Czech society. Thank you for that.

Yours faithfully,

Igor Vida
Chairman of the Board of Directors
and CEO of Raiffeisenbank

Board of Directors' Report on the Business Activities of the Company and the State of its Assets

"I think that last year's results are best described by the fact that Raiffeisenbank was the first bank to defend its double win in both main categories of Visa Best Bank 2023, a competition announced by Hospodářské noviny. For the second time in a row, Raiffeisenbank was named the best and most client-friendly bank of the year. I see the defending of our victory in the two main categories of the Czech Republic's most objective competition of its kind not only as the impartial appreciation of the results of our long-term work, but above all as a motivation to bring even more and even better services to our clients. In mid-November, for example, we were right among the first ones to let our clients use the Pay a contact service. More than 65 thousand of them registered their accounts to receive Pay a contact payments in just two months from the launch. Also, they sent over 25 thousand and received over 20 thousand payments. The demand for the service has met our expectations, and we believe that this simple way of making fast payments is to become increasingly popular among people. In the time to come, we will work to strengthen and develop our position as one of the leaders in the digitization of the Czech banking industry."

Igor Vida
Chairman of the Board of Directors
and CEO of Raiffeisenbank

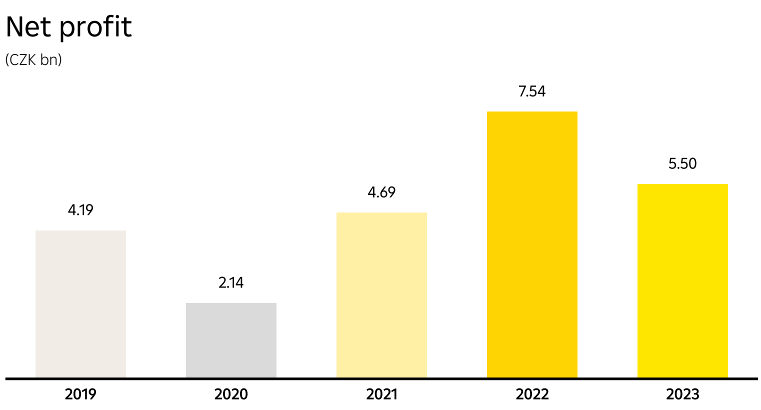
The Bank's economic results for 2023

Raiffeisenbank reported CZK 5.50 billion in profits for 2023

- Volume of loans provided to clients: CZK 366 billion (4.7% up year on year)
- Volume of client deposits: CZK 539 billion (10.1% up year on year)
- Total assets of the Bank: CZK 677 billion (12.6% up year on year)
- Net profit of the Bank: CZK 5.50 billion (27.1% down year on year)
- Strong capital standing: capital adequacy ratio at 24.02% as at 31 December 2023

The Bank's net profit and revenue

The Bank's **net profit** for 2023 reached **CZK 5.50 billion**, an amount 27.1% down compared to the previous year.



The Bank's **total operating revenue** declined by 5.2%, reaching CZK 17.33 billion.

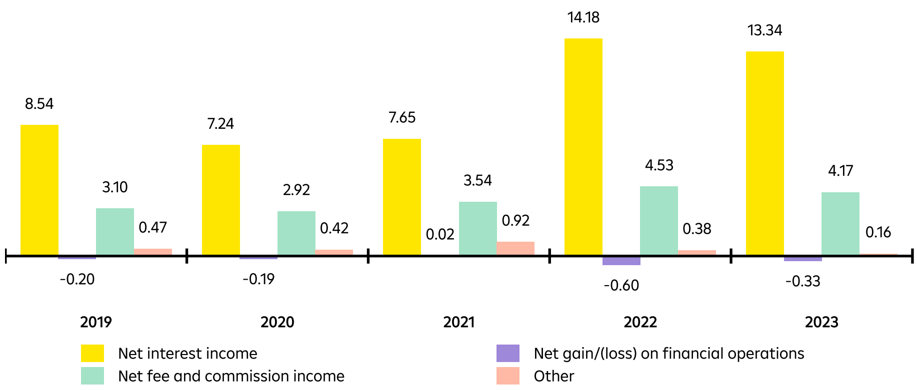
The **net interest revenue** of the Bank dropped 5.9%, totalling CZK 13.34 billion. The decrease is particularly due to higher interest paid to clients, especially on savings accounts.

Loss on financial operations reached CZK -330 million, which is an improvement of CZK 272 million.

Net revenue from fees and commissions saw a decline by 7.9% over the year, reaching CZK 4.17 billion.

Operating revenues and expenses

(CZK bn)

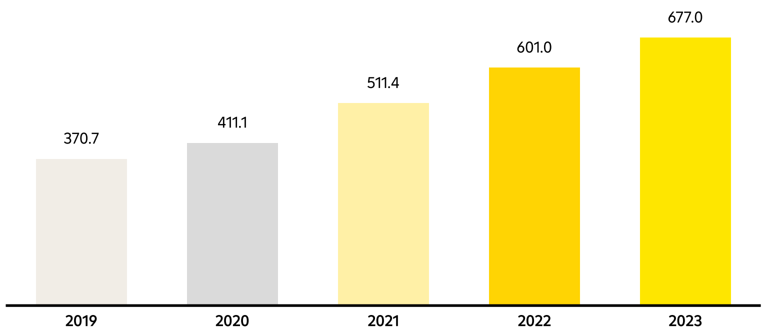


Balance sheet, deposits, and loans

The Bank's **total assets** amounted to CZK 677 billion, thus increasing 12.6% year-on-year.

Total assets

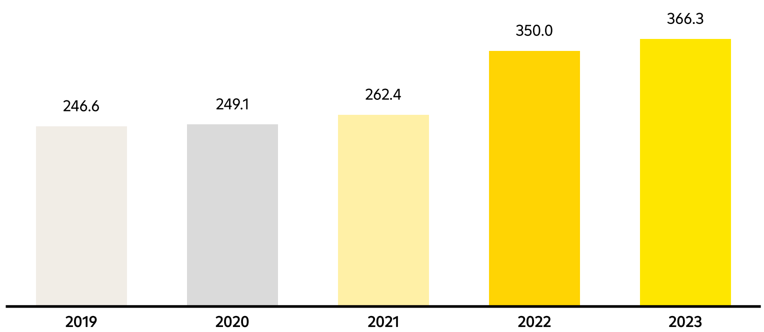
(CZK bn)



The **volume of loans provided to clients** grew annually by 4.7% to CZK 366 billion. This growth was seen in the form of mortgages and consumer loans by households as well as on the part of corporate clients, particularly in investment loans.

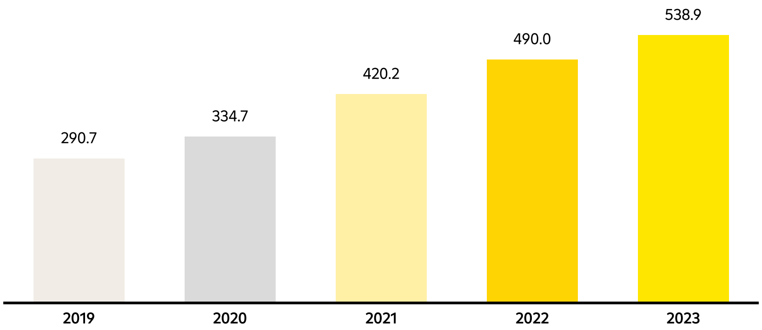
Loans and other receivables from clients – total

(CZK bn)



The **volume of deposits accepted from clients** rose over the year by 10.1% to a total of CZK 539 billion. Growth is driven by increasing balances on savings accounts and time deposits, both on the part of households and corporates. As for companies, the biggest increase was in time deposits.

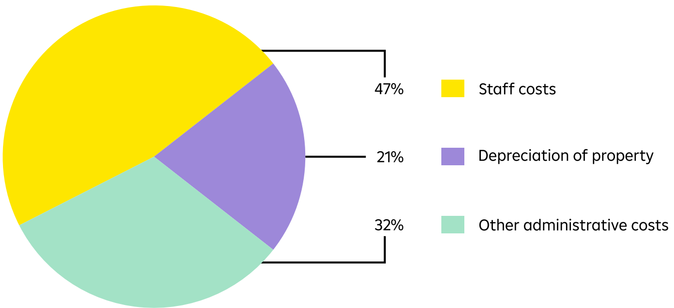
Client deposits
(CZK bn)



Costs

Operating costs amounted to CZK 8.6 billion, declining by 4.8% year on year, particularly due to synergies resulting from the merger with Equa bank a.s.

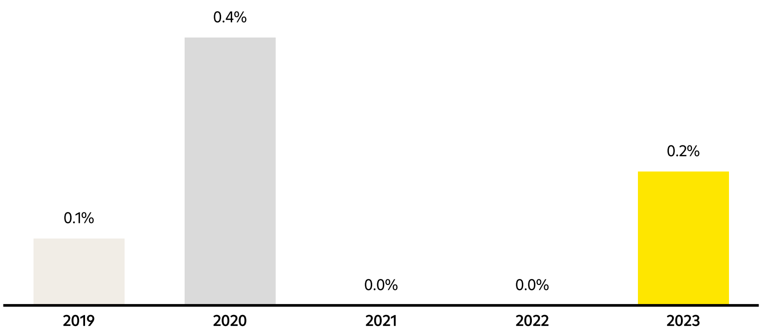
Operating expenses



Risk management

Impairment gains/(losses) from loan exposures and off-balance sheet exposures added CZK 1.478 billion in absolute numbers year on year, as provisions worth CZK 1.351 billion were created in the course of 2023, relating to both households and corporations. Nevertheless, Raiffeisenbank continues to maintain a very sound loan portfolio. The share of impairment gains/(losses) from loan exposures and off-balance sheet exposures in average assets at the end of 2023 is 0.2%.

Share of impairment gains/(losses) from loan exposures and off-balance sheet exposures in average assets



Capital

As at 31 December 2023, the **Bank's capital adequacy** reached 24.02%.

The Bank's ordinary General Meeting held on 24 March 2023 resolved to transfer the full amount of profits for 2022 of CZK 7.54 billion to retained earnings. Holders of AT1 capital investment certificates were paid a coupon in the amount of CZK 308 million. The Bank's extraordinary General Meeting held on 14 December 2023 decided to pay a dividend to the shareholders in the amount of CZK 3.185 billion from the Bank's retained earnings.

An increase in retained earnings has a positive impact on the Bank's capital adequacy ratio.

Raiffeisenbank's Market Position

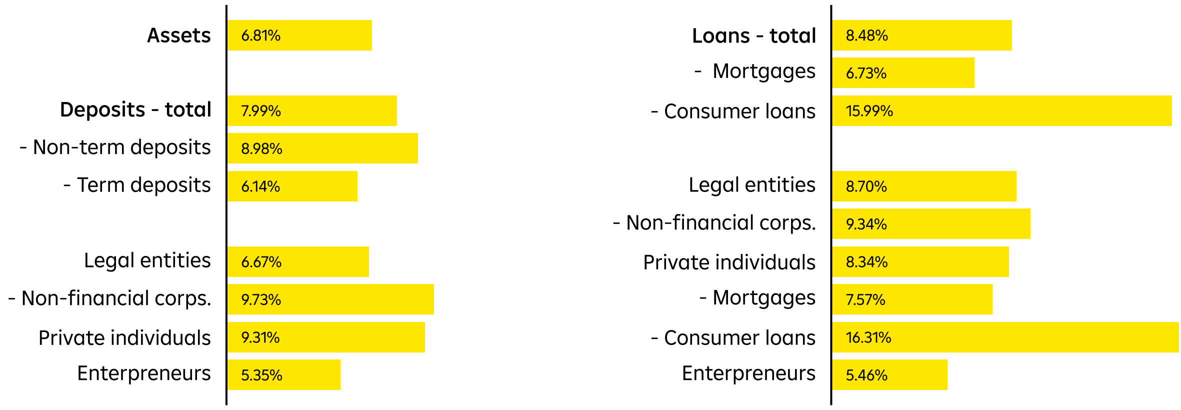
In 2023, we continued to face tight economic conditions, which also had a strong impact on the banking sector. High inflation, consistently high interest rates, and the uncertainty of future developments deterred households and companies from spending and investment. This led to a drop in demand for corporate and retail loans. The conversion of corporate loans denominated in Czech crowns to euro loans has been slowing down in proportion to the narrowing gap between crown and euro interest rates. However, the share of euro loans remains at historically high levels. Although the mortgage market gradually gained strength throughout the year, it remained well below pre-Covid levels. Consumer loans maintained stable demand. The propensity to save continued to strengthen, and deposits grew faster than in the previous year. In addition, the amount of *"excess deposits"*, i.e. deposits above the trend level of 2019, remained above the CZK 400 billion mark throughout the year, and there is still no sign that they will be drawn down over the long term.

Even in 2023, Raiffeisenbank maintained its attractive position as the fifth strongest bank with a 6.81% share of the total assets of the banking sector. It has a 7.99% market share in total deposits and manages 8.48% of the total loan portfolio of the banking sector.

In terms of the time structure of deposits at Raiffeisenbank, time deposits dominated last year, reflecting the overall market trend. They increased at an exceptionally faster pace than demand deposits, which is why their share of the Bank's total deposits rose to 27%. The Bank currently manages 6.14% of all time deposits. Household deposits, which make up almost 60% of all Raiffeisenbank deposits, grew by more than 7% last year, and the Bank currently has a market share of 9.31%. The Bank's corporate clients increased their deposits by 3.3%, and this gave Raiffeisenbank a market share of 9.73%. Business clients were forced to draw on their savings last year. The volume of their deposits fell by 16%, and this reduced the market share to 5.35%.

Despite the above-mentioned drop in demand for new loans, corporate loans provided by Raiffeisenbank maintained a decent growth rate. The volume of these loans increased by more than 8%, and the Bank now has a market share of 9.34%. In the household segment, the Bank manages 8.34% of all loans in the banking sector. The best results were achieved by consumer loans with an increase of more than 9%, bringing the Bank's market share to 16.31%. For mortgages, on the contrary, the Bank did not reach the market growth rate, and its market share decreased slightly to 7.57%. The unfavourable economic climate manifested itself most strongly in the self-employed client segment. The volume of loan fell by more than 9%, reducing the Bank's market share to 5.46%.

Raiffeisenbank's Market Position



Note: All data are compiled based on the statements prepared in accordance with the methodology of the Czech National Bank.

Commercial activities

Details on innovations and services offered in 2023

RETAIL BANKING

Rapid growth of Raiffeisenbank's client portfolio continued in 2023 and we confirmed our position as the fastest growing bank on the Czech market. We have achieved a leading role in the acquisition of new clients in particular due to the attractive offer of current accounts for private individuals and entrepreneurs. **Current accounts are without any fees and without any terms, and withdrawals from ATMs worldwide are also free of charge. For most of the year, new clients could additionally receive a reward of 6x500 CZK for the active use of a payment card.**

Current accounts for private individuals can be opened at Raiffeisenbank **completely online in 10 minutes without having to visit a branch office**. Due to the significant expansion of the Bank iD service, there is no need to upload copies of documents and send an authentication payment from another account in order to verify new clients. Bank iD has become one of the most secure authorisation services in the entire region of Central and Eastern Europe. Throughout 2023, we continued to offer clients **the HIT PLUS savings account with a favourable interest rate**.

Raiffeisenbank **continued to develop a new interface for the provision of consumer loans**, and at the end of 2022/early 2023, following the Equa bank model, it offered existing and new clients the RePůjčka product intended for refinancing and consolidating their loans. In the middle of the year, the Bank offered current clients **Minute Loan** (Minutová půjčka) **and RePůjčka in the form of pre-approved offers**, thereby **completing the integration of loan repaid products via the new platform**.

Since September, the Bank has made it possible for loan applicants who were not yet clients to sign and **draw down a loan completely online via Bank iD** without the need to visit a branch office.

Due to the combination of the new technical solution, speed of processing and the parameters of the products offered, which include the provision and administration of loans without any fees, the Bank managed to increase the total sales volume for Raiffeisenbank and Equa bank together. The Bank also used a new technical solution for lending and, starting in the autumn, expanded it to include the option of arranging a Raiffeisenbank Credit Card.

The **Minute Loan** (Minutová půjčka) product **succeeded in the competition of the financial portal Finparáda.cz Financial Product of the Year 2023**. In the category of Bank and Consumer Loans, **Minute Loan** (Minutová půjčka) **won the 1st place as Product of the Year**. Minute Loan (Minutová půjčka), the original product of Equa bank, offers a quick and intuitive loan arrangement for all our clients and non-clients and is a great solution for lending, which puts it at the top of the domestic market.

Raiffeisenbank offers unique services associated with current accounts, such as **multi-currency** (up to 18 currencies in one account) or a favourable exchange rate for a monthly fee of CZK 29, alternatively free of charge in case of higher current account types.

In 2023, we achieved **excellent business and financial results in the Retail segment**:

- The number of clients rose year-on-year by about 180,000 thanks to organic growth.
- Loans to clients increased year-on-year by more than CZK 6,5 billion.
- Volume of client deposits rose over the year by 10.1%.
- The number of permanently active mobile banking users **crossed the threshold of 1 million users**.

PRIVATE BANKING

In 2023, the volume of funds managed by private banking increased by almost 11%, and at the same time, the volume of invested money rose by more than 23%. Strong market appreciation contributed to the investments, which clients welcomed by increasing their volume throughout the year. Throughout the year, the topic of inflation resonated strongly, and clients mostly moved their free cash resources to time deposits. Trading in treasury bills and domestic bonds in general received a high level of interest. At the end of 2023, we opened a **second Private Equity fund** for clients.

The overall good year has also had a positive impact on customer satisfaction, and in regular NPS metrics, we have achieved the best results so far for 2023.

BUSINESS AND CORPORATE BANKING

Once again in 2023, **we confirmed our position as the leader in client satisfaction** (NPS) on the domestic market in all corporate segments. **In the segment of entrepreneurs and small enterprises**, the Bank continued in 2023 to focus on

expanding and optimizing the digital solutions for products and services that it offers these clients. For example, more than **a fifth of new clients used, in addition to Bank iD, the option to open an account fully online** without the need to visit a branch office.

New clients were included in the successful marketing campaign *"6 x CZK 500"*, which contributed to an increase in the overall number of Bank clients in the segment of entrepreneurs.

The Bank introduced several **new services for entrepreneurs in the mobile app**, for example, the option of online possibility to arrange an appointment at a branch office or setting up time deposits completely online.

The Bank has streamlined the business life of clients even beyond digital channels. It **simplified the opening of accounts for companies represented by foreign nationals**, expanded the options of service and advice for entrepreneurs and companies with the **remote advisor concept**, and adjusted the credit process so that some clients who prefer remote service may contact a specialist over the phone in order to assist them, for example, with a more complicated loan application in real time. The Bank also **expanded the range of documents available for remote signature** without the need to visit a branch office.

Generally in the area of lending, the Bank continued to increase the total balance of assets and again witnessed **year-on-year double-digit growth for the volume of new loans**, mainly due to the increase in maximum credit limits and the adjusted provision of secured loans. As part of this offer, entrepreneurs and small enterprises can obtain a loan using the product **Mortgage for Entrepreneurs with an LTV ratio of up to 90% without the need to secure the debt with a promissory note.** It was not only the above-mentioned changes that contributed to 2023 ranking first historically in terms of the volume of new financing.

In the corporate client segments, 2023 was a **commercially and financially remarkably successful year** for Raiffeisenbank. Total revenues in the SE (Small Enterprises), MM (Middle Market), and LC (Large Corporate) segments increased year-on-year by more than 10% and the volume of provided loans by more than 5%. We also managed once again to achieve growth in the volume of client deposits by 2% compared to the previous year.

In the SEMM segment (small and medium-size enterprises), we again confirmed our **excellent results in the acquisition of new clients** and, compared to the existing client portfolio, **we increased the number of new clients by approximately 15%**. Due to the massive acquisition of new clients, we achieved a **year-on-year rise in revenue of 14%**. **Client deposits also grew significantly, increase by 15%** in 2023. In the area of drawn-down loans in this segment, we focused primarily on the quality of the loan portfolio, which we managed to maintain at a particularly good level even in this specific year, although an increase in volumes in 2023 for this indicator was not recorded.

We achieved a **significant shift in digitalisation** of selected processes. **Over 90% of all continuous drawdowns of credit operating limits (91%) and almost all requests for issuing bank guarantees (95%) were carried out online via Internet banking.** The share of user authorisation changes for current accounts also increased significantly in 2023. 74% of selected requirements were implemented by clients themselves in Internet banking. Last but not least, in 2023 we created a specialised product team focused on financing residential and non-residential real estate projects to meet the growing demand of small and medium-size enterprises.

For the LC (large corporations) segment, 2023 was another in a series of record years, both from a financial and business perspective. For the first time in history, **LC broke the threshold of CZK 2 billion in gross revenues and CZK 60 billion in loans**. Double-digit year-on-year growth in the loan portfolio, especially in structured and syndicated transactions, which partly replaced the lower utilisation of operating loans, as well as the **strong acquisition of new clients** contributed to excellent LC results. We are proud to have created several exciting opportunities for our clients for interesting mandates to implement RBI group products. The continuing high level of satisfaction of LC clients with Raiffeisenbank's services has enabled us to contribute very actively to the expansion of business cooperation with other banks and countries in the RBI group.

Due to the volatility on the money markets, we carried out an above-average number of hedging and FX transactions, in part with completely new clients. Over CZK 7 billion new guarantee frameworks and almost 50 clients actively using RBCZ services in the area of commodity clearing contributed to exceeding the budget also in the area of Bank fee income. The expectation of a drop in rates has reopened the possibility for our largest clients to discuss CZK and EUR bonds as one of the potential forms of their financing.

2023 was a turning point for LC from the standpoint of Compliance processes. Through joint efforts with colleagues from specialist departments, we managed to **significantly modify the process of regular AML/KYC audits** for the Bank's largest and most complex clients. With colleagues from RBI, we have started testing a joint group approach to the collection and sharing of data for KYC audits for international and multinational corporations.

Another key topic of 2023 in LC was digitalisation: from the initial 50%, we managed to end last year with more than 70% of LC clients actively using our IB. We will continue to work on its development and supplementation of the functionality needed for the E2E digitalisation of complex clients in 2024.

STRUCTURED FINANCE

2023 was a successful year also in the segment of structured and real estate financing. Despite the difficult economic conditions, we achieved a **7% increase in loans and a gross profit of almost CZK 1 billion**. We were especially successful in the residential segment where we continued our successful long-term cooperation with the largest residential developers on the market. In the commercial real estate segment, these were primarily development projects for the construction of production halls as well as acquisition transactions for the purchase of business and retail centres. We were significantly involved in several **syndicated loans**, which were provided in the **largest real estate transaction carried out on the market**.

TRADE & EXPORT FINANCE / FACTORING / ESG

In the areas of Trade & Export Finance, Receivables Finance and Sustainable Finance, we focused on providing comprehensive solutions ensuring our clients the smooth and safe running of their business transactions and at the same time solutions addressing specific needs and projects helping our clients when entering new markets, as well as in acquiring new local references. We supported a number of significant investments with an appropriate finance structure.

A significant element influencing 2023 was the geopolitical situation, which involves potential risks, including risks associated with the disruption of supply-customer chains. Our clients are aware of these risks, which were reflected in the use of Trade Finance instruments eliminating these risks in particular, as well as the continuing trend for greater use of non-recourse debt financing where the Bank assumes the risk associated with the hesitancy and unwillingness of our clients' customers to pay. In this respect, our clients use a **modern receivables** platform that makes this process flexible and transparent.

We actively used special EGAP programmes for our clients, specifically EGAP plus, which was designed for companies affected by the geopolitical situation. From the standpoint of the number of supported clients, we achieved a market share of 9.8% for this programme. In addition, we were the first bank on the Czech market together with our client to use the EGAP programme to support exports to Ukraine.

We are very pleased with the effective communication and advice on the concept of sustainability and sustainable finance. Due to providing correct and relevant information to our clients in this area, our clients successfully managed to make investments that, in addition to the economic sense, also contribute positively to transforming the economy into a sustainable one. In addition to identifying and financing specific ESG technologies and assets, the number of companies whose financing is linked to fulfilment of their sustainable strategy or specific ESG indicators is also rapidly growing. For these activities , we won the **3rd place in the Green Crown category for the product Financing Energy Savings in the Zlatá koruna competition, and especially the 1st place in the Mastercard Bank of the Year award for the Responsible Bank**. In this area, we also offered our corporate clients two new products: **Loans for FVE financing** and **Financing of Energy Savings**.

TECHNOLOGY

In 2023, Raiffeisenbank strengthened its digital platform for existing and new clients. Among the most significant achievements belongs **119,000 new clients acquired digitally** from the segment of private individuals. This success was supported by its interesting sales campaign, as well as the simple and modern process of digital onboarding to the Bank based on identification of new clients via Bank iD.

Raiffeisenbank further expanded the existing process of arranging consumer loans with the option of completing it online without the need to visit a branch office. In the second half of 2023, the **credit card application for existing and new clients was also modernized**.

The launch of the new Raiffeisen Investice mobile investment application, which allows the Bank's clients to start investing easily and quickly in shares, ETFs, mutual funds, or investment certificates, can undoubtedly be considered another milestone in the area of digitalization.

At the end of 2023, the **number of active mobile banking users crossed the threshold of 1 million users**, and Raiffeisenbank thus joined the few banks on the Czech market that has achieved such a high number of clients actively using their mobile app.

The long-term satisfaction of clients with mobile banking is one of the main priorities, which is why in 2023 the online services were further developed and expanded to include new innovations, such as **Pay a contact**, due to which the recipient's account number is not needed, and payments can be made with just the recipient's phone number. In addition, Raiffeisenbank invested in simplification of services related to the management and use of debit and credit cards and enabled to its clients to use news like such as displaying card details, the option of using the **Click to Pay** service or **managing digitally stored cards at online merchants**.

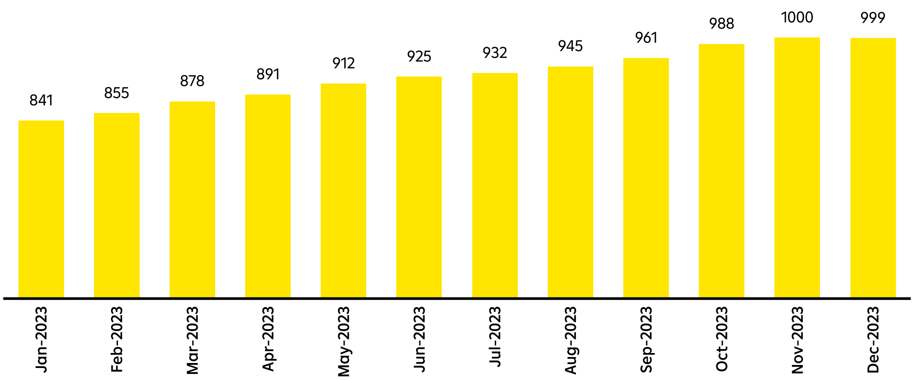
We also developed technology in the area of corporate banking and we **successfully completed the migration of corporate clients to the new and modern internet banking** enhanced with **new functionalities** such as standing orders in foreign currencies, payments with an individual exchange rate, combined payments, and displaying the complete portfolio of interest-bearing deposit products.

We also offer the possibility to **sign documents fully electronically** to our corporate clients, e.g. client information forms, time deposits, investment questionnaires, TMA and CMA contracts, and price programme changes digitally using RBox. In June, we launched dedicated e-mail and phone support for our digital channels. The ***"PREMIUM API"*** **service**, through which the Bank's clients can monitor balances, transactions, and transaction history on their accounts and enter payments directly in their accounting systems and applications, **expanded to include statements and exchange rate information**.

With a significant shift in the digitalization of the Bank's services and differentiation in relation to the competition, **Raiffeisenbank received an award for the Best Bank in the area of digital solutions in the Czech Republic**, awarded annually by Euromoney as part of an international competition.

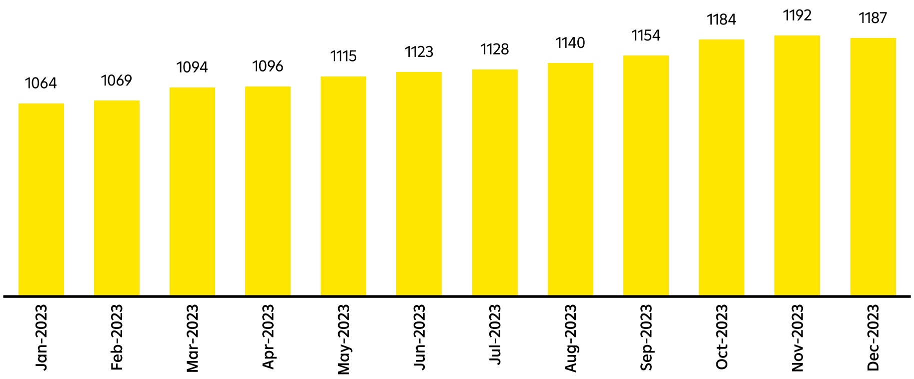
Number of the Raiffeisenbank mobile banking active users

(in thousands)



Number of the Raiffeisenbank digital banking active users

(in thousands)



Non-Commercial activities

People

The employees of Raiffeisenbank are key to fulfilling the Bank's strategy. The Bank emphasises the development of expertise and the personal and career growth of its employees. In addition, it cultivates a friendly atmosphere, excellent interpersonal relations at the workplace, and flexible working conditions. These areas are continuously monitored and verified internally with existing employees and externally with job applicants in the form of surveys relating to the perception of the Bank as an employer on the labour market. For the Bank, one of the strategic areas is the customer experience for clients and the job candidate experience with respect to the employer measured by the Net Promoter Score (NPS).

In 2023, the **average number of employees was 3,326**; and the **average age of employees was 39 years**. **56% of the employees are women**, and more than half of the employees have been working at the Bank for more than five years.

The Bank focuses on the development of corporate culture in the areas **of Empowerment, Customer Centricity, flexible functioning, and digitalisation**. These areas are key to meeting the needs of employees while respecting the Bank's vision. The need for development in these areas also influenced the development programme of our leaders – the leadership programme. In addition, the Bank creates an environment in which employees feel safe, can share their opinions, and are not afraid to make mistakes. We respect talent and diversity, the lifeforce of our employees, and what they can achieve.

Interpersonal relationships are important for employee satisfaction at work, which is why the Bank organises company-wide meetings, supports sporting events, such as the **Raiffrun cross-country race**, as well as informal team events. Employees also have the opportunity to recommend their acquaintances and friends for vacant positions and thus influence who they work with.

The Bank helps employees balance their work and personal life in the form of flexible working hours where the nature of the work allows, reduced working hours, or regular remote work and other benefits. Time-off beyond the scope of the law, three extra days of paid leave, one birthday day, one volunteering day, days off for loyalty, restart days, or time-off for significant life events are a matter of course.

Employees have the opportunity to voluntarily contribute to a number of charitable organisations, for example, **Dobrý anděl** or **SOS Children's Village**. They also participate in the **Movember initiative** or fulfil the Christmas wishes of children in orphanages. Many are actively involved in the initiative of the Czech Banking Association Bankers to School, and they also share their know-how at universities or various professional conferences.

As we understand that people at Raiffeisenbank want to help, we came up with a new idea in the form of Volunteering Day. Employees can use one fully paid day per year to help a non-profit organisation during working hours, either individually or together with their colleagues. In 2023, 353 employees took advantage of this benefit and together they provided help for approximately 2,200 hours.

Professional, personal, and career development is one of the Bank's priorities as an employer. Hence, we focus on the appropriate amount of investment, the quality of the provided development activities and services, and also flexibility. During 2023, our employees could choose from a range of in-person and online training and workshops. Our employees studied during the year for an average of 22 hours.

The Bank also supports the development of employees in their free time. In addition to annual leave, they have study leave available and can thus improve their qualifications. The number of days spent on additional studies at universities and postgraduate programmes was 273 days.

In addition to study leave, Raiffeisenbank allows employees to invest their benefits in education. Intercompany development activities are available for employees, such as coaching or mentoring, which employees can also participate in with internal experts.

The Bank creates an environment that nurtures women's career growth. We support women in their professional and personal development through development programmes and networking so that they can fully realise their potential. In 2023, we implemented an internal development programme for 10 female managers with growth potential for senior management roles.

It is very important to us that our employees continue to grow and to carry out work that matters to them. The internal job market is open to all those interested in both career advancement (moving up in the hierarchy) and professional growth (advancement to a more senior position in the same or another field). In addition, we encourage the participation of internal candidates during the selection process.

In 2023, 27% of employees changed their position and nearly 9% advanced their own careers, i.e. moved to a more senior position with a higher degree of responsibility. 91% of management positions were filled by internal candidates.

We organise a development Trainee Programme for university students, in which they have the support of a mentor, learn professional work, and are fully involved in the activities of the respective teams. With experience they have gained, they often move to positions of specialists and managers. In 2023, 48 student trainees joined this programme. During the same period, eight trainees accepted an offer of employment.

Raiffeisenbank is also actively involved in activities at universities. This includes, for example, Innovation Week at the Prague University of Economics and Business, during which we organised a **Hackathon for students on the topic of the Digital Future**. For two days, groups of young and enthusiastic students exchanged their school premises for a creative coworking environment where the students attempted to design what mobile banking of the future should look like. A total of 45 students from different classes and faculties participated. During the year, we also organised other activities for students and graduates. One of them was regular lectures from the IT and business environment at the Raiffeisenbank headquarters building in Prague. Another development activity was the **IT Masterclass** where students could gain valuable knowledge in the field of data, artificial intelligence, and innovation in one afternoon. We are a partner of the Faculty of Informatics and Statistics at the Prague University of Economics and Business, and our collaboration continues to expand.

We strive at the Bank to represent all age categories from the labour market. Every life situation brings different needs, and at the Bank, we take this into account by offering development, benefits, discounted offers, and other activities.

A number of activities are focused on supporting employees who are parents. For parents going on maternity or parental leave, the Bank has available the **Company nursery school Žiraiffka** as well as a partner nursery school in Olomouc. Colleagues from other regions can take advantage of a contribution for nursery school fees.

In addition, we have set up an online **community *"Dads and Mums with Us"*** for parents on maternity and parental leave, in which we share news from the Bank and offer suitable job opportunities. We make sure that parents do not lose contact with the Bank or their team on maternity or parental leave and that their return to work is easier for both sides. We also support the flexibility of our employees – an offer to cooperate in the form of part-time work. This is used by 8.5% of employees at Raiffeisenbank.

At Raiffeisenbank, we jointly create an environment where different people work equally well together. We consistently pay attention to diversity in all of its aspects, and we reflect this approach in all processes that relate to employees. It is understood that there are equal opportunities for everyone, regardless of age, gender, religion, sexual orientation, or life situations. Intergenerational cooperation at Raiffeisenbank is not just a slogan, but common practice, which is why you often come across colleagues who are already officially retired.

For the second year now, we have become one of the main partners of the **Equal Pay Day event**, which is aimed at supporting the equal representation of women and fair remuneration. **Cooperation with the international organisation Business Professional Women**, which is behind the whole event, makes sense for several reasons. The first of these is the possibility of sharing experiences and approaches from individual companies, as well as networking on topics that are not only related to equal pay. Through our partnership, we have also supported development opportunities for almost 1,200 mentees who participated in two-day mentoring under the guidance of experienced mentors.

As every year, we also participated in 2023 in the #FinŽeny project, which presents each year an overview of 131 inspiring women in the Czech financial world. Other inspiring colleagues, exceptional managers, and experts whose contribution to the industry is inspiring for others were added to this ranking.

The #FinŽeny project also presented the second year of the Hall of Fame. Kamila Makhmudova, a member of the Board of Directors of Raiffeisenbank, was added to the unique list of the most influential women in the Czech financial world. She was thus placed alongside the already awarded colleagues, Helena Horská and Yvona Tošnerová.

We received several awards in 2023 as well. We participated in the annual TOP Employers study, where we were ranked among the TOP 3 employers in the field of Banking and Investments. Over 11,700 university students participated in the survey.

In the prestigious independent survey **Randstad Award 2023**, we were **ranked 3rd in the field of Banking & Insurance**. The Randstad Employer Brand Research survey evaluates the following attributes each year: attractiveness, employer reputation, career growth, remote work, salary and benefits, workplace atmosphere, job content, or alignment with personal values.

Raiffeisenbank was also ranked among the TOP 10 companies that have the highest impact on education in the Czech Republic. It was decided by an expert jury according to KPMG methodology. As a result of this, we can use the ***"Tvoříme #ČESKObudoucnosti"*** badge. The non-profit platform *"#ČESKObudoucnosti"* aims to connect the leaders of today with the leaders of the future. It has been striving to accomplish this in various forms for 15 years and thereby supports fulfilment of the vision *"The Czech Republic as a brainchild of the world due to top-quality education"*.

The topic of fulfilling this vision was strategically addressed at an inspiring conference, at which Igor Vida, Chairman of the Board of Directors and CEO of Raiffeisenbank, was awarded the **title of TOP 10 finalist CEO of 2023** and Dana Fajmonová, director of People & Culture, was awarded the **title of TOP 10 finalist HR Director of 2023**. They are thus among the award-winning leaders who have been supporting education in the Czech Republic for a long time.

The Bank also received the highest **TOP responsible company award in the *"Diversity"* category**. It was awarded for the project ***"Work flexibility even at branch offices? Of course."***

Non-financial information and reporting duties, pursuant to Article 8 of the Taxonomy Regulation

Raiffeisenbank proudly and actively observes the principles of responsible banking. We are aware of the key role and great responsibility we have as the Bank in the process of green transformation and its financing.

The Bank would like to participate in creating the business environment that will lead to sustainable and socially responsible development. In addition, the Bank decided to consider the principles that are necessary to achieve this goal in its activities, processes, and products. The Bank is intensively preparing for reporting duties relating to the qualitative and quantitative requirements of Article 8 of the Taxonomy Regulation and the requirements for submitting the reports on sustainability – the CSRD Report (EU) 2022/2464 – Corporate Sustainability Reporting Directive. The (data) preparation for the needs of ESG reporting (internal and external) and the reporting of sustainability data was also launched in 2023 and completed for the most part.

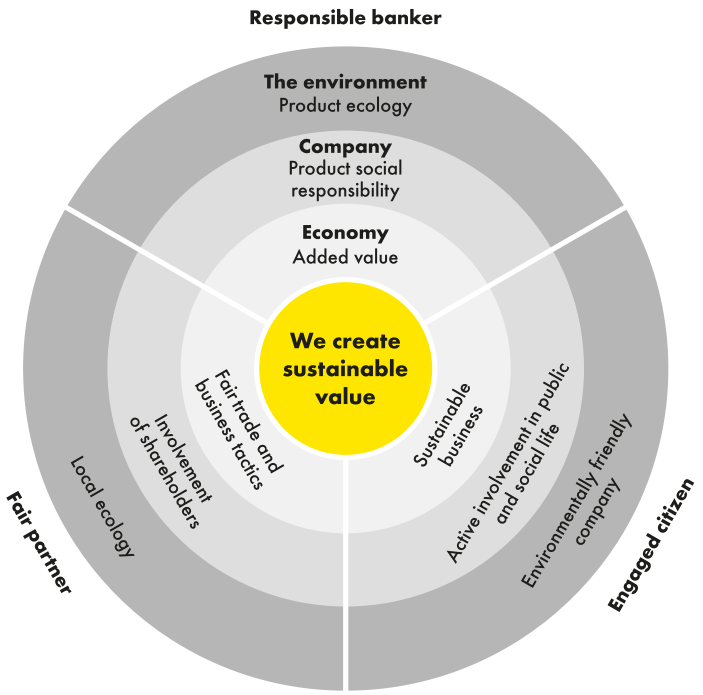
All non-financial information is, in accordance with applicable regulatory requirements, presented in the group sustainability report – RBI Group Sustainability Report. This report also contains complete data on the Bank's social responsibility and information on projects and activities that the Bank continuously implements in the area of sustainability and responsible banking. The RBI Group Sustainability Report 2022, which consolidates all the results of the individual companies, including the results of the Czech Republic, is available at: https://www.rbinternational.com/en/sustainability/sustainability-report.html. In addition, the Bank is preparing to issue its own non-financial report on sustainability according to the requirements of the CSRD and in accordance with the ESRS – European Sustainability Reporting Standards. This sustainability report will be published by the Bank for the first time as part of the 2024 Annual Report (early 2025).

Responsible Banking in Raiffeisenbank a.s.

Banking strategy for sustainability

Sustainability has always been a basic principle of the entire RBI group and also a key benchmark of our success. For 130 years, the Raiffeisen group has always combined financial success with success in the area of social and environmental responsibility.

The Bank's objective is to make life easier for clients. In the area of ESG, we would like to help them on their way to sustainability. In order for the Bank to be a trustworthy and transparent partner on this journey, it must set a good example. Thus, all three aspects of sustainability – environmental responsibility, social responsibility, and sustainable management – are an inseparable part of the everyday work at Raiffeisenbank. In May 2023, the Bank's Board of Directors approved a local independent Sustainability Strategy (https://www.rb.cz/o-nas/spolecenska-odpovednost) that defines the Bank's approach to ESG.



The vision of the strategy is to help clients on their way to sustainability. Three basic pillars help to achieve this vision and target different interest groups:

3 Pillars of Sustainability

1) ESG consulting and sustainable finance – a sustainability pillar geared to the Bank's clients
2) Environmental and social responsibility – a sustainability pillar geared to the environment and society
3) Responsible administration and management – a sustainability pillar geared to the Bank's employees

All three pillars support each other, and they are practically implemented using specific tools. Each sustainability pillar has a specific set of tools to help with its implementation.

The 1st pillar – ESG consulting and sustainable finance is implemented using the following tools:

- ESG consulting
- Sustainable products and investments
- Digitalisation

The 2nd pillar – Environmental and social responsibility is implemented using the following tools:

- Efficient operations and management
- Paperless processes
- Charity and social responsibility

The 3rd pillar – Responsible administration and management uses the following tool:

- Fair employer

In 2022, the Bank created a new ESG Governance/management structure that was further developed in 2023 in order to enable the effective implementation of the principles for responsible banking and sustainability throughout the entire banking group. Key players in ESG Governance include:

- CEO – promotes the topic of sustainability throughout the entire banking group.
- Sustainability Officer Team – management and coordination role, non-financial reporting.
- ESG & Support Products – commercial team geared to supporting sustainable financing.
- Responsible Banking Steering Group – working group geared to developing sustainability and responsible banking.

Our successes in the area of sustainability for 2023

- We won the Mastercard Bank of the Year competition and were awarded the Responsible Bank of the Year 2023 award.
- We defended the *"double"* in the Hospodářské noviny competition, i.e. we won two of the most prestigious awards in one year. For the third time in a row, we became the Best bank and the Most Client-Friendly Bank of the year 2023. In addition, we are the only bank in the history of the competition to win the double more than once.
- We received the prestigious award TOP Responsible Company in the category Diversity for our work project Flexibility at branch offices as well.
- In January 2023, we successfully completed the issue of a sustainable bond worth CZK 12 billion. It was the largest sustainable bond issued by a financial institution in Central and Eastern Europe. The proceeds from the bond will be used exclusively to finance projects that have a positive impact on society and the environment. With this issue, we followed up on the issue of green bonds from January 2021.
- We expanded our offer of green products and services, including new ESG investments. For example, we offered corporate clients the opportunity to take out a preferential loan for photovoltaic projects, or we introduced a Responsible mortgage that supports the financing of energy-saving real estate with a lower interest rate. Expert ESG consulting for corporate clients combined with an offer of educational seminars is also a matter of course.
- We actively participated (together with other Czech banks in the Czech Banking Association – Committee for Sustainable Finance) in introducing a joint ESG questionnaire for corporate clients. This questionnaire helps corporate clients better understand the topic of sustainability and defines the basic ESG data requirements that banks must collect and subsequently evaluate as a result of regulation.
- During the entire year 2023, we worked intensively on the adjustment of internal approval and IT systems so that *"green"* transactions could be designated and subsequently reported for our needs and the regulator's needs.
- In May 2023, the first independent RBCZ Sustainability Strategy was approved by the Bank's Board of Directors, and it summarises the Bank's approach to responsible banking and defines the goals (KPIs) we want to achieve.
- In August, we obtained the prestigious internationally recognised certificate ČSN ISO 14001:2015 (Environmental management). This certificate confirms that our Bank follows strict environmental rules in the area of its own operation and management (including waste management).
- In the autumn, we organised two lectures on the topic of waste management and the circular economy which we connected, among other things, with the awarded ISO 14001 certification.
- In 2023, Raiffeisenbank was ranked among the TOP 10 companies that have the largest positive impact on education in the Czech Republic. We won an award and we create the Czechia of the future (Tvoříme #ČESKObudoucnosti).
- The Bank was a partner of the international conference CEE Sustainable Finance Summit 2023, which was attended by the most important personalities who influence the development of the topic of sustainability on the European market.
- Throughout 2023, we actively cooperated with universities, specifically the Czech University of Life Sciences, the University of Chemistry and Technology, and the Prague University of Economics and Business. This collaboration allowed us to share expertise and experience with students, and we also received valuable and inspiring feedback from the academic environment.
- We continued to implement ESG directives. For example, we recently introduced the Human Rights Directive at the Bank.

Selected projects and activities relating to corporate social responsibility in the Czech Republic

Economic area

At Raiffeisenbank, we prioritise an ethical and transparent approach based on the Code of Conduct, which is published on the web pages rb.cz (https://www.rb.cz/en/about-us/about-raiffeisenbank/ethical-marketing?an=wp). The Code of Conduct is binding for every employee and is an integral part of every activity that each of our employees performs, as well as every interaction with clients, suppliers, and partners. Therefore, we also build a corporate culture and promote fair relationships across the market.

At the beginning of 2021, the Bank signed the ČBA Memorandum on sustainable finance. In doing so, it openly committed to strengthening ecological and socially responsible business in the Czech Republic. The Bank also signed the Diversity Charter in 2021, participated in the establishment of the Climate & Sustainable Leaders initiative in 2022, and became part of the Change for the Better organisation. In 2023, the Bank became a new member of the Society for Ethics in Economics, Business, and Administration.

In 2023, Raiffeisenbank continued to be actively involved in the work of the Committee for Sustainable Finance (including its working groups) in the Czech Banking Association. By signing the Memorandum on Sustainable Finance, Raiffeisenbank openly committed to strengthening ecological and socially responsible business in the Czech Republic. The Bank would like to actively participate in creating such a business environment that will lead to the sustainable and socially responsible development of the country. In addition, the Bank undertook to consider the principles of responsible banking in its activities, that are necessary to achieve this goal.

Part of the commitment described in the Memorandum is the readiness of banks to cooperate with public administration as a part of resolving the Czech Republic's specific situation in co-financing (sustainable) projects implemented with the assistance of EU funds.

In 2023, Raiffeisenbank continued its cooperation with the National Development Bank and the European Investment Fund. Due to this cooperation, entrepreneurs and companies could obtain financing on favourable terms.

Raiffeisenbank was the first bank in the Czech Republic to issue a green bond in 2021, with the help of which it significantly supported the financing of environmentally focused projects. The Bank followed up on this issue at the beginning of 2023 by issuing a Sustainable MREL bond – the proceeds from the sale of these bonds are used exclusively to finance sustainable and socially responsible projects (green buildings, renewable energy, energy efficiency, clean transport, sustainable agriculture and forestry, waste management , recycling and pollution protection, circular economy, water saving and sustainable waste water management, education, access to basic civic amenities and services, affordable housing, employment support).

Both of these bond issues, totalling EUR 850 million, effectively confirm Raiffeisenbank's determination to actively finance the green transition and effectively channel funds into sustainable activities. The issue of bonds gives a clear signal of the Bank's commitment to supporting the environmentally sustainable development of the Czech economy.

Social area/Community

Raiffeisenbank is a responsible bank and supports the society in which it does business and communities that are developing the values of civil society. As a part of social responsibility, we help organisations operating in three main areas: charity, financial education, and culture/sports.

In 2023, the Bank carried out, among others, the following activities relating to social responsibility:

- As a part of charity, the Bank together with our employees have been helping the Good Angel foundation for a long time, and we support organisations such as SOS Children's Villages, Agora 7, and many others.
- We consider financial education to be part of our mission. This is why we have been assisting with the development of an entertaining educational platform to support financial literacy, Zlatka.in, intended for pupils and students of primary schools, secondary schools, and grammar schools. Our Bank actively participates in the Bankers to School project, as a part of which we help develop pupils' general knowledge of finance and cyber security. We are one of the main partners of the Advisory Centre for Financial Distress.
- Supporting culture and sports is an inseparable part of our brand. Culture is one of the most important areas for the development, education, and values of every society. In the same way, we perceive it as one of the basic pillars of democracy and the plurality of opinions. This is why we are a proud long-term general partner of the largest Czech cultural scene, the National Theatre. In the area of sports, we are the largest supporter of amateur and professional golf in the Czech Republic and actively help the development of other sports at the amateur level, for example running.
- When doing business, we observe the code of ethics and the ethical code for suppliers.
- We are a member of the Coalition for Transparent Business, which strives to cultivate the business environment in the Czech Republic, namely in the area of public procurement.

In addition, we make every effort to ensure responsibility in the area of lending over the long term. Both our processes and the risk assessment of clients support to the maximum extent healthy lending and are aimed at eliminating any future repayment hardships. However, if such a situation does occur, we offer clients the assistance of the *"Debt Advisory Centre"*. We work closely with the centre, which advises clients on how best to resolve their particular situation.

Another important project of ours aimed at increasing financial literacy is the interactive educational platform Zlatka.in intended for pupils of the 1st and 2nd grades of primary schools and secondary schools. Through online tasks and games, children learn the basics of sound money management, learn how banking products work, and learn about cybersecurity.

- In 2023, 381 employees at the Bank took advantage of the newly introduced Volunteering Day. Together, we assisted for a total of 2,579 hours throughout the Czech Republic in 23 organisations.
- 36 employees participated in the activity Bankers to School. They lectured pupils on the topic of financial health or cybersecurity.
- The total value of the Bank's sponsorship and donations in 2023 exceeded CZK 47 million. Support was directed to social areas and for families in need, education, sports, art, and culture.
- Children on the Zlatka.in platform donated 158,703 coins (which the Bank converted into real money), which they received for successfully solving financial literacy tasks. With this money, it was possible to finance 52 clubs for children in children's homes, enabling them to participate in sporting activities, sing in a choir, or visit ceramic workshops.

The environment

At Raiffeisenbank, we are constantly striving to increase the demands on the positive environmental impact of our business. We do so not only while implementing business activities (e.g. by financing projects with a positive impact on the environment), but the employees themselves also contribute to the positive impact on the environment, in particular perfecting recycling, conserving energy, optimising the use of transportation for business trips, and in general, replacing them with teleconferencing. We reduce energy and water consumption in a long-term and systematic manner, and the part of our responsible approach is the use of environmentally friendly cleaning products in our offices. In 2023, the Bank was awarded the ISO 14001 certification (Environmental Management System).

Projects focused on environmental responsibility that the Bank continued to develop in 2023 include the following:

- We continuously reduce our own energy demand (installation of energy-saving technologies relating to water, electricity, heating and cooling, energy audits).
- We use a new design for branch offices supporting sustainability (greater modularity and flexibility, use of recycled materials).
- Hybrid cars form part of our Company fleet, and all Company vehicles meet strict emission standards.
- We are optimising our data centres and switching to new, more economical solutions.
- We are digitalising our paper document archives.
- We use shared workplaces.
- A large part of the Bank's internal processes is completely paperless, and we are constantly working on further digitalisation and offer online solutions to our clients as well.
- We are perfecting our recycling system.
- We handle water responsibly (and use environmentally friendly cleaning agents).
- We have a code of ethics for the Bank's suppliers, which we follow when concluding supplier-customer contracts.

Sponsoring activities

The areas of sponsorship are based on the Bank's overall strategy, building on the brand's promise. When selecting sponsored activities, it is crucial not to split the partnership into many smaller activities, but to focus on key entities and events in the area of culture and sports.

Since 1 September 2017, Raiffeisenbank has been the proud general partner of the National Theatre, which is considered the main theatre in the Czech Republic and is a symbol of Czech identity and cultural heritage. Every evening, 3,000 spectators experience top artistic performances at four venues (the National Theatre, the Estates Theatre, the State Opera, and the New Stage). Up to 1,100 performances take place each year with more than 650,000 spectators. Each season, the National Theatre introduces approximately 20 premiere performances.

Raiffeisenbank has been recognised as the Bank of Czech Golf for many years. The Bank is the long-term partner of the Czech Golf Federation (the governing body of golf in the Czech Republic). Raiffeisenbank is also the long-term general partner of the D + D Real Czech Masters Tournament and other tournaments in the Challenge Tour. In addition to golf, the Bank supports various sporting events, in which the Bank's employees often compete.

In 2022, the Bank started cooperation with the start-up scene as a partner and continued to support these activities in 2023.

General Information about the Issuer

Company name:
Raiffeisenbank a.s.

Registered office:
Hvězdova 1716/2b, 140 78 Prague 4, Czech Republic

Company registration number:
49240901

LEI:
31570010000000004460

Date of Incorporation:
25 June 1993

Court of registration and number under which the issuer is registered at this court:
Commercial Register at the Municipal Court in Prague, Section B, Insert 2051

The issuer was established in accordance with the laws of the Czech Republic, pursuant to Act No. 513/1991 Coll., Commercial Code (or Act No. 90/2012 Coll., Business Corporations Act), and Act No. 21/1992 Coll., Act on Banks. The issuer is a joint-stock company.

The issuer's scope of business under Article 2 of the issuer's Articles of Association is banking and financial transactions and other operations listed in the banking licence, granted in accordance with Act No. 21/1992 Coll. The issuer is also entitled to set up branch offices or other company units in the Czech Republic and abroad, and to establish subsidiaries and hold capital interests provided that generally binding legal regulations are respected.

The Issuer does not have an organisational unit abroad.

The issuer does not depend on patents or licences, industrial, commercial, or financial agreements, or new production processes which could be of fundamental significance for the issuer's business activities or profitability.

Return for shareholders

The aim of Raiffeisenbank's dividend policy is to ensure the distribution of stable dividends to both shareholders for their investment according to their expectations. In addition, Raiffeisenbank determines the dividends distributed to shareholders in such a way as to maintain sufficient capital adequacy at the level of the Bank and the Group, taking into account the currently valid and anticipated regulatory requirements set out in all valid and applicable legal regulations of the Czech Republic and the European Union, while considering the internally determined capital reserve for expected and unexpected financial and/or regulatory changes, as well as with regard to potential growth opportunities at the level of the Bank and the Group.

The Bank's extraordinary General Meeting decided in December 2023 to pay a dividend of CZK 3.185 billion from the Bank's retained earnings.

The Bank's General Meeting decided in March 2024 to pay a dividend of CZK 5.061 billion from the Bank's profit for the year 2023.

Report on Corporate Governance

Information to Shareholders in accordance with Section 118(4) of Act No. 256/2004 Coll., the Capital Market Act

Section 118(4) (a), (b), (c)

The Bank does not formally adhere to any corporate governance code. The Bank complies with the standards of the financial group Raiffeisen Bank International (RBI) as well as the Code of Conduct between banks and clients issued by the Czech Banking Association.

Section 118(4) (d)

General principles of the internal control process

Internal control is defined as a process carried out/influenced by the Bank's Board of Directors, the executive body, and other employees, devised in such a way as to provide adequate assurance in reaching objectives in three areas:

- Effectiveness, efficiency, and economy,
- Reliability of internal management and controls, including the protection of assets, and
- Harmonization with the rules and regulations.

Key concepts of internal control:

- Internal control is a process (a means of reaching objectives, not an objective in and of itself),
- Internal control is carried out by people (it does not involve only forms and manuals, but people at each organisation level), and
- Internal control can only achieve a proportional level of certainty (not absolute certainty, with respect to the management of the organization).

Control activities are an integral part of the everyday activities of the Bank. The objective is to ensure that the risk undertaken was kept within the tolerance level set out by the management risk process.

Control activities include, in particular:

- Inspecting the management structure,
- Adequate control of mechanisms for the individual processes at the Bank, and
- Physical control.

The control system consists of, in particular:

- Control implemented by each employee when carrying out their work activities,
- Control implemented by the head employee when carrying out management activities,
- Compliance activities,
- Internal audit activities,
- Management of operational and other risks, and
- Management of the continuity of the Bank's activities.

The procedures for control activities are contained in the internal regulations of the Bank and consist of approval procedures, authorization, verification, approval, reconciliation, control of performance, securing assets, separation of obligations, or establishing rights and obligations. Compliance with the established procedures and their adequacy is regularly verified.

As a part of internal control, the Bank has introduced and maintained internal mechanisms for preventative and subsequent evaluation of the functioning and effectiveness of the steering and control system as a whole and its integral parts.

Information about the issuer's internal control policies and procedures and the rules for the issuer's approach to the risks to which it is or may be exposed in relation to the financial reporting process

In order to give a true and fair view of the facts in the Bank's financial statements, all systems, processes, and procedures that affect or may affect the process of compiling the Bank's financial reporting are identified and described.

These are, for example, rules for operational and financial accounting, inventory of assets and liabilities, the circulation of accounting documents, procedures for preparing monthly and annual financial statements, access to the accounting system, the process of creating new analytical accounts, corrections to settled operations, valuation rules for securities and assets and liabilities, the impairment of financial assets, the capitalisation of costs for intangible assets, principles for the creation of provisions and reserves, procedures for reconciliation of accounts, rollback procedures, etc.

In addition, the risks associated with these processes are identified and described. The description and process of risk management at the Group and Bank level is described in Notes 45 and 46 of the consolidated financial statements and Notes 42 and 43 of the separate financial statements. These include, in particular, the process of managing market risks, operational risks, credit risks and the equity management process. For these risks, controls were set with various periodicity in order to eliminate these risks. Controls are performed automatically and manually and are integrated into the entire process upon entering the transaction into the Bank's systems up to the time of compiling the financial statements. The settings of systems, processes, procedures, and controls are always formally regulated by internal regulations. All of these processes and procedures are evaluated and updated at least once a year. Moreover, the verification of the set controls is performed, and eliminates the described risks.

An automated system is used to process most financial statements, which in most cases for their preparation uses detailed data from source systems and from the data warehouse, and they are reconciled for the general ledger.

The effectiveness of internal controls is regularly evaluated by an internal audit. Both consolidated and separate financial statements are subject to verification by an external auditor.

Section 118(4) (e) and 118(5) (a) through (e)

The registered capital of the issuer is allocated to the relevant number of common bearer shares with the nominal value of CZK 10,000 each. The Company's shares are dematerialised and are not quoted. The same rights and obligations are associated with all the Company's shares. These rights and obligations are set out in the relevant provisions of the Company's Articles of Association and the Business Corporations Act. The rights associated with the Company's shares include the right to participate in the Company's General Meeting and vote on matters within the competency of the General Meeting, and the right to a share in the profit – dividends. Voting rights belonging to stock are based on the nominal value, with a single vote given for each CZK 10,000. None of the shares of the Company have restrictions on voting rights. Each shareholder has the same rights to a share in the profit of the Company – dividends – in the scope approved by the General Meeting on the basis of the financial results of the Company in a ratio equivalent to its share in the registered capital. Each shareholder has the same rights to participate in increasing the Company's registered capital in proportion to its share in the registered capital and voting rights and also the obligation to pay up the subscribed shares by the deadline during an increase in the registered capital. There are no special rights or obligations associated with the Company's shares, except for those set out in the Articles of Association of the Company and in the Business Corporations Act.

Raiffeisen CEE Region Holding GmbH is the owner of 75% of the shares of the Bank (and the corresponding share in the registered capital and voting rights). Raiffeisen CEE Region Holding GmbH is a subsidiary of Raiffeisen Bank International AG (indirectly). Regional Raiffeisen banks (Landesbanks) own approximately 59% of Raiffeisen Bank International AG, while the remaining shares are held by diverse investors (the shares are listed on the Vienna stock exchange). Representatives of the majority shareholder are in the Bank's Supervisory Board, the Executive Committee, and the Audit Committee. The Supervisory Board also includes a representative of the second shareholder, RLB OÖ Sektorholding GmbH, which holds 25% of the Bank's shares (and the corresponding share in the registered capital and voting rights) and is a member of the group of Raiffeisenlandesbank Oberosterreich Aktiengesellschaft.

The specified main shareholders of the Bank do not have different voting rights. The Bank is not aware of any arrangements that could subsequently lead to a change of control over the Bank.

Section 118(4) (f)

Identification of top managers of the issuer, their job positions, and executive authority:

The executive body of the Bank is the Board of Directors. The Bank's Board of Directors has eight members. The members of the Board of Directors are elected and recalled by the Supervisory Board. One of the members of the Board of Directors is elected as the chairman of the Board of Directors. The first term of office is three years, and if re-elected, the term of office is five years. Each member of the Board of Directors is also the executive director for the certain area of management. The Board of Directors constitutes a quorum if at least more than half of its members are present at a meeting. The Board of Directors makes decisions through voting, and the votes of a majority of all board members are required to adopt a resolution. In the event of a tied vote, the vote of the chairman of the Board of Directors is decisive. In addition to meetings, the Board of Directors may also make decisions through per-rollam voting.

Board of Directors

Igor Vida, Chairman of the Board of Directors, responsible for Compliance & Financial Crime Management, Brand Strategy & Communication, People & Culture, Legal & Management Support, Internal Audit, Strategy & Change Management

František Ježek, Member of the Board of Directors, responsible for Corporate Banking

Miloš Matula, Member of the Board of Directors, responsible for Operations

Vladimír Kreidl, Member of the Board of Directors, responsible for Retail Banking

Tomáš Jelínek, Member of the Board of Directors, responsible for Markets & Investment Banking

Vladimír Matouš, Member of the Board of Directors, responsible for IT

Martin Stotter, Member of the Board of Directors, responsible for Risk Management

Kamila Makhmudova, Member of the Board of Directors, responsible for Finance

The Board of Directors is the executive body that manages the Company's activities, acts on behalf of the Company, and decides in all matters of the Company that do not fall within the competence of the General Meeting or the Supervisory Board.

The Board of Directors secures the business management of the Company, including the proper keeping of the Company's accounts.

In particular, the Board of Directors is responsible for the following:

a) Handling the Company's business management and securing the Company's operations;
b) Setting, approving, and assessing the Bank's strategy;
c) Exercising the employer's rights, setting and approving the concept of employment policies and the collective interests of employees;
d) Convening the General Meeting;
e) Arranging for and submitting to the General Meeting:
    i) A proposal for amending the Articles of Association,
    ii) A proposal for increasing or reducing the registered capital,
    iii) Approval for the ordinary, extraordinary, consolidated, or interim financial statements and a proposal for the distribution of profit, including setting the amount and manner of paying out dividends and bonuses,
    iv) A report on the business activities of the Company and on the state of its assets within six months of the end of the calendar year,
    v) A proposal for the manner of covering the Company's losses incurred during the business year as well as a proposal for additional approval of the use of a reserve fund,
    vi) A proposal for establishing and terminating other bodies not set out in the Articles of Association as well as for defining their function and powers;
f) Performing the resolutions of the General Meeting;
g) Deciding when to use resources from the reserve fund;
h) Keeping a list of shareholders;
i) Ensuring the proper management of mandatory records, accounting, business ledgers, and other Company documents;
j) Electing and recalling head employees appointed to their positions under law, establishing their wages and remuneration;
k) Granting and recalling powers of attorney, after prior consultation with the Supervisory Board;
l) Determining the methods and means for the development and profitability of Company operations and measures for using instruments of economic management, in particular relating to financing, the creation of prices, wages, salaries, and funds, and assessing the economic results;
m) Approving the internal regulations of the Company and ensuring compliance with the internal regulations and the generally binding legal regulations by the Company's employees and the rules establishing the ethical principles of conduct of the Company's employees;
n) Creating, maintaining, and assessing the effective steering and control system of the Company and ensuring that all of the Company's employees have understood their role in the internal control system and are actively engaged in this system;
o) Approving and assessing the functional organizational structure of the Company;
p) Negotiating with the top management on matters that relate to the effectiveness of the steering and control system and assessing the reports that are submitted to the Board of Directors and adopting adequate measures; and
q) All other matters that are entrusted to the powers of the Board of Directors based on the valid generally binding legal regulations.

Additional regulation of the Board of Directors, its powers, and the rules of conduct are contained in the Rules of Procedure of the Board of Directors.

Raiffeisenbank had as at 31 December 2023 the following 15 committees established by the Board of Directors:

Assets and Liabilities Committee

Quorum	Decision-making	
More than 50% of members present	Approval of all present members	
STOTTER MARTIN	Member of the Board of Directors for Risk	Chairman
MAKHMUDOVA KAMILA	Member of the Board of Directors for Finance	Vice-Chairwoman
JELÍNEK TOMÁŠ	Member of the Board of Directors for Markets & Investment Banking	Member
JEŽEK FRANTIŠEK	Member of the Board of Directors for Corporate	Member
KREIDL VLADIMÍR	Member of the Board of Directors for Retail	Member
BALGAVÝ ŠTEFAN	Head of Trading	Member
HANUŠ MARTIN	Head of Risk Controlling	Member
HOUFEK JAN	Head of Market Risk	Member
HRNČIAR MAROŠ	Head of Asset & Liability Management	Member

Credit Committee

Quorum	Decision-making	
At least three members of the committee and at least one must be from Credit Risk	Approval of all present members	
STOTTER MARTIN	Member of the Board of Directors for Risk	Chairman
PŘÍHODA HYNEK	Head of Corporate & SE Risk	Vice-Chairman
JEŽEK FRANTIŠEK	Member of the Board of Directors for Corporate	Member
VIDA IGOR	Chief Executive Officer	Member
ŠTĚPÁNÍK ZBYŠEK	Head of Corporate Credit Risk	Member
GÜRTLER TOMÁŠ	Executive Director Real Estate & Structured Finance	Member
TUTASS BARBARA	Head of Large Corporates	Member
ŠTĚTINA VÁCLAV	Head of Corporate Sales	Member
JELÍNEK TOMÁŠ	Member of the Board of Directors for Markets & Investment Banking	Member
POŘÍZ JAROSLAV	Head of Workout	Member
NOVOTNÝ MAREK	Head of Legal – Corporate & Treasury	Member

Problem Loans Committee

Quorum	Decision-making	
At least three members of the committee and at least one must be from Workout	Not specified	
STOTTER MARTIN	Member of the Board of Directors for Risk	Chairman
POŘÍZ JAROSLAV	Head of Workout	Vice-Chairman
VIDA IGOR	Chief Executive Officer	Member
PŘÍHODA HYNEK	Head of Corporate & SE Risk	Member
LÁTAL MAREK	Head of Legal & Management Support	Member
SVOBODA JAN	Head of Special Assets	Member
LANGMAYER JOSEF	RLCZ Representative	Member

Pricing and Interest Committee

Quorum	Decision-making	
More than 50% of members present	Consent of all present members needed for adopting a specific proposal	
KREIDL VLADIMÍR	Member of the Board of Directors for Retail	Chairman
VIDA IGOR	Chief Executive Officer	Vice-Chairman
ŠANDA FILIP	Head of Brand Strategy & Communication	Member
ŠTĚTKA PETR	Head of PI Segment & Product Management	Member
POLEDŇÁK MICHAL	Head of Corporate Development	Member
SMRČEK MARTIN	Head of Retail Risk & Collections	Member
HANUŠ MARTIN	Head of Risk Controlling	Member
POCHOPIN MARTIN	Head of Controlling & Cost Management	Member
VAKOČ MARTIN	Head of MSE Segment & Product Management	Member

Investment Committee for Asset Management

Quorum	Decision-making	
If at least four members of the committee are present at the meeting, and at least one must be the Chairman or Vice-Chairman	Consent of all present members needed for adopting a specific proposal	
JELÍNEK TOMÁŠ	Member of the Board of Directors for Markets & Investment Banking	Chairman
PADĚRA MIROSLAV	Team Leader Portfolio Management	Vice-Chairman
VIDA IGOR	Chief Executive Officer	Member
ZELINKA JIŘÍ	Head of Private Banking	Member
HANUŠ MARTIN	Head of Risk Controlling	Member
KŮTA LUKÁŠ	Asset Portfolio Manager	Member

Retail Risk Management Committee

Quorum	Decision-making	
More than 50% of members present and at least one from Risk	Consent of all present members needed for adopting a specific proposal	
STOTTER MARTIN	Member of the Board of Directors for Risk	Chairman
SMRČEK MARTIN	Head of Retail Risk & Collections	Vice-Chairman
KREIDL VLADIMÍR	Member of the Board of Directors for Retail	Member
HÁK ONDŘEJ	Head of Retail Loans	Member
VAKOČ MARTIN	Head of MSE Segment & Product Management	Member
ŠKAMPOVÁ PRELCOVÁ ZUZANA	Head of Retail Underwriting Policy & Strategy	Member

Operational Risk Management & Controls Committee

Quorum	Decision-making	
More than 50% of members present	Consent of more than 50% of all members needed to adopt a specific proposal	
STOTTER MARTIN	Member of the Board of Directors for Risk	Chairman
HANUŠ MARTIN	Head of Risk Controlling	Vice-Chairman
KREIDL VLADIMÍR	Member of the Board of Directors for Retail	Member
JEŽEK FRANTIŠEK	Member of the Board of Directors for Corporate	Member
JELÍNEK TOMÁŠ	Member of the Board of Directors for Markets & Investment Banking	Member
VIDA IGOR	Chief Executive Officer	Member
PŘIKRYLOVÁ LEONA	Head of Compliance & Financial Crime Management	Member
MATULA MILOŠ	Member of the Board of Directors for Operations	Member
ŠTENGL PETR	Head of IT Operations	Member
LÁTAL MAREK	Head of Legal & Management Support	Member
MAKHMUDOVA KAMILA	Member of the Board of Directors for Finance	Member

Projects Committee

Quorum	Decision-making	
More than 50% of members present	Consent of a two-thirds majority of present members is needed to adopt a proposal	
VIDA IGOR	Chief Executive Officer	Chairman
MATULA MILOŠ	Member of the Board of Directors for Operations	Vice-Chairman
MATOUŠ VLADIMÍR	Member of the Board of Directors for IT	Member
KREIDL VLADIMÍR	Member of the Board of Directors for Retail	Member
JELÍNEK TOMÁŠ	Member of the Board of Directors for Markets & Investment Banking	Member
STOTTER MARTIN	Member of the Board of Directors for Risk	Member
JEŽEK FRANTIŠEK	Member of the Board of Directors for Corporate	Member
MAKHMUDOVA KAMILA	Member of the Board of Directors for Finance	Member

Real Estate Investment Commission

Quorum	Decision-making	
More than 50% of members present and at least one from Risk	Consent of all present members needed for adopting a specific proposal	
GÜRTLER TOMÁŠ	Executive Director Real Estate and Structured Finance	Chairman
LANEGGER ALOIS	RLCZ representative	Vice-Chairman
JEŽEK FRANTIŠEK	Member of the Board of Directors for Corporate	Vice-Chairman
STOTTER MARTIN	Member of the Board of Directors for Risk	Member
PŘÍHODA HYNEK	Head of Corporate & SE Risk	Member
ONDROUŠKOVÁ TEREZA	Head of Accounting & Taxes	Member

IT Change Control Committee

Quorum	Decision-making	
More than 50% of members present	Consent of a two-thirds majority of present members is needed to adopt a proposal	
MATOUŠ VLADIMÍR	Member of the Board of Directors for IT	Chairman
VIDA IGOR	Chief Executive Officer	Vice-Chairman
KREIDL VLADIMÍR	Member of the Board of Directors for Retail	Member
JEŽEK FRANTIŠEK	Member of the Board of Directors for Corporate	Member
STOTTER MARTIN	Member of the Board of Directors for Risk	Member
MATULA MILOŠ	Member of the Board of Directors for Operations	Member
JELÍNEK TOMÁŠ	Member of the Board of Directors for Markets & Investment Banking	Member
MAKHMUDOVA KAMILA	Member of the Board of Directors for Finance	Member

Investment Products Committee

Quorum	Decision-making	
More than 50% of members present	Consent of most of all members of the committee is needed to adopt a proposal	
JELÍNEK TOMÁŠ	Member of the Board of Directors for Markets & Investment Banking	Chairman
KREIDL VLADIMÍR	Member of the Board of Directors for Retail	Vice- Chairman
VIDA IGOR	Chief Executive Officer	Member
HANUŠ MARTIN	Head of Risk Controlling	Member
PODRABSKÝ MAREK	Head of Investments	Permanent Guest
ZELINKA JIŘÍ	Head of Private Banking	Permanent Guest

Corporate Products Committee

Quorum	Decision-making	
At least two members of the committee are present	Consent of at least two members of the committee	
JEŽEK FRANTIŠEK	Member of the Board of Directors for Corporate	Chairman
STOTTER MARTIN	Member of the Board of Directors for Risk	Vice-Chairman
MATULA MILOŠ	Member of the Board of Directors for Operations	Member

Retail Strategies Committee

Quorum	Decision-making	
More than 50% of members present	Consent of all present members needed for adopting a specific proposal	
KREIDL VLADIMÍR	Member of the Board of Directors for Retail	Chairman
VIDA IGOR	Chief Executive Officer	Vice-Chairman
ŠTĚTKA PETR	Head of PI Segment & Product Management	Member
ŠANDA FILIP	Head of Brand Strategy & Communication	Member
REMR JAN	Head of Branch Network	Member
HÁK ONDŘEJ	Head of Retail Loans	Member
HEJNÝ ALEŠ	Head of Direct & Remote Sales	Member
ZELINKA JIŘÍ	Head of Private Banking	Member
PLZÁK MICHAL	Head of Digital Banking	Member
VAKOČ MARTIN	Head of MSE Segment & Product Management	Member

Local Security Committee

Quorum	Decision-making	
All members must be present	Consent of all present members needed for adopting a specific proposal	
KVÍČALA MIROSLAV	Head of Information Security	Chairman
OBEŠLOVÁ GABRIELA	Head of Security	Vice-Chairwoman
MATULA MILOŠ	Member of the Board of Directors for Operations	Member
STOTTER MARTIN	Member of the Board of Directors for Risk	Member
MATOUŠ VLADIMÍR	Member of the Board of Directors for Information Technology	Member
HÁMKOVÁ ANNA	Business Continuity Manager	Member

Sustainable & Green Bond Committee

Quorum	Decision-making	
All members must be present	Consent of all present members needed for adopting a specific proposal.	
STOTTER MARTIN	Member of the Board of Directors for Risk	Chairman
MAKHMUDOVA KAMILA	Member of the Board of Directors for Finance	Vice-Chairwoman
JELÍNEK TOMÁŠ	Member of the Board of Directors for Markets & Investment Banking	Member
JEŽEK FRANTIŠEK	Member of the Board of Directors for Corporate	Member
KREIDL VLADIMÍR	Member of the Board of Directors for Retail	Member
BALGAVÝ ŠTEFAN	Head of Trading	Member
HANUŠ MARTIN	Head of Risk Controlling	Member
HOUFEK JAN	Head of Market Risk	Member
HRNČIAR MAROŠ	Head of Asset & Liability Management	Member

Each member of the Board of Directors is entitled to attend any meeting of any committee. Each member of the Board of Directors has veto power over any decision made by any committee. In such case, the specific matter is to be discussed at the following meeting of the Board of Directors.

Valid as of 31 December 2023

Supervisory Board

The Supervisory Board is the supervisory body of the Company. The Supervisory Board has twelve members, of which eight are elected and recalled by the Company's General Meeting and four are elected and recalled by the Company's employees. Members serve a term of five years. One of the members of the Supervisory Board is also elected chairman of the Supervisory Board and one of the vice-chairmen. The Supervisory Board constitutes a quorum if the majority of its members are present. A simple majority of votes of all Supervisory Board members is required to adopt resolutions. In addition to meetings, the Supervisory Board may also make decisions through per-rollam voting. In 2023, the composition of the Supervisory Board was as follows:

Łukasz Januszewski, Chairman of the Supervisory Board

Peter Lennkh, Vice-Chairman of the Supervisory Board (his mandate expired on 17 October 2023)

Reinhard Schwendtbauer, Member of the Supervisory Board

Johann Strobl, Member of the Supervisory Board

Hannes Mösenbacher, Member of the Supervisory Board

Andrii Stepanenko, Member of the Supervisory Board

Helena Horská, Member of the Supervisory Board

Kamila Štastná, Member of the Supervisory Board

Michal Přádka, Member of the Supervisory Board

Pavel Hruška, Member of the Supervisory Board

Taťána le Moigne, Member of the Supervisory Board

Peter Harold, Member of the Supervisory Board

The Supervisory Board oversees the performance of powers of the Board of Directors and carrying out the business activities of the Company. The Supervisory Board reviews the ordinary, extraordinary, and consolidated or interim financial statements and the proposal for distribution of profit or covering losses and submits its statement to the General Meeting. Other matters that require the prior consent of the Supervisory Board are stipulated in the Rules of Procedure of the Supervisory Board. Consent of the Supervisory Board as well as the General Meeting is required for entering into an agreement based on which the Company should acquire or divest assets, provided that the value of the acquired or divested assets during one accounting period exceeds one third of the equity capital recorded in the last ordinary financial statements or the consolidated financial statements. For the purpose of performing their positions, the members of the Supervisory Board are entitled to request the assistance of experts for the specific area under the management of the Supervisory Board as set out above. The Supervisory Board reviews the effectiveness of the steering and control system of the Company as a whole and assesses it at least once a year. The Supervisory Board participates in the direction, planning, and assessment of the activities of internal audit and compliance. The Supervisory Board establishes principles and decides on the remuneration of members of the Board of Directors and the head of internal audit and compliance.

Additional regulation of the Supervisory Board, its powers, and the rules of conduct are contained in the Rules of Procedure of the Supervisory Board.

With effect from 8 May 2018, the Bank established the Remuneration Committee (RemCo) with the power to discuss matters and remuneration materials and makes recommendations to the Supervisory Board before the final approval. Its members as of 31 December 2023 are:

Johann Strobl, Chairman of the RemCo

Peter Lennkh, RemCo Member (Committee membership expired on 17 October 2023)

Kamila Šťastná, RemCo Member

Effective from 2 June 2022, the Company's Supervisory Board established a Nomination Committee (NomCo) with the authority, in particular, to determine and propose for approval by the Supervisory Board and the General Meeting candidates for vacant positions in management bodies. In doing so, it also assesses the balance of professional competence and experience and the diversity of the structure of the specific bodies as a whole. Its members as of 31 December 2023 are as follows:

Łukasz Januszewski, NomCo Chairman

Andrii Stepanenko, NomCo Member

Reinhard Schwendtbauer, NomCo Member

Effective from 2 June 2022, the Company's Supervisory Board established a Risk Committee (RiskCo) which, in particular, provides advice to the Supervisory Board relating to the current and future approach of the Company to risk, its risk strategies, and the acceptable level of risk. Its members as of 31 December 2023 are as follows:

Hannes Mösenbacher, RiskCo Chairman

Reinhard Schwendtbauer, RiskCo Member

Pavel Hruška, RiskCo Member

Additional supervisory body of the issuer includes the Audit Committee.

The Audit Committee has three members who are appointed or removed by the General Meeting of the Company among members of the Supervisory Board or third parties. The term of office of the members of the Audit Committee is five years. One of the members of the Audit Committee is also elected chair of the Audit Committee. The Audit Committee constitutes a quorum if at least two of its members are present at its meeting. The consent of a majority of all members of the Audit Committee is required for adopting a resolution. The Audit Committee may also make decisions outside a meeting on a per-rollam basis.

Members of the Audit Committee as of 31 December 2023 were: Pavel Závitkovský (Chairman), Stanislav Staněk, and Andrea Vlasek.

Section 118(4) (g)

The competence of the General Meeting of the Company is defined in the Business Corporations Act and the Articles of Association of the companies.

The General Meeting constitutes a quorum if shareholders are present who have stock with a nominal value of more than half of the registered capital. Voting rights belonging to stock are based on the nominal value, with a single vote given for each CZK 10,000 (per share). The Company has two shareholders whose shares in the registered capital and voting rights are 75% and 25%. Decisions of the General Meeting require a two-thirds majority of the duly submitted votes of present shareholders, unless specified otherwise by law or these Articles of Association. Voting at the General Meeting is performed by a show of hands (acclamation). Voting at the General Meeting or decision-making outside the General Meeting (per rollam) may be carried out by technical means relating to all matters in the competence of the General Meeting.

The following fall under the competence of the General Meeting:

a) Deciding about a change in the Articles of Association, unless this is a change resulting from an increase in the registered capital or a change which occurred based on other legal circumstances;
b) Deciding to increase or reduce the registered capital or to authorise the Board of Directors to increase the registered capital;
c) Deciding to issue bonds in accordance with Section 286 of the Business Corporations Act;
d) Electing and recalling members of the Supervisory Board and other bodies specified in the Articles of Association;
e) Approving regular or extraordinary financial statements and consolidated financial statements, including, in legally defined cases, interim financial statements, decisions on the distribution of profit, covering losses, and determining bonuses;
f) Deciding about registration of the Company's participating securities in accordance with special legal regulations, and cancelling their registration;
g) Deciding about the liquidation of the Company;
h) Deciding on mergers, transfer of equity to a single shareholder, or demergers, or the change of a legal form;
i) Deciding on the conclusion of contracts for transfer of the enterprise or its significant part or such an amount of equity that would mean a substantial change to the actual scope of business or activities of the Company, and/or the lease of an enterprise, or decisions on the conclusion of such contracts by controlled entities;
j) Approving controlling contracts, contracts for transfer of profit, and contracts for silent partnerships, and other contracts establishing a right to a share in the profit or other own resources of the Company, and their modification; and
k) Deciding on other matters which the law or the Articles of Association place under the competence of the General Meeting;

Section 118(4) (h)

Diversity Policy

Raiffeisenbank supports diversity because it values and respects diversity of opinion and believes that this diversity contributes to fairness, creativity and innovation. We support equal employment opportunities and enable employees to grow regardless of age, gender, opinion and life situation.

The policy of diversity, in our eyes, is a fundamental aspect of fair approach to our employees, clients and partners.

We enable diversity in all its forms and proactively pursue its development and support among our staff, including top levels of the Bank's management. One of the key standards of Raiffeisenbank's recruitment is unconditional respect to the basic principles of diversity, respect to every candidate regardless of gender, sexual orientation, age, belief, special needs or other characteristics.

On the group level, our parent Raiffeisenbank International Group applies its Group Diversity Policy of 2018, primarily derived from Directive 2013/36/EU, Directive 2014/65/EU and the specific principles of EBA/GL/2021/06 on the suitability of members of the management body and key function holders. Also, the group norm considers Directive 2014/95/EU and Regulation 575/2013/EU. In 2021, Raiffeisenbank signed the Diversity Charter initiative.

In 2023, Raiffeisenbank implemented a human rights directive based on the Raiffeisen Bank International directive. RBCZ has committed to observe the standards of human rights in relation to its employees, suppliers, and customers. Supporting diversity is an integral part of respect for human rights.

When selecting members of our statutory bodies, we always strive to ensure that every such a member possesses balanced knowledge, skills, and experience to perform the office, regardless of individual characteristics. All new members of Raiffeisenbank's Management and Supervisory Boards are appointed in line with these principles. Also, in this regard, Raiffeisenbank ensures proper and effective exercise of every employee's right to vote and to stand as a candidate for a member of the Supervisory Board representing the employees.

Section 129 Information on the Securities Traders Guarantee Fund contribution

Raiffeisenbank, as a securities trader, contributes to the Securities Traders Guarantee Fund, which safeguards the guarantee system from which compensation is paid to clients of securities traders unable to meet their client obligations. The basis for calculating Raiffeisenbank's contribution to the Securities Traders Guarantee Fund for 2023 was CZK 509 million and the amount of the contribution was CZK 10 million. In 2022, the basis for calculating the contribution was CZK 487 million and the contribution amounted to CZK 10 million.

Principles of remuneration for the top managers of the issuer

Remuneration for the members of the Board of Directors

The members of the Board of Directors perform their offices under a mandate agreement.

The principles contained in the agreement on performance of the office of the Board of Directors member are:

- Fixed salary for the performance of the office of the Board of Directors member (paid by the issuer and approved by the majority shareholder) – monetary remuneration;
- Flexible salary for the performance of the office of the Board of Directors member upon the fulfilment of the financial and non-financial criteria (paid by the issuer, approved by the Supervisory Board);
- Financial criteria: reaching the set amount of profit after tax, the ratio of costs to operating revenue, return on risk-weighted capital, complying with the operating costs and meeting the limit for weighted assets; and
- Non-financial criteria: meeting the goals relating to the strategic projects of the issuer, attaining quality with respect to providing products and services and relating to the activities of units under the direct management of the Board of Directors member.

Payment of the flexible component of salaries is duly regulated by the provisions of Annex 1 to Decree No. 163/2014 Coll., on Performance of the Undertakings of Banks, Savings Banks, and Credit Institutions and Securities Traders, as amended, the application of which is contained in the Basic Regulations for Remuneration approved by the Supervisory Board. The flexible component of the salaries for the performance of the office of member of the Board of Directors is 50% paid based on a calculation according to the Value in Use methodology (ViU). This is based on the Dividend Discount Model (DDM) and is the sum of the Net Present Value (NPV) of dividends for the following five years from the year of valuation and the continuing value. This part of the remuneration is acknowledged in the following scheme: 60% deferred part by 18 months from the end of the business year for which the bonus is acknowledged. The remaining 40% is paid during the following five years, one-fifth paid each year. The second half of the flexible component of remuneration is acknowledged in the following scheme: 60% non-deferred part. The remaining 40% is paid during the following five years, one-fifth paid each year.

If the term of office is terminated and not extended, the deferred parts of the flexible salary component for the relevant years of the term of office pursuant to the paragraph above continue to be paid to the members of the Board of Directors according to the same principles.

The majority shareholder monitors and assesses fulfilment of the financial and non-financial criteria for the flexible salary and also proposes the amount of the flexible salary and submits a proposal for payment to the Supervisory Board.

The members of the Board of Directors have Company cars at their disposal for a total purchase price of CZK 12,921,280.

The above-stated principles of remuneration for the members of the Board of Directors who are also in top management positions are valid as of June 2014.

Remuneration of the Supervisory Board members

The Supervisory Board members are appointed by the General Meeting or elected by the employees of the issuer.

Under the agreement on the performance of an office, all members of the Supervisory Board (appointed by the General Meeting and elected from among the employees) are paid monetary remuneration. This remuneration is fixed in nature and is not dependent on the Company's results. Shares in the profit or any other variable remuneration are not paid to members of the Supervisory Board.

The principles of remuneration for members of the Supervisory Board are contained in the Basic Principles of Remuneration approved by the Supervisory Board of the issuer.

Monetary and non-monetary income received by top management from the issuer and from entities controlled by the issuer during the accounting period:

Remuneration table CZK thousands			Monetary income		Non-monetary income
Board of Directors	Total	Remuneration of the Board of Directors member	83,506	77%	
		Other	24,887	23%	2,110
		Total	108,393		2,110
	From entities controlled by the issuer		-		
Supervisory Board	Total	Remuneration of the Supervisory Board member	6,548	100%	
		Other	-		
		Total	6,548		
	From entities controlled by the issuer		-		
Other management	Total	Via employment	-		
		Other	-		
		Total	-		
	From entities controlled by the issuer		-		

The top managers of the issuer or closely related individuals do not own stock or similar securities representing a share in the issuer, do not hold any options or similar investment instruments related to the stock or similar security representing a share in the issuer, and are not the contracting parties of such contracts or have such contracts concluded in their favour.

Expenses relating to research and development

In 2023, the Bank spent CZK 157 million (in 2022: CZK 474 million) on research and development. Most of the expenditure was associated with development studies and the implementation of individual projects, especially in the field of information technology and systems.

Information about securities

International bond programme for Raiffeisenbank mortgage bonds

Maximum volume of unpaid bonds:
EUR 5,000,000,000

The bond programme consists of a maximum unpaid bond volume of EUR 5,000,000,000. The prospectus for the bond programme containing the general issue terms was approved by the Commission de Surveillance du Secteur Financier in Luxembourg and was announced to the Czech National Bank.

The following is a list of bonds issued as a part of the programme that have not yet reached maturity.

HZL RBCZ 6Y

ISIN	XS1574150857
Issue date	8 March 2017
Class	Mortgage bond
Form	Bearer
Type	Dematerialised
Total issue volume	EUR 300,000,000
Par value per security	EUR 100,000
Quantity	3,000

Interest on bonds and maturity dates for interest or other yield: the yield on the bonds is composed of the fix interest rate of 0.875% p.a., paid annually always by 8 March retrospectively each year;
Method of transferring the securities: transferability is not restricted; mortgage bonds are transferred upon the registration of a transfer at Clearstream Banking société anonyme Luxembourg and/or Euroclear Bank SA/NV in accordance with the valid regulations;
Issue administrator: Citibank N.A.;
Designated premises of the administrator: Citibank N.A., Citi Centre, Canada Square, Canary Wharf, London E14 5LB, United Kingdom;
Names of the regulated markets on which the securities are accepted for trading: Bourse de Luxembourg (from the date of issue);
Bond currency: EUR;
Maturity of bonds: the mortgage bonds were payable in their par value on 8 March 2023.

HZL RBCZ 7Y

ISIN	XS1574151236
Issue date	8 March 2017
Class	Mortgage bond
Form	Bearer
Type	Dematerialised
Total issue volume	EUR 300,000,000
Par value per security	EUR 100,000
Quantity	3,000

Interest on bonds and maturity dates for interest or other yield: the yield on the bonds is composed of the fix interest rate of 1.125% p.a., paid annually always by 8 March retrospectively each year;
Method of transferring the securities: transferability is not restricted; mortgage bonds are transferred upon the registration of a transfer at Clearstream Banking société anonyme Luxembourg and/or Euroclear Bank SA/NV in accordance with the valid regulations;
Issue administrator: Citibank N.A.;
Designated premises of the administrator: Citibank N.A., Citi Centre, Canada Square, Canary Wharf, London E14 5LB, United Kingdom;
Names of the regulated markets on which the securities are accepted for trading: Bourse de Luxembourg (from the date of issue);
Bond currency: EUR;
Maturity of bonds: the mortgage bonds were payable in their par value on 8 March 2024.

RBCZ EUR HZL 7

ISIN	XS2406886973
Issue date	15 November 2021
Class	Mortgage bond
Form	Bearer
Type	Dematerialised
Total issue volume	EUR 500,000,000
Par value per security	EUR 100,000
Quantity	5,000

Interest on bonds and maturity dates for interest or other yield: fixed interest rate of 0.70% p.a., payable once a year retrospectively to 15 November;
Method of transferring the bonds: transferability is not restricted; bonds are transferred upon the registration of a transfer at Clearstream Banking société anonyme Luxembourg; and/or Euroclear Bank SA/NV in accordance with their valid regulations;
Issue administrator: Citibank N.A.;
Designated premises of the administrator: Citibank N.A., Citi Centre, Canada Square, Canary Wharf, London E14 5LB, United Kingdom;
Names of the public markets on which the securities are accepted for trading: Bourse de Luxembourg (from the date of issue);
Bond currency: EUR;
Maturity of bonds: the mortgage bonds are payable in their par value on 15 November 2031.

Rights associated with the bonds: All rights and obligations associated with the bonds are governed by and construed in accordance with laws of Germany. The rights and obligations of the block of bonds is governed and construed in accordance with laws of the Czech Republic.

Raiffeisenbank a.s. bond programme

Maximum volume of unpaid bonds:
EUR 5,000,000,000

The bond programme has a maximum unpaid bond volume of EUR 5,000,000,000. The prospectus for the bond programme containing the joint general issue terms is registered at the Commission de Surveillance du Secteur Financier in Luxembourg and was reported to the Czech National Bank. The following is an overview of the thus far unpaid bonds issued as a part of this Raiffeisenbank a.s. bond programme.

Raiffeisenbank Floating Rate Note 03/22/26

ISIN	XS2321749355
Issue date	18 March 2021
Class	Corporate bond
Form	Bearer
Type	Dematerialised
Total issue volume	CZK 4,000,000,000
Par value per security	CZK 50,000
Quantity	80,000

Interest on bonds and maturity dates for interest or other yield: the interest rate is calculated based on the 6M PRIBOR + 0.6% p.a., paid biannually;
Method of transferring the bonds: transferability is not restricted; the bonds are transferred upon the registration of a transfer at Clearstream Banking société anonyme Luxembourg and/or Euroclear Bank SA/NV in accordance with their valid regulations; however, a secondary market has not been created for this product;
Issue administrator: Citibank N.A., London Branch;
Designated premises of the administrator: Citibank N.A., Citi Centre, Canada Square, Canary Wharf, London E14 5LB, United Kingdom;
Names of the public markets on which the securities are accepted for trading: Bourse de Luxembourg (from the date of issue);
Bond currency: CZK;
Maturity of bonds: the bonds are payable in their par value on 22 March 2026;
Embedded option: call option on the side of the Issuer (i.e. option of early repayment of the bond) as of 22 March 2025 (subject to approval of the resolution authority).

Rights associated with the bonds: All rights and obligations associated with the bonds are governed by and construed in accordance with laws of Germany, subject to the provisions of the Czech Insolvency Act, the Czech Act on Recovery and Resolution in the Financial Market, and any other relevant provisions of the Czech law.

EUR FIX TO VAR Raiffeisenbank 1% 09/06/2028

ISIN	XS2348241048
Issue date	9 June 2021
Class	Corporate bond
Form	Bearer
Type	Dematerialised
Total issue volume	EUR 350,000,000
Par value per security	EUR 100,000
Quantity	3,500

Interest on bonds and maturity dates for interest or other yield: fixed interest rate of 1% p.a. with a transition to a variable interest rate 3M EURIBOR + 1.3% p.a., paid annually (fixed rate) or quarterly (variable rate);
Method of transferring the bonds: transferability is not restricted; the bonds are transferred upon the registration of a transfer at Clearstream Banking société anonyme Luxembourg and/or Euroclear Bank SA/NV in accordance with their valid regulations; this bond is not intended for retail investors;
Issue administrator: Citibank N.A., London Branch;
Designated premises of the administrator: Citibank N.A., Citi Centre, Canada Square, Canary Wharf, London E14 5LB, United Kingdom;
Names of the public markets on which the securities are accepted for trading: Bourse de Luxembourg (from the date of issue);
Bond currency: EUR;
Maturity of bonds: the bonds are payable in their par value on 9 June 2028;
Embedded option: call option on the side of the Issuer (i.e. option of early repayment of the bond) as of 9 June 2027 (subject to approval of the resolution authority).

All rights and obligations associated with the bonds are governed by and construed in accordance with laws of Germany, subject to the provisions of the Czech Insolvency Act, the Czech Act on Recovery and Resolution in the Financial Market, and any other relevant provisions of the Czech law.

RBCZ Fixed Rate Note 6.22% 09/20/27

ISIN	XS2534984120
Issue date	20 September 2022
Class	Corporate bond
Form	Bearer
Type	Dematerialised
Total issue volume	CZK 4,000,000,000
Par value per security	CZK 50,000
Quantity	80,000

Interest on bonds and maturity dates for interest or other yield: fixed interest rate of 6.22% p.a. paid biannually;
Method of transferring the bonds: transferability is not restricted; the bonds are transferred upon the registration of a transfer at Clearstream Banking société anonyme Luxembourg and/or Euroclear Bank SA/NV in accordance with their valid regulations; however, a secondary market has not been created for this product;
Issue administrator: Citibank N.A., London Branch;
Designated premises of the administrator: Citibank N.A., Citi Centre, Canada Square, Canary Wharf, London E14 5LB, United Kingdom;
Names of the public markets on which the securities are accepted for trading: Bourse de Luxembourg (from the date of issue);
Bond currency: CZK;
Maturity of bonds: the bonds are payable in their par value on 20 September 2027;
Embedded option: call option on the side of the Issuer (i.e. option of early repayment of the bond) as of 20 September 2026 (subject to approval of the resolution authority).

All rights and obligations associated with the bonds are governed by and construed in accordance with laws of Germany, subject to the provisions of the Czech Insolvency Act, the Czech Act on Recovery and Resolution in the Financial Market, and any other relevant provisions of the Czech law.

RBCZ Floating Rate Note 09/20/27

ISIN	XS2534985283
Issue date	20 September 2022
Class	Corporate bond
Form	Bearer
Type	Dematerialised
Total issue volume	CZK 4,000,000,000
Par value per security	CZK 50,000
Quantity	80,000

Interest on bonds and maturity dates for interest or other yield: the interest rate is calculated based on the 6M PRIBOR + 1% p.a., paid biannually;
Method of transferring the bonds: transferability is not restricted; the bonds are transferred upon the registration of a transfer at Clearstream Banking société anonyme Luxembourg and/or Euroclear Bank SA/NV in accordance with their valid regulations; however, a secondary market has not been created for this product;
Issue administrator: Citibank N.A., London Branch;
Designated premises of the administrator: Citibank N.A., Citi Centre, Canada Square, Canary Wharf, London E14 5LB, United Kingdom;
Names of the public markets on which the securities are accepted for trading: Bourse de Luxembourg (from the date of issue);
Bond currency: CZK;
Maturity of bonds: the bonds are payable in their par value on 20 September 2027;
Embedded option: call option on the side of the Issuer (i.e. option of early repayment of the bond) as of 20 September 2026 (subject to approval of the resolution authority).

All rights and obligations associated with the bonds are governed by and construed in accordance with laws of Germany, subject to the provisions of the Czech Insolvency Act, the Czech Act on Recovery and Resolution in the Financial Market, and any other relevant provisions of the Czech law.

RBCZ Fixed Rate Note 8.27% 11/28/27

ISIN	XS2559478693
Issue date	28 November 2022
Class	Corporate bond
Form	Bearer
Type	Dematerialised
Total issue volume	CZK 4,000,000,000
Par value per security	CZK 5,000,000
Quantity	800

Interest on bonds and maturity dates for interest or other yield: fixed interest rate of 8.27%., paid annually;
Method of transferring the bonds: transferability is not restricted; the bonds are transferred upon the registration of a transfer at Clearstream Banking société anonyme Luxembourg and/or Euroclear Bank SA/NV in accordance with their valid regulations; however, a secondary market has not been created for this product;
Issue administrator: Citibank N.A., London Branch;
Designated premises of the administrator: Citibank N.A., Citi Centre, Canada Square, Canary Wharf, London E14 5LB, United Kingdom;
Names of the public markets on which the securities are accepted for trading: Bourse de Luxembourg (from the date of issue);
Bond currency: CZK;
Maturity of bonds: the bonds are payable in their par value on 28 November 2027;
Embedded option: call option on the side of the Issuer (i.e. option of early repayment of the bond) as of 28 November 2026 (subject to approval of the resolution authority).

All rights and obligations associated with the bonds are governed by and construed in accordance with laws of Germany, subject to the provisions of the Czech Insolvency Act, the Czech Act on Recovery and Resolution in the Financial Market, and any other relevant provisions of the Czech law.

RBCZ Fixed Rate Note 7.125% 19/01/2026

ISIN	XS2577033553
Issue date	19 January 2023
Class	Corporate bond
Form	Bearer
Type	Dematerialised
Total issue volume	EUR 500,000,000
Par value per security	EUR 100,000
Quantity	5,000

Interest on bonds and maturity dates for interest or other yield: fixed interest rate of 7.125% p.a., payable once a year;
Method of transferring the bonds: transferability is not restricted; the bonds are transferred upon the registration of a transfer at Clearstream Banking société anonyme Luxembourg and/or Euroclear Bank SA/NV in accordance with their valid regulations; this bond is not intended for retail investors;
Issue administrator: Citibank N.A., London Branch;
Designated premises of the administrator: Citibank N.A., Citi Centre, Canada Square, Canary Wharf, London E14 5LB, United Kingdom;
Names of the public markets on which the securities are accepted for trading: Bourse de Luxembourg (from the date of issue);
Bond currency: EUR;
Maturity of bonds: the bonds are payable in their par value on 19 January 2026;
Embedded option: call option on the side of the Issuer (i.e. option of early repayment of the bond) as of 19 January 2025 (subject to approval of the resolution authority).

Rights associated with the bonds: The rights and obligations associated with the above bond programme are governed by and construed in accordance with laws of Germany and are subject to the provisions of the Czech Insolvency Act, the Czech Act on Recovery Procedures and Crisis Resolution on Financial Markets, and any other relevant provisions of the Czech law.

Other

HZL RBCZ CRR 1.00/30

ISIN	CZ0002007057
Issue date	15 July 2020
Class	Bond
Form	Registered
Type	Dematerialised
Total issue volume	CZK 41,000,000,000
Par value per security	CZK 10,000,000
Quantity	4,100

Interest on bonds and maturity dates for interest or other yield: fixed interest rate of 1% p.a., payable once a year retrospectively, always by 15 July of each year;
Method of transferring the bonds: transferability is not restricted;
the Covered Bonds are transferred upon the registration of a transfer on the owner's account at the Central Depository, in accordance with the valid regulations and the regulations of the Central Depository;
Issue administrator: Raiffeisenbank a.s.;
Designated premises of the administrator: Hvězdova 1716/2b, 140 78 Prague 4, Czech Republic;
Names of the public markets on which the securities are accepted for trading: MTF;
Bond currency: CZK;
Maturity of bonds: the bonds are payable in their par value on 15 July 2030.

Rights associated with the bond: The rights and obligations associated to this bond and the rights and obligations of the cover block are governed by and construed in accordance with law of the Czech Republic.

Original Equa bank a.s. bonds

HZL EQUA B. 1.65/25

ISIN	CZ0002006893
Issue date	19 March 2020
Class	Bond
Form	Bearer
Type	Dematerialised
Total issue volume	CZK 1,500,000,000
Par value per security	CZK 3,000,000
Quantity	500

Interest on bonds and maturity dates for interest or other yield: fixed interest rate of 1.65 % p. a., payable once a year retrospectively, always by 19 March of each year;
Issue administrator: Komerční banka a.s.;
Designated premises of the administrator: Na Příkopě 969/33, 114 07 Prague 1, Czech Republic;
Names of the public markets on which the securities are accepted for trading: Prague Stock Exchange (BCPP);
Bond currency: CZK;
Maturity of bonds: the bonds are payable in their par value on 19 March 2025.

Rights associated with the bond: The rights and obligations associated with the above bond and the rights and obligations of the cover block are governed by and construed in accordance with the laws of the Czech Republic.

EQUA BANK VAR/27

ISIN	CZ0003704595
Issue date	26 September 2017
Class	Bond
Form	Bearer
Type	Dematerialised
Total issue volume	CZK 300,000,000
Par value per security	CZK 100,000
Quantity	3,000

Interest on bonds and maturity dates for interest or other yield: During the first five yield periods, interest rate of 4.40% p. a.; and on the first day of sixth yield period, interest rate corresponding to the sum of the reference rate and margin amounting to 3.09% p. a., payable once a year retrospectively, always by 26 September of each year;
Issue administrator: Conseq Investment Management, a.s.;
Designated premises of the administrator: Rybná 682/14, 110 05 Prague 1, Czech Republic;
Names of the public markets on which the securities are accepted for trading: Prague Stock Exchange (BCPP);
Bond currency: CZK;
Maturity of bonds: the bonds are payable in their par value on 26 September 2027.

Rights associated with the bond: The rights and obligations associated with the above bond are governed by and construed in accordance with the laws of the Czech Republic.

EQUA BANK 4.06/29

ISIN	CZ0003704900
Issue date	18 September 2019
Class	Bond
Form	Bearer
Type	Dematerialised
Total issue value	CZK 300,000,000
Par value per security	CZK 100,000
Quantity	3,000

Interest on bonds and maturity dates for interest or other yield: During the first five yield periods, interest rate of 4.06% p. a.; and on the first day of sixth yield period, interest rate corresponding to the sum of the reference rate, which is determined on the respective day of setting the reference rate, and margin amounting to 2.50% p. a., payable once a year retrospectively, always by 18 September of each year;
Issue administrator: Conseq Investment Management, a.s.;
Designated premises of the administrator: Rybná 682/14, 110 05 Prague 1, Czech Republic;
Names of the public markets on which the securities are accepted for trading: Prague Stock Exchange (BCPP);
Bond currency: CZK;
Maturity of bonds: the bonds are payable in their par value on 18 September 2029.

Rights associated with the bond: The rights and obligations associated with the above bond are governed by and construed in accordance with the laws of the Czech Republic.

Year 2024

In 2024, we will continue to create an extraordinary customer experience by continuously improving our services, namely in the areas of online services and mobile banking. Growth remains Raiffeisenbank's strategic priority. Therefore, we will focus on increasing the share of consumer and corporate loans, deposits and the acquisition of new clients. Practical use of artificial intelligence in services for our clients is Raiffeisenbank's strategic opportunity. We will further develop the autonomy of our employees' decision-making and foster direct cooperation with our clients to provide them with the maximum of services that make their lives easier and improve their satisfaction. Also, we will expand our roles in the field of social responsibility, sustainability, and development of the entire Czech society.

Igor Vida
Chairman of the Board of Directors
and CEO of Raiffeisenbank

Report of the Chairman of the Raiffeisenbank a.s. Supervisory Board

Photo: Gerry Mayer-Rohrmoser

Ladies and Gentlemen,

In 2023, Czech Raiffeisenbank celebrated its thirty-year presence in the Czech market. During this period, it gradually built its position as one of the leading financial groups in the Czech market, with nearly two million satisfied clients.

An integral part of Raiffeisenbank's vision is continuous improvement of services leading to increased customer satisfaction. Therefore, immediately after the highly successful migration of former Equa bank clients, Raiffeisenbank focused fully on developing services, especially in digital channels, in direct cooperation with its own clients from the beginning of 2023. The result is the introduction of more than 70 enhancements in mobile banking, further fully digitalized services in the area of lending, and Raiffeisenbank has already set the standard of being among the first to introduce significant innovations such as Pay a contact or Click to Pay. A significant change in the market is the dynamic development of artificial intelligence. Raiffeisenbank gradually integrated it into its systems and services for clients and also for employees during 2023, helping them streamline work in various areas.

The exceptionality of 2023 is confirmed by excellent results not only in the area of acquisition, which once again significantly surpassed the record results of the previous year. At the same time, 2023 showed that Czech Raiffeisenbank meets the needs of Czech society and has positioned itself at the forefront in the field of digital acquisition, development of its digital channels, and sustainable banking services. It also continues to provide intensive support for education, culture, and activities promoting sustainability.

In addition to the excellent results, Raiffeisenbank became the first bank in the Czech market to defend the double award for the Best Bank of the Year and the Most Customer-Friendly Bank of the Year. Along with these awards, it also received the award for the Best Bank in the field of digital services and, for the first time, the award for the Responsible Bank of the Year.

During the 2023 financial year, the members of the Supervisory Board held four ordinary meetings. Apart of the ordinary meetings, the Supervisory Board made 5 per-rollam decisions. The overall attendance rate for Supervisory Board meetings was more than 95 per cent.

The Supervisory Board regularly and comprehensively monitored the business performance and risk developments at Raiffisenbank a.s. Discussions were regularly held with the Management Board on the adequacy of capital and liquidity, as well as on the direction of the bank's business and risk strategies. The Supervisory Board also dealt at length with further developments within corporate governance and monitored the implementation of corresponding policies. In course of its monitoring and advisory activities, the Supervisory Board maintained direct contact with the responsible Management Board members, the auditor and heads of the internal control functions. It also maintained a continuous exchange of information and views with representatives from supervisory authorities on topical issues.

Moreover, the Management Board provided the Supervisory Board with regular and detailed reports on relevant matters concerning performance in the respective business areas. Between meetings, the Supervisory Board maintained close contact with the Chairman and members of the Management Board. The Management Board was available when required for bilateral or multilateral discussions with members of the Supervisory Board, where applicable with the involvement of experts on matters being addressed.

The work undertaken together with the Management Board was based on a relationship of mutual trust and conducted in a spirit of efficient and constructive collaboration. Discussions were open and critical, and the Supervisory Board passed resolutions after fully considering all aspects. If additional information was required in order to consider individual issues in more depth, this was provided to members of the Supervisory Board without delay and to their satisfaction.

At each Supervisory Board meeting, topics were defined to be focused on (*"Focus Topics"*). In 2023, these were topics related to the customer centricity, the retail strategy, the operation efficiency, the Bank iD and the investments. In addition, the Supervisory Board properly performed all duties as defined by the local legislation and the bank's articles of association in the financial year 2023. It reviewed the financial statement, consolidated financial statement and the proposal of 2022 profit distribution, and recommended to the General Shareholders Meeting their approval without comments. Also, the Internal Audit and Compliance units had regular reports on each Supervisory Board meeting and the Head of Internal Audit as well as the Head of Compliance regularly attended the meetings as guests.

I would like to take this opportunity to sincerely thank the Management Board and all employees of Raiffeisenbank a.s. for their unwavering efforts, and also our customers for their continued trust.

On behalf of the Supervisory Board,

Łukasz Januszewski
Chairman of the Supervisory Board

Report of the Supervisory Board of Raiffeisenbank a.s.

1) The Supervisory Board carried out its tasks in accordance with Sections 446 to 447 of the Companies Act, the Articles of Association of Raiffeisenbank a.s., and the company's rules of procedure. The Board of Directors presented reports on the bank's operations and its financial situation to the Supervisory Board at regular intervals.
2) The separate and consolidated financial statements were prepared in accordance with the International Accounting Standards.
3) The separate and consolidated financial statements were audited by *"Deloitte Audit s.r.o."* In the opinion of the auditor, the financial statements give a true and fair view of the financial position of Raiffeisenbank a.s. as of 31 December 2023, and of its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standards as adopted by the EU.
4) The Supervisory Board examined the annual separate and consolidated financial statements and the Report on Related Parties for the year 2023, including the proposed distribution of earnings, accepted the results of the audit of the financial statements for 2023, and recommended that the General Meeting approve them without comments.

Executive and Supervisory Bodies

Board of Directors

Chairman of the Board of Directors

Ing. Igor Vida

Born: 1 April 1967

Residing at: Cukrovarnická 1110/79, 162 00 Prague 6-Střešovice, Czech Republic

Member of the Board of Directors of Raiffeisenbank a.s. since 1 April 2015, and from 7 April 2015, elected Chairman of the Board of Directors. From 1992, Igor Vida worked at the Slovak Tatra banka, a.s., initially as the Head of the Foreign Exchange and Money Market Department, later as Head of the Treasury and Investment Banking Division. In 1997, he became a member of the Board of Directors of Tatra banka, a.s., then Vice-Chairman of the Board of Directors. Starting in 2007, he was the Chairman of the Board of Directors and CEO of Tatra banka, a.s. Igor Vida resigned from the position of Chairman of the Board of Directors of Tatra banka, a.s. on 31 March 2015.

Member of the Assets and Liabilities Committee
Member of the Credit Committee
Member of the Problem Loan Committee
Chairman of the Projects Committee
Member of the Price and Interest Committee
Member of the Asset Management Investment Committee
Member of the Committee on Operational Risk and Control
Member of the IT Change Control Committee
Member of the Investment Products Committee
Member of the Retail Strategies Committee

Board Members

Ing. František Ježek

Born: 5 April 1972

Residing at: Česká 1135/5, 158 00 Prague 5-Košíře, Czech Republic

Member of the Board of Directors since 1 October 2012, responsible for Risk Management and since 15 April 2018 responsible for Corporate Banking. Prior to joining Raiffeisenbank, he worked at the Vienna headquarters of Raiffeisen Bank International AG as the head of retail risk for all of the 15 markets in Central and Eastern Europe. Prior to working at RBI, he worked at Multiservis and in the GE Money group.

Member of the Assets and Liabilities Committee
Member of the Credit Committee
Member of the Projects Committee
Vice-Chairman of the Commission for Real Estate Investment
Member of the IT Change Control Committee
Chairman of the Corporate Products Committee
Member of the Committee on Operational Risk and Control
Member of the Sustainable & Green Bond Committee

Tomáš Jelínek

Born: 2 February 1976

Residing at: V Pohodě 757, 252 41 Dolní Břežany, Czech Republic

Tomáš Jelínek has been a member of the Board of Directors responsible for Markets & Investment Banking since 1 January 2020. He began his professional career in banking in 2000 at Citibank and has been a member of the Raiffeisenbank team since 2005. He started as Head of Retail Risk Department, then worked in the positions of Head of Retail Risk and Credit Portfolio Management and Chief Financial Officer. He also worked for the parent RBI for two years as Head of Collection Program.

Member of the Assets and Liabilities Committee
Member of the Projects Committee
Member of the IT Change Control Committee
Member of the Investment Products Committee
Member of the Investment Committee for Asset Management
Member of the Operational Risk and Control Management Committee
Member of Interest Committee
Member of the Sustainable & Green Bond Committee

PhDr. Vladimír Kreidl, MSc.

Born: 23 April 1974

Residing at: U Starého židovského hřbitova 17, 150 00 Prague 5, Czech Republic

Member of the Board of Directors responsible for Retail Banking since 1 October 2013. Prior to joining Raiffeisenbank, he worked at McKinsey&Company starting in 2001, and since 2008 as a partner. From 1995 to 2000, he worked at Patria Finance, a.s., eventually as a partner.

Member of the Assets and Liabilities Committee
Chairman of the Pricing and Interest Committee
Vice-Chairman of the Retail Risk Management Committee
Member of the Projects Committee
Member of the IT Change Control Committee
Member of the Investment Products Committee
Chairman of the Retail Strategies Committee
Member of the Operational Risk and Control Management Committee
Member of the Local Security Committee
Member of the Sustainable & Green Bond Committee

Ing. Miloš Matula

Born: 1 October 1976

Residing at: Ječmínkova 3085/10, 628 00 Brno-Líšeň, Czech Republic

Member of the Board of Directors responsible for Operations since 1 April 2014. Prior to joining Raiffeisenbank a.s., he worked from 2009 as a member of the Board of Directors of ZUNO BANK AG. From 2007 to 2009, he worked at the parent company Raiffeisen Bank International AG in the position of Head of Service Excellence.

Member of the Operational Risk and Control Management Committee
Vice-Chairman of the Projects Committee
Member of the IT Change Control Committee
Member of the Corporate Products Committee
Member of the Local Security Committee

Mag. Dr. Martin Stotter

Born: 7 April 1976

Residence: 1020 Wien, Heinestrasse 12/12, Austria

Head of the Board of Directors responsible for Risk management since 15 April 2018. Prior to joining Raiffeisenbank a.s. since March 2016, he has worked in the sister Raiffeisen Bank a.d. (Serbia) as a member of the Board of Directors responsible for Risk management. In 2014–2016 he was a member of the Board of Directors responsible for Risk management at Raiffeisen Bank d.d. (Slovenia). In 2012–2014, he worked at Raiffeisen Landesbank Steiermark AG, Graz as Deputy Chief Risk Officer (COO) and Chief Operating. He also served as a member of the Supervisory Board of Raiffeisenbank in Hungary and has been with the Raiffeisen Group since 2002.

Member of the Assets and Liabilities Committee
Chairman of the Credit Committee
Chairman of the Operational Risk and Control Management Committee
Chairman of the Problem Loans Committee
Chairman of the Retail Risk Management Committee
Member of the Project Committee
Member of the Commission for Real Estate Investment
Member of the IT Change Control Committee
Member of the Investment Products Committee
Vice Chairman of the Corporate Products Committee
Member of the Local Security Committee
Chairman of the Sustainable & Green Bond Committee

Ing. Vladimír Matouš

Born: 25 April 1961

Residing at: Semická 2026/14, 143 00 Prague 4-Modřany, Czech Republic

Member of the Board of Directors responsible for Information Technology since 1 July 2018. Prior to joining Raiffeisenbank a.s., he held the position of member of the Board of Directors responsible for IT at Tatra Bank, a.s. (Slovakia) since 2010. In 2008–2010, he worked for T Systems Czech Republic as Senior Vice President of ICT Operations. From 2004 to 2008 he worked for T Mobile Czech Republic as Vice President of Technology Operations.

Member of the Project Committee
Chairman of the IT Change Control Committee
Member of the Local Security Committee

Kamila Makhmudova

Born: 4 June 1976

Residing at: 1020 Vienna, Wittelsbachstrasse 4/16, Austria

Member of the Board of Directors responsible for Finance since 1 December 2021. She has more than twenty years of experience in international banking and extensive expertise in mergers and acquisitions from organisations inside and outside Europe. Since 2007, she has held various positions at Raiffeisen Bank International AG, most recently Director of Corporate Development and Strategy Management.

Member of the Operational Risk and Control Committee
Member of the IT Change Control Committee
Member of the Project Committee
Member of the Assets and Liabilities Management Committee
Vice-Chairwoman of the Sustainable & Green Bond Committee

Supervisory Board

Chairman of the Supervisory Board

Mag. Łukasz Janusz Januszewski

Born: 1 October 1978

Residing at: Salmannsdorferstrasse 88/7, 1190 Vienna, Austria

Member of the Supervisory Board of Raiffeisenbank a.s. from 24 April 2018. On 8 May 2018 he was elected Chairman of the Supervisory Board of Raiffeisenbank a.s. From March 2018, he is a member of the Board of Directors of Raiffeisen Bank International AG responsible for Markets & Investment Banking. Since 1998 he has worked in Raiffeisen Bank Polska in various positions connected with Treasury, Capital Markets and Investment Banking. In 2007–2018 he was a Member of the Board of Directors responsible for Markets & Investment Banking.

Vice-Chairman of the Supervisory Board

Mag. Peter Lennkh

Born: 10 June 1963

Residing at: Pierronngasse 5, 1140 Vienna, Austria

Member of the Supervisory Board since October 2013. From December 2013, he was elected Vice-Chairman of the Supervisory Board. Prior to this, he was a member of the Supervisory Board of Raiffeisenbank a.s. from 2005 to 2007. In 1988, he joined Raiffeisen Zentralbank AG, and since that time, he has worked in various positions in the group. Since 2004, he is a member of the Board of Directors of Raiffeisen Bank International AG, now responsible for Corporate Banking.

Peter Lennkh was a member of the Supervisory Board until the end of his 5-year term, i.e. 17 October 2023.

Members of the Supervisory Board

Mag. Reinhard Schwendtbauer

Born: 11 September 1972

Residing at: Lukasweg 23, 4060 Leonding, Austria

Member of the Supervisory Board since April 2013. From 1997, he worked at Raiffeisenlandesbank Oberösterreich AG as the Head of the Secretariat of the Board of Directors. From 1999 to 2000, he worked at the Federal Ministry of Agriculture and Forestry. From 2001 to 2012, he was managing partner and shareholder in Finadvice Österreich, Linz. Since April 2012, he is a member of the Board of Directors of Raiffeisenlandesbank Oberösterreich AG, Linz.

Dr. Johann Strobl

Born: 18 September 1959

Residing at: Hauptstrasse 37, Walbersdorf, Austria

Member of the Supervisory Board since April 2014. From 1989, Johann worked at Bank Austria Creditanstalt, and from 2004, in the position of member of the Board of the Directors responsible for risk management and finance. In 2007, he became a member of the Board of Directors of Raiffeisen Zentralbank AG responsible for risk management. From 2010, he was a member of the Board of Directors of Raiffeisen Bank International AG responsible for risk management, and from June 2013, also the deputy CEO. In March 2017, he became Chairman of the Board of Directors and CEO of Raiffeisen Bank International AG.

Mag. Dr. Hannes Mösenbacher

Born: 11 March 1972

Residing at: Wisentgasse 39, 3400 Klosterneuburg, Austria

Member of the Supervisory Board of Raiffeisenbank a.s. since 27 April 2017. Since March 2017, he has been a member of the Board of Directors of Raiffeisen Bank International AG, responsible for the area of risk management (CRO). Prior to 2009, he worked for Raiffeisen Bank International AG (Raiffeisen Zentralbank Österreich AG) as Head of Risk Controlling. From 2000 to 2008, he was employed at Bank Austria Creditanstalt, Vienna in various positions associated with risk management.

Andrii Stepanenko

Born: 28 April 1972

Residing at: Vorlaufstrasse 3/503, 1010 Vienna, Austria

Member of the Supervisory Board of Raiffeisenbank from 24 April 2018. At the same time, he became a Member of the Board of Directors of Raiffeisen Bank International AG responsible for Retail Banking. He has been working under the Raiffeisen brand since 1998, first at AKB Raiffeisenbank Ukraine, subsequently in Raiffeisen Zentralbank AG. From 2003 to 2007 he worked at ZAO Raiffeisenbank Austria, where he was responsible for Risk management. Since 2012, he has been in various positions in the Russian AO Raiffeisenbank, most recently as Vice-Chairman of the Board of Directors responsible for Retail Banking and SME.

Ing. Helena Horská, PhD.

Born: 27 November 1974

Residing at: K Habru 174, 251 65 Zvánovice, Czech Republic

Member of the Supervisory Board of Raiffeisenbank a.s. elected by the company's employees since 11 January 2019. has been working at Raiffeisenbank a.s. since 2004, currently in the position of Head of Economic Research.

Ing. Kamila Šťastná, MBA

Born: 26 January 1973

Residing at: Sokolovská 371/1, 186 00 Prague 8-Karlín, Czech Republic

Member of the Supervisory Board of Raiffeisenbank a.s. elected by the company's employees since 11 January 2019. She has been working at Raiffeisenbank a.s. since 1999, currently in the position of Head of the Large Corporates Team.

Ing. Michal Přádka, MBA

Born: 26 January 1977

Residing at: Starodvorská 525, 739 24 Krmelín, Czech Republic

Member of the Supervisory Board of Raiffeisenbank a.s. elected by the company's employees since 11 January 2019. He has been working at Raiffeisenbank a.s. since 1999 (originally at Expandia Bank), currently in the position of Head of Region – North Moravia.

Mgr. Pavel Hruška

Born: 17 November 1973

Residing at: Nehvizdská 954/7, 198 00 Praha 9-Hloubětín, Czech Republic

Member of the Supervisory Board of Raiffeisenbank a.s. elected by the company's employees since 11 January 2019. He has been working at Raiffeisenbank a.s. since 2005, currently in the position of Head of Operational Risk.

Taťána le Moigne

Born: 4 April 1967

Residing at: Janáčkovo nábřeží 471/49, 150 00 Prague 5-Smíchov, Czech Republic

Independent member of the Supervisory Board of Raiffeisenbank a.s. from 27 August 2019. She graduated from the University of Economics in Prague. Since 2006, she has been the CEO of Google Czech Republic. She also holds the position of Country Director at Google in Slovakia, Hungary, and Romania.

Peter Harold

Born: 25 August 1960

Residing at: Bisambergerstrasse 35, 2100 Korneuburg, Austria

Independent member of the Supervisory Board of Raiffeisenbank a.s. since 1 January 2023. Peter studied Business Taxation, Banking Management, and Tax Law at Vienna University. He also has an MBA from Webster University and a PhD from the University of Economics. He currently holds the position of advisor in the field of banking.

Valid as of 31 December 2023

Organisational chart

Raiffeisenbank a.s.

- **HO CEO** – VIDA IGOR
  - **HO Internal Audit** – KUBÝOVÁ MICHAELA
  - **HO Compliance & Financial Crime Management** – PŘIKRYLOVÁ LEONA
  - **HO People & Culture** – FAJMONOVÁ DANA
  - **HO Legal & Management Support** – LÁTAL MAREK
  - **HO Brand Strategy & Communication** – ŠANDA FILIP
  - **HO Strategy & Change Management** – HERMAN ROMAN
- **HO Finance** – MAKHMUDOVA KAMILA
  - **HO Accounting & Taxes** – ONDROUŠKOVÁ TEREZA
  - **HO Controlling & Cost Management** – POCHOPIN MARTIN
  - **HO Reporting & BIA** – SVOBODNÝ MARTIN
  - **HO Asset & Liability Management** – HRNČIAR MAROŠ
- **HO Retail** – KREIDL VLADIMÍR
  - **HO PI Segment & Product Management** – ŠTĚTKA PETR
  - **HO Retail Loans** – HÁK ONDŘEJ
  - **HO Branch Network** – REMR JAN
  - **HO MSE Segment and Product Management** – VAKOČ MARTIN
  - **HO Direct & Remote Sales** – HEJNÝ ALEŠ
  - **HO Private Banking** – ZELINKA JIŘÍ
  - **HO Digital Banking** – PLZÁK MICHAL
- **HO Markets & Investment Banking** – JELÍNEK TOMÁŠ
  - **HO Investment Banking** – MUSIL RADEK
  - **HO Trading** – BALGAVÝ ŠTEFAN
  - **HO Market Sales** – B2 manager PAVEL KRIŠTOF is in charge of the management
  - **HO Economic Research** – HORSKÁ HELENA
  - **HO Treasury Products** – RYDL ONDŘEJ
  - **HO Investment Management** – directly managed by TOMÁŠ JELÍNEK
  - **HO Financial Institutions** – VALOUŠEK TOMÁŠ

Raiffeisenbank a.s.

- **HO Corporate** – JEŽEK FRANTIŠEK
  - **HO Large Corporates** – TUTASS BARBARA
  - **HO Real Estate and Structured Finance** – GÜRTLER TOMÁŠ
  - **HO Trade & Export Finance / Factoring / ESG** – FIALA PETR
  - **HO Corporate Sales** – ŠTĚTINA VÁCLAV
  - **HO Corporate Development** – POLEDŇÁK MICHAL
- **HO Operations** – MATULA MILOŠ
  - **HO Support Services** – TRÉGL DAVID
  - **HO Business Operations** – WERNISCH VLADIMÍR
  - **HO Central Procurement** – TRÉGL DAVID
  - **HO Operations Efficiency & Process Management** – JAUKER MICHAL
  - **HO Security** – OBEŠLOVÁ GABRIELA
- **HO Risk** – STOTTER MARTIN
  - **HO Workout** – POŘÍZ JAROSLAV
  - **HO Retail Risk & Collection** – SMRČEK MARTIN
  - **HO Corporate and SE Risk** – PŘÍHODA HYNEK
  - **HO Risk Controlling** – HANUŠ MARTIN
  - **HO Early Warning System** – ČERNÝ JAN
- **HO Information Technology** – MATOUŠ VLADIMÍR
  - **HO IT Operations** – ŠTENGL PETR
  - **HO IT Development** – NÉMETH ŠTEFAN
  - **HO IT Digital** – ZRNA TOMÁŠ

Valid as of 31 December 2023

Economic Development

The world focused on fighting inflation


Photo: Lucie Vítková

World economic development in 2023 brought both surprises and challenges, while developments in the USA, the Eurozone, and the Czech Republic offer a colourful mosaic of economic trends.

In the USA, 2023 was a year of surprising economic resilience. Although analysts did not rule out the possibility of a recession at the beginning of the year (see the Bloomberg reports), reality was much more favourable. The US economy grew by 2.5%, which is a significant increase in comparison to 1.9% in 2022 (source: Bloomberg). This growth was mainly driven by household consumption. In an effort to influence inflation, which fell to 4.1% from 8.0% in 2022, the US Federal Reserve Bank raised interest rates by a total of 100 basis points to 5.25%–5.50% (source: Bloomberg).

However, the European economy was confronted with weaker performance. The Eurozone stagnated in the last quarter of 2023. The economy's growth for the entire year reached just 0.5%, which is a significant drop from 3.4% in 2022 (source: Bloomberg). The European Central Bank responded to the upsurge in inflation by raising interest rates by 200 basis points, with the prime rate reaching 4.5%. The harmonised inflation rate in the Eurozone reached 5.5%, down from 8.4% in 2022 (source: Bloomberg).

The Czech economy on the verge of stagflation

The Czech economy faced a recession in 2023 with a drop in GDP of 0.4% (source: Czech Statistical Office – CZSO). Household consumption expenditures fell due to high inflation, which reached an average of 10.7%, with December's figure at 6.9% (source: CZSO). Firms responded to low demand by drawing on their inventories, while foreign demand recovered very slowly. Despite a slight increase in registered unemployment to 3.6% (source: Ministry of Labour and Social Affairs – MoLSA), the Czech labour market continued to experience more demand than supply. The result was a significant rise in nominal wages. However, due to continuously high inflation, real purchasing power continued to decline.

Interest rates settled at high levels

The Czech National Bank kept the base rate at 7% during the year, only reduced it by 25 points to 6.75% in December of last year. The yields on ten-year government bonds fell from 5.1% to 3.8%, which reflected market expectations of a rapid cut in rates by key central banks.

During 2023, the Czech crown weakened against the euro by 2.2%, but strengthened against the US dollar. The state budget reached a deficit of CZK 288.5 billion. Government sector debt fell to 44.5% of GDP in the third quarter of 2023 (source: CZSO). Last year, the government adopted a consolidation package that should lead to a more sustainable path for public finances in upcoming years. The rating agency Moody's improved the outlook for the Czech Republic's rating from *"negative"* to *"stable"* and confirmed the grade of Aa3.

Lower inflation will boost the economy

Last year offered a mixed picture of the global economy with challenges in the form of high inflation and interest rates, which had an adverse impact on consumption, demand, and overall economic stability. Credit expansion remained weak due to high Czech crown interest rates. On the contrary, attempts to promote the *"euroisation"* of the corporate sector continued.

According to our estimates, 2024 will see a slight recovery in the economy driven primarily by household consumption. A drop in inflation to close to 3% will allow the central bank to gradually reduce interest rates without jeopardising internal and external price stability. Lower rates will contribute to at least a moderate recovery in credit supply. Unemployment will remain low, but not necessarily at the level of previous historical lows (source: Raiffeisenbank).

Data sources: World Bank, Eurostat, Czech Statistical Office, Czech National Bank, Bloomberg, Ministry of Labour and Social Affairs, BLS, BEA
Data valid as at 31 January 2024
Prepared by Helena Horská, Chief Economist, Raiffeisenbank.

Comments on the IFRS consolidated financial results

The Raiffeisenbank Group recorded in 2023 a consolidated net profit attributable to the parent company's shareholders of CZK 7.49 billion under the IFRS. This is a year on year decrease of 14.9%.

Consolidated Statement of Comprehensive Income

Income

The Group's total operating income decreased by 2.0% to CZK 20.52 billion. Higher interest income contributed most to this increase.

The Group's net interest income decreased by 2.2% to CZK 15.41 billion. This decrease is mainly due to higher interest payments to clients, particularly on savings accounts.

Net income from fees and commissions decreased year on year by 6.3% to CZK 4.68 billion. The decrease is mainly due to a decrease in client margins on foreign currency transactions, an increase in the cost of fees on guarantees received and fees paid out related to client campaigns.

Other income, which includes mainly net profit or loss on financial markets totalled CZK -396 million.

Expenses

Operating expenses decreased by 4.2% to CZK 9.71 billion, with the largest item being personnel costs of CZK 4.48 billion, an increase of 1.8%. General operating expenses decreased by 7.2% to CZK 3.17 billion, of which the costs of contributions to the Deposit Insurance Fund and the Crisis Resolution Fund amounted in total to CZK 555 million, i.e. 3.54% more than in the previous year. Depreciation of tangible and intangible assets decreased by 11.2% to CZK 2.07 billion. Overall, the decrease in operating expenses in 2023 was due to synergies after acquisition of Equa bank a.s.

Risk management

Impairment gains/(losses) on credit and off-balance sheet exposures are higher in absolute terms by CZK 1.123 billion year on year, with net provisioning of CZK 983 million for both households and firms during 2023. The Group continues to maintain a very sound loan portfolio.

Consolidated Statement of Financial Position

Assets

The Group's total assets reached CZK 739.75 billion, thus increasing by 11.0% year on year.

Cash in hand and other cash equivalents increased to CZK 14.93 billion, which is an increase of 7.5%, mainly affected by a rise in balances with the central bank.

Securities held for trading increased by 175.3% to CZK 446 million.

Loans and advances to banks decreased by 4.4% to CZK 152.95 billion. Loans and advances to customers rose by 4.1% year on year to CZK 429.59 billion. This increase is attributable to consumer loans in the household segment and to investment loans in the corporate segment. Other assets increased by 72.3% to CZK 14.87 billion.

Property and equipment decreased by 5.0% to CZK 3.29 billion. Intangible fixed assets decreased by 2.6% to CZK 5.72 billion.

Liabilities

The Group's total liabilities reached CZK 681.06 billion, which is an increase of 11.2%.

Amounts owed to financial institutions increased by 122.3% to CZK 23.72 billion.

Amounts owed to customers increased by 8.0% year on year to CZK 593.99 billion. Growth is driven by rising balances in savings accounts and term deposits, both on the household and corporate side.

Issued debt securities increased by 47.9% to CZK 36.31 billion. In January 2023, the Group issued senior non-preferred bonds that are subordinated to other preferred bonds and MREL eligible.

Subordinated liabilities and bonds decreased by 1.4% to CZK 5.23 billion.

Other liabilities decreased by 18.8% to CZK 1.75 billion.

Equity

In 2023, the Group's capital adequacy reached 19.98% against 18.31% last year.

The Annual General Meeting of the Bank held on 24 March 2023 resolved to transfer the entire profit 2022 of CZK 8.80 billion to consolidated retained earnings and to pay a coupon of CZK 308 million from consolidated retained earnings to the holders of AT1 Capital Investment Certificates. The Extraordinary General Meeting of the Bank held on 14 December 2023 resolved to pay a dividend to shareholders of CZK 3.185 billion out of consolidated retained earnings.

The increase in retained earnings had a positive impact on the Group's capital adequacy.

Deloitte.

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„THE REPORT BELOW REPRESENTS THE AUDITOR'S REPORT THAT RELATES SOLELY AND EXCLUSIVELY TO THE OFFICIAL ANNUAL FINANCIAL REPORT PREPARED IN THE XHTML FORMAT.“

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
Raiffeisenbank a.s.

Having its registered office at: Hvězdova 1716/2b, 140 78 Praha 4

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Raiffeisenbank a.s. and its subsidiaries (hereinafter also the "Group") and separate financial statements of Raiffeisenbank a.s. (hereinafter also the "Company") prepared on the basis of IFRS Accounting Standards as adopted by the European Union.

The consolidated financial statements comprise the consolidated statement of financial position as at 31 December 2023, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information ("consolidated financial statements").

The separate financial statements comprise the separate statement of financial position as at 31 December 2023, and the separate statement of comprehensive income, separate statement of changes in equity and separate statement of cash flows for the year then ended, and notes to the separate financial statements, including material accounting policy information ("separate financial statements").

In our opinion:

- The accompanying consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2023, and of its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the European Union.
- The accompanying separate financial statements give a true and fair view of the financial position of the Company as at 31 December 2023, and of its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the European Union.

Basis for Opinion

We conducted our audit in accordance with the Act on Auditors, Regulation (EU) No 537/2014 of the European Parliament and of the Council and Auditing Standards of the Chamber of Auditors of the Czech Republic, which are International Standards on Auditing (ISAs), as amended by the related application guidelines. Our responsibilities under this law and regulation are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the Group and Company in accordance with the Act on Auditors and the Code of Ethics adopted by the Chamber of Auditors of the Czech Republic and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter

Loss allowances for the loans and advances

(see Note 26 and 45 to the consolidated financial statements and Note 25 and 42 to the separate financial statements)

At 31 December 2023, gross loans and advances to customers (hereinafter "loans") amounted to CZK 435,218 million and CZK 371,123 million for the Group and the Company, respectively, against which loss allowances for loans to customers (hereinafter "allowances") of CZK 5,629 million and CZK 4,864 million were recorded for the Group and the Company, respectively.

For the purpose of estimating expected losses, individual loans are classified into one of three stages or a Purchased or Originated Credit-Impaired ("POCI") category in accordance with IFRS 9 Financial Instruments. Stage 1 and Stage 2 include performing loans. Stage 2 loans are loans for which a significant increase in credit risk has been established since origination. Stage 3 includes non-performing loans, i.e. impaired loans.

The allowance for expected credit losses against loans and advances to customers in Stage 1 and Stage 2 amounts to CZK 2,981 million for the Group and CZK 2,524 million for the Company. The loss allowance for impaired loans in Stage 3 amounts to CZK 2,804 million for the Group and CZK 2,496 million for the Company of the total reported amount of CZK 5,629 million for the Group and CZK 4,864 million for the Company as at 31 December 2023.

Loss allowances are determined using statistical models for performing exposures (stages 1 and 2). Loss allowances for impaired loans (stage 3) are calculated differently for portfolio and individually managed exposures:

- Loss allowances for portfolio-assessed exposures are based on statistical models primarily taking into account the Group's historical data.
- Loss allowances for individually assessed exposures are determined by estimating the probability-weighted discounted future cash flows for each exposure for different scenarios relating to future loan repayments.

Management uses professional judgement in determining when to recognise impairment and in what amount. The most significant judgements in the measurement of loss allowances relate to:

- Early identification of exposures with a significant increase in credit risk (Stage 2) and non-performing exposures (Stage 3) in the context of the geopolitical situation and macroeconomic developments;
- Assumptions used in statistical models of expected credit losses, such as default probabilities, recovery rates and macroeconomic factors considered in the information on future developments;
- Probabilities assigned to each future loan repayment scenario for significant exposures;

Related audit procedures

Based on our risk assessment and industry knowledge, we examined the allowances, evaluated the methodology applied and the assumptions used.

We tested the design and operating effectiveness of selected key internal controls the management of the Group has introduced for the impairment assessment and loss allowance recognition. With the assistance of our IT specialists, we tested IT controls relating to access rights and change management of relevant IT applications.

Identification of exposures with significant increase in credit risk and impaired loans

We tested system-based and manual controls of the timely classification of loans to the relevant stage. In cooperation with our specialists, we evaluated the appropriateness of the Group's methodology and the assumptions used for staging models including post-model adjustments and performed selected recalculations related to the inclusion into individual stages.

On a sample of exposures, we assessed the correctness of the categorisation of exposures into different impairment stages.

Assumptions used in the portfolio assessment of exposures

In cooperation with our specialists, we assessed the model methodology and internal validation report. We assessed whether the modelling assumptions considered relevant material risks, were relevant in the light of historical experience and future outlook, economic climate and the circumstances of customers. We assessed the adequacy of the risk parameters used in the calculation of loss allowances.

In light of the high volatility in economic scenarios caused by the current geopolitical and macroeconomic situation, we assessed whether the macroeconomic and other parameters used in the ECL statistical models fairly reflect the expected degree of defaults and recoverability of loans in the future.

We also recalculated the key input parameters of the models using historical data on loan migration, defaulted loans and their recoverability.

Assumptions used in the individual exposure assessment

On a sample of individually significant exposures:

- We assessed the appropriateness of the allowance creation methodology and its application.
- Based on available external and internal information, we formed an independent opinion on the required amount of loss allowances.
- We verified the accuracy of the input data used when taking into account specific risk factors.

Key audit matter	Related audit procedures
• Collateral valuation, • Method of incorporating specific risk factors, such as the impact of the geopolitical and macroeconomic situation and its economic consequences. The determination of the loan loss allowance amount is considered to be a key audit matter due to the high level of judgement that management had to make, particularly in relation to the identification of impairment of receivables and the quantification of loan impairment. In addition, due to the current geopolitical and macroeconomic situation, the level of uncertainty and the degree of subjectivity of management's judgements in relation to the 2023 financial reporting has significantly increased. Management has provided further information regarding loan impairment in Note 45 to the consolidated financial statements and Note 42 to the separate financial statements.	Inclusion of information on future developments in the calculation of expected credit losses In cooperation with our specialists, we assessed the macroeconomic scenarios used by management to derive adjustments to the probability of default and loss given default (model inputs) in light of expected future economic developments and assessed the appropriateness of the applied approach. The final conclusion was supported by an analysis conducted at the overall portfolio level to identify anomalies in the categorisation of loans into different impairment stages and anomalies in the loss allowance amounts.
Interest and fee income recognition *(see Notes 7 and 8 to the consolidated financial statements and Notes 6 and 7 to the separate financial statements)* For the year ended 31 December 2023, the interest income amounted to CZK 43,479 million for the Group and CZK 40,479 million for the Company. Fee and commission income amounted to CZK 6,455 million for the Group and CZK 5,755 million for the Company. These items represent the main source of the Group's and Company's operating income. While interest income is recognised on an accruals basis over the expected life of a financial instrument, the recognition of fee income depends on the nature of the fees as follows: • Fees that are directly attributable to the acquisition of financial instruments are recognised on an accruals basis over the expected life of the instrument and presented as interest income. • Fees for services provided are recognised over the period of the provision of the service and are presented as fee and commission income. • Fees for transaction services are recognised when the service is provided and are presented as fee and commission income. The specifics of revenue recognition and a large volume of individually small transactions, which depends on the quality of input data relating to interest and fees and on IT solutions for their recognition, resulted in this matter being identified as a key audit matter. The management provided further information about interest income in Note 5 (a) and fees and commissions in Note 5 (b) to the consolidated financial statements and Notes 3 (a) and 3 (b) to the separate financial statements.	Based on our risk assessment and industry knowledge, we evaluated the methodology applied on revenue recognition and the assumptions used by the management. We tested the design and operating effectiveness of the key internal controls and focused on: • Entering input data concerning interest/fees of loans and client deposits. • Recognition of interest income and fees and the management oversight. • IT controls relating to access rights and change management of relevant IT applications with the assistance of our IT specialists. We also performed the following procedures with regard to interest and fee income recognition: • We evaluated the accounting treatment applied by the Group to determine whether the methodology complies with the requirements of the relevant accounting standard, • We recalculated the unamortised balance of fees and commissions using the analytical substantive testing, • We recalculated the amount of interest income and fee and commission income using the analytical substantive testing. We focused our testing on verification of the correct classification of: • Fees and commissions that are identified as directly attributable to the financial instrument. • Fees and commissions that are not identified as directly attributable to the financial instrument. We assessed the Group's accounting treatment for the deferral of the related revenue over the expected life of the financial instrument to determine whether the methodology used meets the requirements of the relevant accounting standard.

Other Information in the Annual Financial Report

In compliance with Section 2(b) of the Act on Auditors, the other information comprises the information included in the Annual Financial Report other than the consolidated and separate financial statements and auditor's report thereon. The Board of Directors is responsible for the other information.

Our opinion on the consolidated and separate financial statements does not cover the other information. In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. In addition, we assess whether the other information has been prepared, in all material respects, in accordance with applicable law or regulation, in particular, whether the other information complies with law or regulation in terms of formal requirements and procedure for preparing the other information in the context of materiality, i.e. whether any non-compliance with these requirements could influence judgements made on the basis of the other information.

Based on the procedures performed, to the extent we are able to assess it, we report that:

- The other information describing the facts that are also presented in the consolidated and separate financial statements is, in all material respects, consistent with the consolidated and separate financial statements; and
- The other information is prepared in compliance with applicable law or regulation.

In addition, our responsibility is to report, based on the knowledge and understanding of the Group and the Company obtained in the audit, on whether the other information contains any material misstatement of fact. Based on the procedures we have performed on the other information obtained, we have not identified any material misstatement of fact.

Responsibilities of the Board of Directors and Supervisory Board for the Consolidated and Separate Financial Statements

The Company's Board of Directors is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with IFRS Accounting Standards as adopted by the European Union and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the Board of Directors is responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or the Company or to cease operations, or has no realistic alternative but to do so.

The Supervisory Board is responsible for overseeing the Group's and the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with the above law or regulation, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the Group's and the Company's internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group and the financial information and business activities of the Company to express an opinion on the consolidated and separate financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors, the Supervisory Board and the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, the Supervisory Board and the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Audit Report on the Report on the Related Party Transactions between Controlling and Controlled Entities ("Related Party Transactions Report")

We have reviewed the factual accuracy of the information included in the accompanying related party transactions report of Raiffeisenbank a.s. for the year ended 31 December 2023 which is included in the Financial section of this Annual Financial Report in chapter "Report on Related Parties". This related party transactions report is the responsibility of the Company's Statutory Body. Our responsibility is to express our view on the related party transactions report based on our review.

We conducted our review in accordance with Auditing Standard 56 issued by the Chamber of Auditors of the Czech Republic. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the related party transactions report is free of material factual misstatements. A review is limited primarily to inquiries of Company personnel and analytical procedures and examination, on a test basis, of the factual accuracy of information, and thus provides less assurance than an audit. We have not performed an audit of the related party transactions report and, accordingly, we do not express an audit opinion.

Nothing has come to our attention based on our review that indicates that the information contained in the related party transactions report of Raiffeisenbank a.s. for the year ended 31 December 2023 contains material factual misstatements.

The Company has decided not to disclose amounts under related party contracts citing business secrecy restrictions.

Report on Other Legal and Regulatory Requirements

In compliance with Article 10 (2) of Regulation (EU) No. 537/2014 of the European Parliament and the Council, we provide the following information in our independent auditor's report, which is required in addition to the requirements of International Standards on Auditing:

Appointment of the Auditor and the Period of Engagement

We were appointed as the auditors of the Company by the Sole Shareholder on 18 August 2020 and our uninterrupted engagement has lasted for 3 years, including previous renewals.

Consistence with the Additional Report to the Audit Committee

We confirm that our audit opinion on the financial statements expressed herein is consistent with the additional report to the Audit Committee of the Company, which we issued on 27 March 2024 in accordance with Article 11 of Regulation (EU) No. 537/2014 of the European Parliament and the Council.

Provision of Non-audit Services

We declare that no prohibited non-audit services referred to in Article 5 of Regulation (EU) No. 537/2014 of the European Parliament and the Council were provided. In addition, there are no other non-audit services which were provided by us to the Company and its controlled undertakings and which have not been disclosed in the Annual Financial Report.

Report on Compliance with the ESEF Regulation

We have conducted a reasonable assurance engagement on the verification of compliance of the financial statements included in the Annual Financial Report with the provisions of Commission Delegated Regulation (EU) 2019/815 of 17 December 2018 supplementing Directive 2004/109/EC of the European Parliament and of the Council with regard to regulatory technical standards on the specification of a single electronic reporting format (the "ESEF Regulation") that apply to the financial statements.

Responsibilities of the Board of Directors

The Board of Directors is responsible for the preparation of the financial statements in compliance with the ESEF Regulation. Inter alia, the Board of Directors is responsible for:

- The design, implementation and maintenance of the internal control relevant for the application of the requirements of the ESEF Regulation;
- The preparation of all financial statements included in the Annual Financial Report in the valid XHTML format; and
- The selection and use of XBRL mark-ups in line with the requirements of the ESEF Regulation.

Auditor's Responsibilities

Our task is to express a conclusion whether the financial statements included in the Annual Financial Report are, in all material respects, in compliance with the requirements of the ESEF Regulation, based on the audit evidence obtained. Our reasonable assurance engagement was conducted in accordance with the International Standard on Assurance Engagements 3000 (Revised) Assurance Engagements Other Than Audits or Reviews of Historical Financial Information (hereinafter "ISAE 3000").

The nature, timing and scope of the selected procedures depend on the auditor's judgement. A reasonable assurance is a high level of assurance; however, it is not a guarantee that the examination conducted in accordance with the above standard will always detect a potentially existing material non-compliance with the requirements of the ESEF Regulation.

As part of our work, we performed the following procedures:

- We obtained an understanding of the requirements of the ESEF Regulation;
- We obtained an understanding of the Company's internal control relevant for the application of the requirements of the ESEF Regulation;
- We identified and evaluated risks of material non-compliance with the ESEF Regulation, whether due to fraud or error; and
- Based on this, we designed and performed procedures responsive to those risks and aimed at obtaining a reasonable assurance for the purposes of expressing our conclusion.

The aim of our procedures was to assess whether

- The financial statements included in the Annual Financial Report were prepared in the valid XHTML format;
- The disclosures in the consolidated financial statements were marked up where required by the ESEF Regulation and all mark-ups meet the following requirements:
    - XBRL mark-up language was used;
    - The elements of the core taxonomy specified in the ESEF Regulation with the closest accounting meaning were used, unless an extension taxonomy element was created in compliance with Annex IV of the ESEF Regulation; and
    - The mark-ups comply with the common rules for mark-ups pursuant to the ESEF Regulation.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Conclusion

In our opinion, the Company's financial statements for the year ended 31 December 2023 included in the Annual Financial Report are, in all material respects, in compliance with the requirements of the ESEF Regulation.

In Prague on 27 March 2024

Audit firm:

Deloitte Audit s.r.o.
registration no. 079

Statutory auditor:

David Batal
registration no. 2147

Raiffeisenbank a.s.

Consolidated financial statements
Prepared in accordance with IFRS Accounting Standards as adopted by the European Union for the year ended 31 December 2023

<u>**Components of the Consolidated Financial Statements**</u>

Consolidated Statement of Comprehensive Income

Consolidated Statement of Financial Position

Consolidated Statement of Changes in Equity

Consolidated Cash Flow Statement

Notes to the Consolidated Financial Statements

These consolidated financial statements have been prepared by the Bank and approved by the Board of Directors of the Bank on 20 March 2024.

Statutory body of the entity	**Signature**
Igor Vida Chairman of the Board of Directors	
Kamila Makhmudova Member of the Board of Directors	

Consolidated Statement of Comprehensive Income

For the Year Ended 31 December 2023

MCZK	Note	31 Dec 2023	31 Dec 2022
Interest income and similar income calculated using the effective interest rate method	7	40,504	29,900
Other interest income	7	2,975	2,738
Interest expense and similar expense	7	(28,070)	(16,880)
Net interest income		**15,409**	**15,758**
Fee and commission income	8	6,455	6,152
Fee and commission expense	8	(1,778)	(1,158)
Net fee and commission income		**4,677**	**4,994**
Net gain/(loss) on financial operations	9	(322)	(606)
Net gain/(loss) on financial assets other than held for trading mandatorily measured at fair value through profit or loss	10	16	(7)
Net gain/(loss) from hedge accounting	11	(90)	(104)
Dividend income	12	1	1
Impairment gains/(losses) on credit and off-balance sheet exposures	13	(983)	140
Gain/(loss) from derecognition of financial assets measured at amortised cost	14	8	5
Personnel expenses	15	(4,476)	(4,399)
General operating expenses	16	(3,167)	(3,413)
Depreciation and amortisation	17	(2,065)	(2,326)
Other operating income	18	998	881
Other operating expenses	19	(177)	(185)
Gains/(losses) on the sale of subsidiaries and joint ventures	49	-	188
Gains/(losses) on non-current assets and disposal groups		5	11
Operating profit		**9,834**	**10,938**
Share of the income from affiliated companies	31	12	11
Profit before tax		**9,846**	**10,949**
Income tax	20	(2,352)	(2,145)
Net profit for the year attributable to:		**7,494**	**8,804**
- shareholders of the parent company		7,494	8,804
- non-controlling interests		-	-
Earnings per share/ Diluted earnings per share (in CZK)	21	**4,647**	**5,491**
Other comprehensive income			
Items that will not be reclassified to profit or loss in future:			
Net gain/(loss) from remeasurement of equity securities at FVOCI	40	23	(9)
Deferred tax relating to items that will not be reclassified to profit or loss in following periods	40	(4)	1
Items that will be reclassified to profit or loss in future:			
Revaluation of cash flow hedges	40	729	(427)
Deferred tax relating to items that will be reclassified to profit or loss in following periods	40	(200)	148
Total other comprehensive income attributable to:		**548**	**(287)**
- shareholders of the parent company		548	(287)
- non-controlling interests		**-**	**-**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**8,042**	**8,517**

The accompanying notes on pages 74–192 are an integral part of these consolidated financial statements.

Consolidated Statement of Financial Position

As of 31 December 2023

MCZK	Note	31 Dec 2023	31 Dec 2022
ASSETS			
Cash and cash equivalents	22	14,939	13,902
Financial assets held for trading	23	5,364	7,710
Trading derivatives	23,42	4,918	7,548
Securities held for trading	23	446	162
Financial assets other than held for trading mandatorily measured at fair value through profit or loss	24	208	194
Financial assets at FVOCI	25	132	101
Financial assets at amortised cost	26	681,604	616,396
Loans and advances to banks	26	152,950	160,048
Loans and advances to customers	26	429,589	412,736
Debt securities	26	99,065	43,612
Finance leases	27	8,176	8,097
Fair value remeasurement of portfolio-remeasured items	42	50	(5,755)
Hedging derivatives with positive fair value	28	5,152	7,347
Income tax asset	20	49	29
Deferred tax asset	29	24	27
Equity investments in associated companies	31	125	113
Intangible assets	32	5,715	5,868
Property, plant and equipment	33	3,291	3,464
Investment property	34	47	257
Other assets	30	14,874	8,632
TOTAL ASSETS		**739,750**	**666,382**

MCZK	Note	31 Dec 2023	31 Dec 2022
LIABILITIES AND EQUITY			
Financial liabilities held for trading	35	4,678	7,968
Trading derivatives	35	4,678	7,968
Financial liabilities at amortised cost	36	666,182	596,589
Deposits from banks	36	23,719	10,669
Deposits from customers	36	593,995	550,061
Debt securities issued	36	36,312	24,553
Subordinated liabilities and bonds	36	5,232	5,162
Other financial liabilities	36	6,924	6,144
Fair value remeasurement of portfolio-remeasured items	42	(6,467)	(14,354)
Hedging derivatives with negative fair value	37	12,725	17,658
Provisions	38	1,339	1,384
Current tax liability	20	155	1,166
Deferred tax liability	29	695	354
Other liabilities	39	1,749	1,472
TOTAL LIABILITIES		**681,056**	**612,237**
EQUITY			
Share capital	40	15,461	15,461
Reserve fund		824	824
Fair value reserve	40	(117)	(665)
Retained earnings		30,201	24,890
Other equity instruments	40	4,831	4,831
Profit for the year		7,494	8,804
Total equity attributable to the parent company's shareholders		**58,694**	**54,145**
TOTAL LIABILITIES AND EQUITY		**739,750**	**666,382**

The accompanying notes on pages 74–192 are an integral part of these consolidated financial statements.

Consolidated Statement of Changes in Equity

For the Year Ended 31 December 2023

(MCZK)	Equity attributable to the Group's shareholders							
	Share capital	**Other capital funds**	**Reserve fund**	**Fair value reserve**	**Retained earnings**	**Other equity instruments**	**Net profit for the year**	**Total equity**
At 31 December 2021	**15,461**	**113**	**825**	**(378)**	**20,303**	**4,831**	**4,770**	**45,925**
Increase in share capital	-	-	-	-	-	-	-	**-**
Allocation to other capital funds	-	-	-	-	-	-	-	**-**
Increase in other equity instruments	-	-	-	-	-	-	-	**-**
Payment of coupon on other equity instruments	-	-	-	-	(296)	-	-	**(296)**
Allocation to retained earnings	-	-	-	-	4,770	-	(4,770)	**-**
Changes to the consolidation group	-	(113)	(1)	-	113	-	-	**(1)**
Net profit for the year	-	-	-	-	-	-	8,804	**8,804**
Other comprehensive income, net	-	-	-	(287)	-	-	-	**(287)**
Total comprehensive income for the year	-	-	-	**(287)**	-	-	**8,804**	**8,517**
At 31 December 2022	**15,461**	**-**	**824**	**(665)**	**24,890**	**4,831**	**8,804**	**54,145**
Increase in share capital	-	-	-	-	-	-	-	-
Allocation to other capital funds	-	-	-	-	-	-	-	-
Increase in other equity instruments	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	(3,185)	-	-	**(3,185)**
Payment of coupon on other equity instruments	-	-	-	-	(308)	-	-	**(308)**
Allocation to retained earnings	-	-	-	-	8,804	-	(8,804)	**-**
Changes to the consolidation group	-	-	-	-	-	-	-	**-**
Net profit for the year	-	-	-	-	-	-	7,494	**7,494**
Other comprehensive income, net	-	-	-	548	-	-	-	**548**
Total comprehensive income for the year	-	-	-	**548**	-	-	**7,494**	**8,042**
At 31 December 2023	**15,461**	**-**	**824**	**(117)**	**30,201**	**4,831**	**7,494**	**58,694**

The accompanying notes on pages 74–192 are an integral part of these consolidated financial statements.

Consolidated Cash Flow Statement

For the Year Ended 31 December 2023

(MCZK)	Note	2023	2022
Profit before tax		**9,846**	**10,949**
Adjustments for non-cash transactions			
Impairment gains/(losses) on credit and off-balance sheet exposures	13	983	(140)
Depreciation/amortisation expense	17	2,065	2,326
Creation of other provisions	38	(126)	(13)
Change in fair value of derivatives	23,28,35,37	(3,398)	4,947
Unrealised losses/(gains) on remeasurement of securities	23	(29)	5
Gain/(loss) on sale of property and equipment and intangible assets	18	(36)	(138)
Gain on the sale of subsidiaries and joint ventures	49	-	(188)
Change in the remeasurement of hedged items upon fair value hedge	11	2,082	(3,767)
Share of profit from associated companies	31	(12)	(11)
Remeasurement of foreign currency positions	9	593	453
Change in accruals and amortisation of financial assets and liabilities		(86)	451
(Release)/creation of initial loss on financial assets and assignment of receivables		(489)	(104)
Other non-cash changes		(50)	(413)
Operating profit before changes in operating assets and liabilities		***11,343***	***14,357***
Operating cash flow			
(Increase)/decrease in operating assets			
Mandatory minimum reserves with the Czech National Bank (CNB)	30	(6,138)	1,948
Loans and advances to banks	26	7,159	38,192
Loans and advances to customers	26	(14,214)	(43,543)
Debt securities held at amortised cost	26	(54,096)	(6,969)
Securities held for trading	23	(279)	(2)
Financial assets other than those held for trading mandatorily at fair value through profit or loss	24	(13)	303
Financial assets at fair value through other comprehensive income	25	(31)	(82)
Finance leases	27	(52)	(78)
Other assets	30	(104)	792
(Increase)/decrease in operating assets			
Deposits from banks	36	12,600	(2,231)
Deposits from customers	36	41,700	(2,213)
Other financial liabilities	36	910	2,335
Other liabilities	39	277	(6)
Net operating cash flow before tax		**(938)**	**2,803**
Income tax paid	20	(3,212)	(1,166)
Net operating cash flow		***(4,150)***	***1,637***
Cash flows from investing activities			
Sale of equity investments	49	-	453
Increase in equity investments	49	-	-
Acquisition of property and equipment and intangible assets	32,33	(1,651)	(1,737)
Proceeds from sale of non-current assets	18	156	215
Dividends received	12	1	1
Net cash flow from investing activities		***(1,494)***	***(1,068)***
Cash flows from financing activities			
Dividends paid and paid coupons on other equity instruments	40	(3,494)	(296)
Increase in share capital	40	-	-
Increase in other equity instruments	40	-	-
Debt securities issued	36	13,232	4,971
Repayment of debt securities issued	36	(2,894)	-
Repayment of subordinated deposits	36	(41)	(249)
Proceeds from issue of subordinated debt	36	-	-
Lease liabilities	36	(355)	(370)
Net cash flow from financing activities		***6,448***	***4,056***
Net (decrease)/increase in cash and cash equivalents		**804**	**4,625**
Cash and cash equivalents at the beginning of the year (note 22)		13,902	9,461
Foreign exchange gains/losses on cash and cash equivalents at the beginning of the year		233	(184)
Cash and cash equivalents at the end of the year (note 22)		**14,939**	**13,902**
Interest received		41,739	32,208
Interest paid		(29,488)	(17,841)

The accompanying notes on pages 74–192 are an integral part of these consolidated financial statements.

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1. INFORMATION ABOUT THE PARENT COMPANY

Raiffeisenbank a.s. ("the Bank"), with its registered office at Hvězdova 1716/2b, Praha 4, post code 140 78, identification number 49240901, was founded as a joint stock company in the Czech Republic. The Bank was recorded in the Commercial Register maintained by the Municipal Court in Prague on 25 June 1993, Section B, File 2051.

The Bank, together with its subsidiaries and joint ventures listed in note 3, forms the Raiffeisenbank a.s. Financial Group ("the Group"). The Bank is the parent company of the Group

Principal activities of the Group:

- acceptance of deposits from the public;
- provision of loans;
- investing in securities on its own account;
- finance leases - at present, the Bank does not carry out this activity directly;
- payments and clearing;
- issuance and maintenance of payment facilities;
- provision of guarantees;
- opening of letters of credit;
- direct debit services;
- provision of investment services;
    - principal investment services under Section 4 (2) (a), (b), (c), (d), (e), (g), and (h) of Act No. 256/2004 Coll., as amended;
    - additional investment services under Section 4 (3) (a) – (f) of Act No. 256/2004 Coll., as amended;
- administration of investment and participation funds;
- issuance of mortgage bonds;
- financial brokerage;
- depositary activities;
- foreign exchange services (foreign currency purchases);
- provision of banking information;
- proprietary or client-oriented trading with foreign currency assets;
- rental of safe-deposit boxes;
- activities directly relating to the activities listed in the banking licence; and
- mediation of supplementary pension schemes;
- lease of movable and immovable assets;
- building society savings operation;
- provision of loans to participants in building society savings; and
- provision of guarantees for building society savings loans.

In addition to the licence to pursue bank operations, the Bank:

- was granted a securities broker licence; and
- has been listed by the Ministry of Finance of the Czech Republic as a limited insurance provider.

During the year ended 31 December 2023, the performance or provision of the Group's activities and services were not restricted or suspended by the Czech National Bank.

2. SHAREHOLDERS OF THE PARENT COMPANY

Shareholders of the Bank as of 31 December 2023 and 2022:

Name, address	Voting power	
	2023	2022
Raiffeisen CEE Region Holding GmbH Am Stadtpark 9, Vienna, Austria	75%	75%
RLB OÖ Sektorholding GmbH Europaplatz 1a, 4020 Linz, Austria	25%	25%

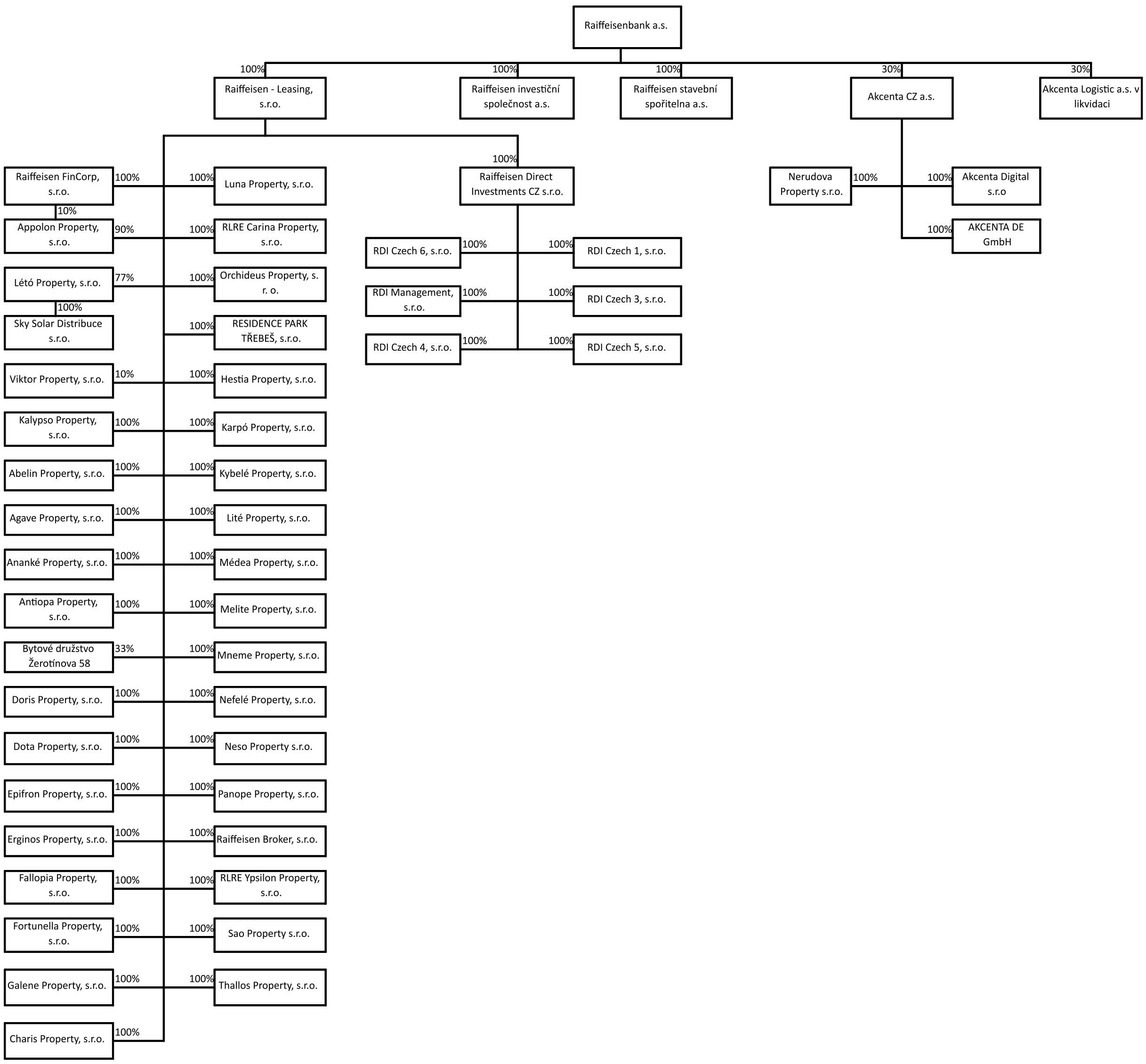
The equity investments of the shareholders equal their share in the voting power. All shareholders have a special relation to the Bank in terms of Section 19 of Banking Act No. 21/1992 Coll., as amended.

Information on the parent company's share capital is disclosed in note 40.

The ultimate parent company of the Bank is Raiffeisen Bank International AG, Austria.

3. DEFINITION OF THE CONSOLIDATED GROUP

a) Group chart as of 31 December 2023



The percentage stated in respect of individual entities in the chart shows the stake in the share capital of the particular entity.

b) Group companies included in consolidation

Group companies included in consolidation as of 31 December 2023 were as follows:

Company	The Bank's effective holding in % in 2023	Indirect holding through	Consolidation method in 2023	Registered office
Raiffeisen investiční společnost a.s.	100%	-	Full method	Prague
Raiffeisen stavební spořitelna a.s.	100%	-	Full method	Prague
Raiffeisen - Leasing, s.r.o.	100%	-	Full method	Prague
Raiffeisen FinCorp, s.r.o.	100%	Raiffeisen - Leasing, s.r.o.	Full method	Prague
Appolon Property, s.r.o.	100%	Raiffeisen - Leasing, s.r.o.	Full method	Prague
Luna Property, s.r.o.	100%	Raiffeisen - Leasing, s.r.o.	Full method	Prague
RLRE Carina Property, s.r.o.	100%	Raiffeisen - Leasing, s.r.o.	Full method	Prague
Orchideus Property, s. r. o.	100%	Raiffeisen - Leasing, s.r.o.	Full method	Prague
Viktor Property, s.r.o.	100%	Raiffeisen - Leasing, s.r.o.	Full method	Prague
Hestia Property, s.r.o.	100%	Raiffeisen - Leasing, s.r.o.	Full method	Prague
Raiffeisen Direct Investments CZ s.r.o.	100%	Raiffeisen - Leasing, s.r.o.	Full method	Prague
RDI Management s.r.o.	100%	Raiffeisen Direct Investments CZ s.r.o.	Full method	Prague
RDI Czech 1 s.r.o.	100%	Raiffeisen Direct Investments CZ s.r.o.	Full method	Prague
RDI Czech 3 s.r.o.	100%	Raiffeisen Direct Investments CZ s.r.o.	Full method	Prague
RDI Czech 4 s.r.o.	100%	Raiffeisen Direct Investments CZ s.r.o.	Full method	Prague
RDI Czech 5 s.r.o.	100%	Raiffeisen Direct Investments CZ s.r.o.	Full method	Prague
RDI Czech 6 s.r.o.	100%	Raiffeisen Direct Investments CZ s.r.o.	Full method	Prague
AKCENTA CZ a.s.	30%	-	Equity method	Prague

Group companies included in consolidation as of 31 December 2022 were as follows:

Company	The Bank's effective holding in % in 2022	Indirect holding through	Consolidation method in 2022	Registered office
Equa Sales & Distribution s.r.o. v likvidaci	100%	-	Full method	Prague
Equa bank a.s.*	100%	-	Full method	Prague
Equa Sales & Distribution s.r.o.	100%	-	Full method	Prague
Raiffeisen investiční společnost a.s.	100%	-	Full method	Prague
Raiffeisen stavební spořitelna a.s.	100%	-	Full method	Prague
Raiffeisen - Leasing, s.r.o.	100%	-	Full method	Prague
Raiffeisen FinCorp, s.r.o.	100%	Raiffeisen - Leasing, s.r.o.	Full method	Prague
Appolon Property, s.r.o.	100%	Raiffeisen - Leasing, s.r.o.	Full method	Prague
Luna Property, s.r.o.	100%	Raiffeisen - Leasing, s.r.o.	Full method	Prague
RLRE Carina Property, s.r.o.	100%	Raiffeisen - Leasing, s.r.o.	Full method	Prague
Orchideus Property, s. r. o.	100%	Raiffeisen - Leasing, s.r.o.	Full method	Prague
Viktor Property, s.r.o.	100%	Raiffeisen - Leasing, s.r.o.	Full method	Prague
Hestia Property, s.r.o.	100%	Raiffeisen - Leasing, s.r.o.	Full method	Prague
Raiffeisen Direct Investments CZ s.r.o.	100%	Raiffeisen - Leasing, s.r.o.	Full method	Prague
RDI Management s.r.o.	100%	Raiffeisen Direct Investments CZ s.r.o.	Full method	Prague
RDI Czech 1 s.r.o.	100%	Raiffeisen Direct Investments CZ s.r.o.	Full method	Prague
RDI Czech 3 s.r.o.	100%	Raiffeisen Direct Investments CZ s.r.o.	Full method	Prague
RDI Czech 4 s.r.o.	100%	Raiffeisen Direct Investments CZ s.r.o.	Full method	Prague
RDI Czech 5 s.r.o.	100%	Raiffeisen Direct Investments CZ s.r.o.	Full method	Prague
RDI Czech 6 s.r.o.	100%	Raiffeisen Direct Investments CZ s.r.o.	Full method	Prague
AKCENTA CZ a.s.	30%	-	Equity method	Prague

c) Companies newly included in consolidation in 2023

In 2023, the Group did not include any new companies in consolidation using the full method.

d) Companies newly included in consolidation in 2022

In 2022, the Group did not include any other new companies in consolidation using the full method.

e) Companies excluded from consolidation in 2023

In 2023, Equa Sales & Distribution s.r.o. v likvidaci was liquidated.

f) Unconsolidated entities

Unconsolidated structured entities

Raiffeisen - Leasing, s.r.o. legally owns the following project companies:

Company	Holding in %	Seat	Share capital (in CZK)
Aglaia Property, s.r.o.	100.00	Prague	50,000
Aiolos Property, s.r.o.	100.00	Prague	50,000
Amathia Property, s.r.o.	90.00	Prague	50,000
Antonínská 2 s.r.o.	90.00	Prague	50,000
Apaté Property, s.r.o.	100.00	Prague	50,000
Ares Property, s.r.o.	100.00	Prague	50,000
Argos Property, s.r.o.	100.00	Prague	50,000
Astra Property, s.r.o.	100.00	Prague	50,000
Ate Property, s.r.o.	100.00	Prague	50,000
Ballota Property, s.r.o.	100.00	Prague	50,000
Beroe Property, s.r.o.	100.00	Prague	50,000
Beskydská Brána s.r.o.	100.00	Prague	10,000
Bratislavská 59 s.r.o.	90.00	Prague	10,000
Bytové družstvo Hrdlořezy	66.67	Brno	30,000
Clio Property, s.r.o.	100.00	Prague	50,000
Cranto Property, s.r.o.	90.00	Prague	50,000
Credibilis a.s.	100.00	Prague	2,000,000
Cymo Property, s.r.o.	100.00	Prague	50,000
Dafné Property, s.r.o.	100.00	Prague	50,000
Darmera Property, s.r.o.	100.00	Prague	50,000
Dero Property, s.r.o.	100.00	Prague	50,000
Dike Property, s.r.o	100.00	Prague	200,000
Dolní náměstí 34 s.r.o.	90.00	Prague	10,000
Eleos Property, s.r.o.	100.00	Prague	50,000
Eos Property, s.r.o.	100.00	Prague	50,000
Ephyra Property, s.r.o.	100.00	Prague	50,000
Eudore Property, s.r.o.	100.00	Prague	50,000
Eunomia Property, s.r.o.	100.00	Prague	50,000
Evarne Property, s.r.o.	90.00	Prague	50,000
Fidurock Residential a.s.	90.00	Prague	2,000,000
FIRA Properties a.s.	90.00	Prague	2,000,000
Fittonia Property, s.r.o.	100.00	Prague	50,000
Fobos Property, s.r.o.	100.00	Prague	50,000
Folos Property, s.r.o.	100.00	Prague	50,000
Frixos Property, s.r.o.	100.00	Prague	50,000
Gaia Property, s.r.o.	100.00	Prague	200,000
Grainulos, s.r.o.	100.00	Prague	1
GRENA REAL s.r.o.	100.00	Prague	89,715
GS55 Sazovice s.r.o.	90.00	Prague	15,558,000
Harmonia Property, s.r.o.	100.00	Prague	50,000
Hébé Property, s.r.o	95.00	Prague	200,000
Hefaistos Property, s.r.o.	100.00	Prague	50,000
Holečkova Property, s.r.o.	100.00	Prague	210,000
Hypnos Property, s.r.o.	100.00	Prague	50,000
Chodská 12 s.r.o.	90.00	Prague	10,000
Chronos Property, s.r.o.	100.00	Prague	200,000
Ianira Property, s.r.o.	100.00	Prague	50,000
JFD Real, s.r.o.	100.00	Prague	50,000
Kappa Estates, s.r.o	100.00	Prague	200,000
Kétó Property, s.r.o.	100.00	Prague	50,000
Kleió Property, s.r.o.	100.00	Prague	50,000
Kleta Property, s.r.o.	90.00	Prague	50,000
Klymene Property, s.r.o.	100.00	Prague	50,000
Krios Property, s.r.o.	100.00	Prague	50,000
Křížkovského 3 s.r.o.	90.00	Prague	10,000
Lázně Dobrá Voda s.r.o.	100.00	Prague	10,000
Ligea Property, s.r.o.	100.00	Prague	50,000
Marissa Ypsilon a.s.	100.00	Prague	4,000,000
Melpomene Property, s.r.o.	100.00	Prague	50,000
Morfeus Property, s.r.o.	100.00	Prague	50,000

Company	Holding in %	Seat	Share capital (in CZK)
Nereus Property, s.r.o.	100.00	Prague	50,000
OC Chrpa a.s.	100.00	Prague	2,000,000
P20 Property, s.r.o.	100.00	Prague	20,000
Palace Holding s.r.o.	90.00	Prague	3,000,000
Pásithea Property, s.r.o.	100.00	Prague	50,000
Plutos Property, s.r.o.	100.00	Prague	50,000
Pontos Property, s.r.o.	100.00	Prague	200,000
Proteus Property, s.r.o.	100.00	Prague	50,000
Provazníkova 40 s.r.o.	90.00	Prague	1,000
Sázavská 826 s.r.o.	90.00	Prague	50,000
SeEnergy PT, s.r.o.	100.00	Zbrašín	700,000
Senna Property, s.r.o.	100.00	Prague	50,000
SPILBERK SPV delta s.r.o.	100.00	Brno	10,000
SPILBERK SPV gama s.r.o.	100.00	Prague	10,000
Stará 19 s.r.o.	90.00	Prague	200,000
Strašnická realitní a.s.	100.00	Prague	8,380,000
Thaumas Property, s.r.o.	100.00	Prague	50,000
Theia Property, s.r.o.	100.00	Prague	50,000
Thoe Property, s.r.o.	90.00	Prague	50,000
Uniola Property, s.r.o.	100.00	Prague	50,000
Veletržní 42 s.r.o.	90.00	Prague	100,000
Vlhká 26 s.r.o	90.00	Prague	200,000
Xantoria Property, s.r.o.	90.00	Prague	50,000

Although these entities are legally owned by Raiffeisen – Leasing, s.r.o., they do not meet the criteria of IFRS accounting standards for being included in the consolidated group since, based on concluded contracts, Raiffeisen – Leasing, s.r.o. does not have the power to control and manage relevant activities of these entities; these entities are not the controlled entities, joint ventures, or associates.

<u>Unconsolidated subsidiaries and associated companies</u>

In addition, the following subsidiaries were not consolidated in 2023 due to their immateriality: AKCENTA LOGISTIC a.s. v likvidaci, Nerudova Property s.r.o., Akcenta Digital s.r.o, AKCENTA DE GmbH, Abelin Property, s.r.o., Agave Property, s.r.o., Ananke Property, s.r.o., Antiopa Property, s.r.o., Bytové družstvo Žerotínova 58, Doris Property, s.r.o., Dota Property, s.r.o., Epifron Property, s.r.o., Erginos Property, s.r.o., Fallopia Property, s.r.o., Fortunella Property, s.r.o., Galene Property, s.r.o., Charis Property, s.r.o., Kalypso Property, s.r.o., Karpó Property, s.r.o., Kybelé Property, s.r.o., Létó Property, s.r.o., Lité Property, s.r.o., Médea Property, s.r.o., Melite Property, s.r.o., Mneme Property, s.r.o., Nefelé Property, s.r.o., Neso Property, s.r.o., Panope Property, s.r.o., Raiffeisen Broker, s.r.o., RESIDENCE PARK TŘEBEŠ, s.r.o., RLRE Ypsilon Property, s.r.o., Sao Property s.r.o., Sky Solar Distribuce s.r.o., Thallos Property, s.r.o.

AKCENTA LOGISTIC a.s. v likvidaci entered liquidation in January 2023. The liquidation process should be completed in Q1 2024.

4. BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

a) Accounting policies

These statutory consolidated financial statements have been prepared in compliance with IFRS Accounting Standards as adopted by the European Union and interpretations approved by the International Accounting Standards Board (IASB).

The consolidated financial statements include a consolidated statement of financial position, a consolidated statement of comprehensive income, a consolidated statement of changes in equity, a consolidated cash flow statement and notes to the consolidated financial statements containing accounting policies and explanatory notes.

The consolidated financial statements are prepared on the accrual basis of accounting whereby the effects of transactions and other events are recognised when they occur and reported in the consolidated financial statements for the periods to which they relate in terms of substance and time.

These consolidated financial statements have been prepared under the historical cost convention (including any impairment), except for financial assets and financial liabilities measured at fair value through profit or loss (FVTPL) (including all non-hedging derivatives and hedging derivatives in a fair value hedge), financial assets measured at fair value through other comprehensive income (FVOCI), and hedging derivatives upon a cash flow hedge remeasured at fair value through other comprehensive income. Recognised financial assets and financial liabilities designated as hedged items in qualifying fair value hedging relationships, which if not included in the hedging relationship, would be measured at amortized cost, are adjusted for changes in fair value that arise from the hedged risk under hedging relationship.

Some companies within the Group maintain the books and prepare the financial statements under Czech Accounting Standards or accounting standards applicable in other countries in which the Group operates; the Group performs reclassifications and adjustments of figures to ensure compliance with IFRS.

These consolidated financial statements are prepared on a going concern basis as the Group’s management believes that the Group has sufficient resources to maintain its business operations in the foreseeable future. This belief is based on a wide range of information and analyses regarding the current and future economic environment, including possible scenarios and their impact on the Group’s profitability, liquidity and capital adequacy; there is no material uncertainty related to events or circumstances that would cast significant doubt on the Group's ability to continue as a going concern.

Unless otherwise indicated, all amounts are shown in millions of Czech crowns (MCZK). Numbers in brackets represent negative amounts.

Use of estimates

The presentation of consolidated financial statements in compliance with IFRS EU requires the Group’s management to make estimates and assumptions that affect the amounts of assets and liabilities reported as of the reporting date, disclosure of contingent assets and liabilities and the amounts of revenues and expenses for the accounting period. These estimates, which primarily relate to the determination of fair values of financial instruments (derivatives and securities, where no active market exists), measurement of intangible assets, impairment of financial assets and provisions, deferred tax assets and liabilities, are based on the information available at the date of issue of the consolidated financial statements. The actual future results may differ from these estimates.

As disclosed in note 45 to the consolidated financial statements, in calculating the expected credit losses the Group uses estimates concerning the financial condition of the borrowers and their ability to repay the credit, the value and recoverability of the security, and future macroeconomic information.

The value of recognised provisions is based on the management’s judgement and represents the best estimate of expenses required to settle liabilities of uncertain timing or amount. For additional information on provisions refer to note 38.

As disclosed in note 5 (f), classification of financial assets requires assessment of business model within which the assets are held and assessment of whether the financial meets the criteria of cash flows (so called "SPPI test").

b) Principles of consolidation

Subsidiaries are entities controlled by the Group. The Group controls an entity if it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated using the full consolidation method. Subsidiaries are included in the consolidation from the date as of which the control over the companies is transferred to the Bank until the date when the Bank ceases to exercise this control. All significant intercompany transactions are eliminated on consolidation. All significant mutual receivables, payables, expenses and revenues, including profit, within the Group were excluded from consolidation. If the Group does not wholly own the subsidiary, it reports a non-controlling interest.

Associated companies and joint ventures are included in consolidation using the equity method. An associated company is an entity over which the Group exercises significant influence but which it does not control; in respect of the joint ventures, it exercises a joint control. A joint venture is an entity in which two or more participants share control of economic activities of the relevant entity. Profit or loss and assets and liabilities of associates or joint ventures are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment is classified as held for sale, in which case it is accounted for in accordance with IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*. Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share in the profit or loss and other comprehensive income of the associate or joint venture. The recognised net investment is regularly tested for impairment. If impairment is identified, the Group recognises an impairment loss on equity investments in associates.

Starting from the date when a joint venture becomes an associate of an investor, the Group presents its equity investment in line with IAS 28 *Investments in Associates and Joint Ventures*. When the Group loses the joint control, it measures the investment retained in the previously joint venture at fair value. In the income statement, the Group presents the difference between:

a) the fair value of the retained investment and proceeds from the disposal of a part of the equity investment in the joint venture; and
b) the carrying value of the investment as of the date on which the joint control is lost.

Starting from the date when an associate becomes a subsidiary, it recognises its equity investment in line with IFRS 3 and IFRS 10. When the Group gains control over the subsidiary, it measures the investment that it holds in the former associate/joint venture at fair value. It recognises the difference between the cost of an additional investment, the fair value of the investment prior to gaining control, the value of non-controlling interests and the fair value of net identifiable assets as goodwill/negative goodwill.

Business combinations among entities or businesses under joint control are business combinations in which all combining entities or businesses are ultimately controlled by the same party or parties as prior to the business combination and subsequent to the business combination, with the control not being temporary. Business combinations under joint control are accounted for using the book values of the acquired business. The Group reports these transactions prospectively, i.e. without restating comparative periods.

5. SIGNIFICANT ACCOUNTING POLICIES AND PROCEDURES

a) Interest income and expense

Interest income and expense are recognised in the consolidated statement of comprehensive income lines "*Interest income and similar income calculated using the effective interest rate method*", "*Other interest income*" and *"Interest expense and similar expense"* when earned or incurred, on an accrual basis. The Group accounts for the accruals of interest using the effective interest rate method. The effective interest rate method is an approach to calculating the amortised cost of a financial asset or financial liability using the effective interest rate. The effective interest rate is used to discount estimated future cash payments or receipts as of the maturity date to the present value. Interest income (expense) also includes interest income (expense) arising from negative interest rates carried by the relevant assets (liabilities) of the Group.

b) Fees and commissions

Fee and commission income arising from customer contracts is measured based on the consideration specified in the contract. Income is recorded when the Group provides the service to customers.

The following is a description of the principles for reporting fee and commission income. The Group provides retail and corporate customers with banking and credit services such as account management, overdraft facilities, foreign currency transactions, credit cards, loans, and operational financing. Fees and commissions paid or received that are directly attributable to the issuance or acquisition of a financial asset or financial liability are an integral part of the effective interest rate of the financial asset or financial liability and are included in the calculation of the effective interest rate. These include, for example, fees for the origination of loans, loan application processing, paid commissions, etc. Fee income/expense that is part of the effective interest rate is recognised under "*Interest income and similar income calculated using the effective interest rate method"* or "*Interest expense and similar expense"*, respectively.

Fees for services provided over a certain period of time are accrued over such a period of time and are recognised under "*Total fee and commission income*" and "*Total fee and commission expense*". These fees include, for example, fees for guarantees and letters of credit, internal and external commissions and fees for transactions with securities. Income from fees and commissions received for concluding a transaction for a third party or for participating in such a transaction, such as payment transactions through bank accounts or ATMs, and fees relating to clients' foreign currency translations are recognised at the moment the transaction is completed.

Commission income arising from mediating third-party insurance and investment products is recognised when the contract is executed. The Group concluded that it acts as an agent as it has no control over the services provided to clients. The Group does not associate these commissions with ancillary services nor does it have the ability to set the price. Therefore, the Group accounts for income only at the net amount of the expected consideration. Commissions are generally based on the volume of negotiated contracts and their performance. The Group accounts for performance-based fees when a third party confirms them. Service fees and fees for the ongoing administration of deposit and credit accounts are periodically deducted from customers' accounts and are recognised when they use respective benefits. The Group determines fees for different customer segments and service levels individually. Service fee income is recognised evenly over time. Contracts, with the exception of contracts concerning term deposits, do not have a minimum commitment period.

When providing services, the Group does not apply incentives (such as temporary discounts) that would result in the recognition of a contractual asset. The Group does not accept any non-refundable prepayments from customers that would lead to the recognition of a contractual liability or customer option or that would contain a material financing component.

Transaction fee income arises mainly from payment card settlement fees, currency conversion fees, and other payment transactions. Income is recognised when the transaction takes place. Fee income arising from impaired financial assets is recognised when the payment is received or the service is provided, whichever occurs later.

The Group decided to apply a practical expedient under IFRS 15.121 and does not disclose information on the total amount of the residual transaction price for services and commission income because the period of enforceability of the respective contract is less than one year and the right to receive performance under service and commission contracts is directly related to the value provided to the customer.

c) Dividends

Income from dividends on securities and equity investments is recorded as declared and included as a receivable in the consolidated statement of financial position line "*Other assets*" and in "*Dividend income*" in the consolidated statement of comprehensive income. Upon receipt of the dividend, the receivable is offset against the collected cash.

Dividends and coupons on other equity instruments paid reduce retained earnings in the period in which their payment is approved by the Annual General Meeting.

d) Other income and expenses reported in the consolidated statement of comprehensive income

Other income and expenses presented in the consolidated statement of comprehensive income are recognised under the accrual basis of accounting, i.e. in the period to which they relate in terms of substance and time irrespective of the moment of their payment or receipt.

Other operating expenses and income that do not directly relate to banking activities are presented in "*Other operating expenses*" or "*Other operating income*".

e) Taxation

The final amount of tax presented in the consolidated statement of comprehensive income comprises the current tax for the accounting period adjusted for changes in prior years' tax liabilities, if any, and deferred tax. Current tax for the year is calculated based on the taxable income, using the tax rate enacted and the tax legislation in force as of the reporting date.

Deferred tax is provided using the balance sheet liability method on all temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for tax purposes. The principal temporary differences arise from certain non-tax deductible provisions and loss allowances, differences between depreciation/amortisation expense for accounting and tax purposes, and remeasurement of financial assets at FVOCI.

Deferred tax assets are recognised only to the extent that it is probable that sufficient taxable profit will be available to allow the asset to be utilised.

Windfall tax came into effect on 1 January 2023 and is applied in the years 2023 to 2025 to i.a. banks with net income exceeding CZK 6 billion in 2021; therefore, within the Group only the Bank is subject to the tax. The windfall tax is set at 60% and the tax base is the difference between the current year's corporate income tax base and the average corporate income tax base between 2018 and 2021 plus 20%. The Group has taken into account the windfall tax in the calculation of the income tax provision. The income tax rate used in the calculation of the provision takes into account both the standard corporate income tax rate of 19% and the windfall tax rate of 60%.

The impact of the windfall tax is also reflected in the calculation of the Group's deferred tax and has therefore been reflected in the deferred tax balance as of 31 December 2023. Deferred tax is calculated using the expected tax rate in the period when the tax asset is recovered or the tax liability is settled. Deferred tax is calculated on all temporary differences using the liability method using the basic income tax rate of 21% and also taking into account the effect of the windfall tax that will apply for the years 2024 to 2025.

The effect of changes in tax rates on deferred tax is recognised directly in the consolidated statement of comprehensive income except where such changes relate to items charged directly to equity.

In December 2023, Act No. 416/2023, on top-up taxes for large multinational groups and large domestic groups came into force. With effect from 31 December 2023, it introduced two entirely new taxes on profits - the Czech top-up tax and the assigned top-up tax ("top-up tax"). The aim of the introduction of the top-up tax is to ensure that large multinational/national groups pay a profit tax for each country (where they operate through subsidiaries or permanent establishments) such that their effective tax rate is at least 15%.

This law only applies to large groups which in two of the four tax years preceding the period under review reported consolidated income of at least EUR 750 million in the consolidated financial statements of the ultimate parent company. The Raiffeisen Bank International Group (RBI) qualifies as a large group, so the law on top-up taxes also applies to the Group.

For the years 2024-2026, the Country-by-Country Reporting (safe harbour rules) can be used as a simplification to verify the application of the minimum taxation. Based on the data from this report for 2022 and the expected results of 2023 and 2024, the RBI Group has realised / expects to realise, in 2024, an effective taxation of more than 15% in the country. Consequently, the Group does not expect to pay any top-up tax in 2024.

f) Financial assets and liabilities

Date of recognition and derecognition of financial instruments in/from the consolidated statement of financial position of the Group

Financial assets with regular delivery terms, except for financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income, are recognised using settlement date accounting.

The settlement (collection) date is the day on which the financial instrument is delivered (on which cash is paid). When settlement date accounting is applied, the financial asset is recognised on the day of receipt of a financial instrument (remittance of cash) and derecognised on the day of its provision (collection of cash).

All loans and receivables are recognised when funds are provided to customers. Loans and receivables are derecognised when repaid by the borrower. Assigned receivables are derecognised when payment is collected from the assignee, and receivables which the Group decided to write off are derecognised as of the write-off date.

For financial assets and liabilities at fair value through profit or loss, the Group uses the trade date accounting where the trade date is the date when the entity undertakes to buy or sell the financial asset.

The substance of trade date accounting is as follows:

- recognition of an asset that the entity shall receive as of the trade date; and
- derecognition of a sold asset and recognition of the gain or loss upon disposal and recognition of a receivable from the buyer as of the trade date.

The interest on the asset and the relating liability is accrued from the settlement date when the ownership rights are transferred. The premium/discount is amortised from the purchase settlement date to the sale settlement date.

The Group remeasures derivative instruments at fair value from the trade date to the settlement date, that is, delivery of the last related cash flow.

The Group derecognises a financial liability when its contractual obligations are discharged, or cancelled, or expire.

Day one gain/loss

In the event that the transaction price differs from the fair value of a financial asset or financial liability measured at fair value, the difference between these values (gain or loss) is reported in the consolidated statement of comprehensive income, either as a one-off amount or accrued over the duration of the contract based on an individual assessment of the financial instrument. The Group typically does not conduct this type of transaction.

Fair value measurement principles

The fair value of financial assets and financial liabilities is based on their listed market price as of the reporting date without any deduction for transaction costs. If a listed market price is not available, the fair value of the instrument is determined using the appropriate measurement models or discounted cash flow method.

Where the discounted cash flow method is used, estimated future cash flows are based on the management's best estimates and the discount rate is derived from the market rate as of the reporting date for instruments with similar terms and conditions. Where measurement models are used, inputs are based on market values as of the reporting date.

The fair value of derivatives that are not exchange-traded is determined as the amount that the Group would receive upon the sale of the asset or would have to pay transfer the liability, taking into account current market conditions and the current creditworthiness of the counterparties.

The remeasurement of debt securities in the Group's portfolio is carried out on a daily basis, using available market rates listed by the market participants by means of Bloomberg services. A group of contributors who provide reliable and regular debt security measurement is selected for each debt security. The credit spread of the debt security is calculated from individual contributions and discount curves.

If there are sufficient current market contributions available in respect of a given debt security, the remeasurement is calculated as their average value. To prevent possible errors of particular contributions, a comparison of daily changes is made at the same time.

If there is no market price available as a source of remeasurement or the number of actual contributions is not sufficient, the Group will carry out the remeasurement based on a risk-free interest rate swap rate, to which the last verified credit spread is applied. The Group continues to apply this method until:

- market quotations are again available;
- the credit spread of a particular debt security is adjusted based on a comparison of credit spreads of similar debt securities;
- the Group obtains another signal to change the credit spread applied;
- the issuer's credit rating changes (change in internal and/or external rating, signals from the market that creditworthiness is worsening); and
- the liquidity of the specific security has deteriorated significantly.

Subsequently, the Group will carry out the remeasurement comprising new aspects of the market price, including an assessment of possible impairment losses.

The Group's management believes that the fair value of the assets and liabilities presented in these consolidated financial statements can be measured reliably.

Classification and measurement

The classification of financial assets under IFRS 9 reflects the cash flow characteristics ("SPPI test") and business model in which assets are managed. Based on these criteria, the Group classifies financial instruments into the following categories:

- financial assets measured at amortised cost ("AC");
- financial assets measured at fair value through other comprehensive income ("FVOCI");
- financial assets measured at fair value through profit or loss ("FVTPL").

Financial assets measured at amortised cost (AC)

A financial asset is measured at amortised cost if it is held in a business model whose objective is to hold financial assets to collect contractual cash flows, and cash flows meet the conditions of the SPPI test.

In the consolidated statement of financial position, financial assets at amortised cost are recognised in "*Financial assets at amortised cost*" and include loans and advances to banks and customers and debt securities not held for trading.

The amortised cost is the cost minus repayments of principal, plus accrued interest, increased or decreased by amortisation of discount or premium, if any, and decreased by expected credit losses using a loss allowance. The amortised cost is calculated using the effective interest rate method. An integral part of the effective interest rate are fees and the related transaction costs. All loans and advances are recognised when cash is advanced to borrowers (or banks). Interest income from financial assets at amortised cost is reported in the consolidated statement of comprehensive income in *"Interest income and similar income calculated using the effective interest rate method"*. Impairment losses are reported in the consolidated statement of comprehensive income in *"Impairment losses on financial instruments"*.

Financial assets measured at fair value through other comprehensive income ("FVOCI")

Debt instruments can be measured at fair value through other comprehensive income if they are held in a business model whose objective is achieved by collecting contractual cash flows and selling financial assets; simultaneously, the contractual terms of financial assets meet the SPPI criteria. Unrealised gains and losses from changes in fair values are recognised in other comprehensive income until they are derecognised or reclassified (until their sale). Upon sale, cumulated gains and losses are reclassified from other comprehensive income to profit or loss. Interest income is recognised in "*Interest income and similar income calculated using the effective interest rate method*". Currently, the Group does not measure any debt instrument at fair value through other comprehensive income.

On initial recognition of an equity security not held for trading, the Group can elect to present subsequent changes in fair value in equity. This classification is irrevocable. The Group uses this option in respect of equity investments if the Group's holding does not exceed 20% share in the share capital. In the consolidated statement of financial position, these equity securities are recognised in *"Financial assets measured at FVOCI"*. Gains or losses from a change in their fair value are reported in the consolidated statement of comprehensive income in "*Gains/(losses) from remeasurement of equity securities at FVOCI"*. Gain or loss accumulated in equity cannot be reclassified to profit or loss when the security is sold. Dividends received from these equity instruments are reported in the consolidated statement of comprehensive income in *"Dividend income"*.

Financial assets measured at fair value through profit or loss ("FVTPL")

Financial assets are measured at fair value through profit or loss if the cash flows do not meet the conditions of the contractual cash flow characteristics test or present a part of the business model whose objective is to hold financial assets to realise their value through sale.

In addition, the Group may, on initial recognition, irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise. The Group currently does not use this option.

Debt financial instruments measured at fair value through profit or loss are reported in the consolidated statement of financial position in *"Securities held for trading"* which is a part of "*Financial assets held for trading"*.

Equity instruments which are classified by the Group as held for trading or for which it does not apply the option to recognise fair value movements in other comprehensive income are measured at fair value through profit or loss.

Changes in net fair value of financial assets at FVTPL are reported in the consolidated statement of comprehensive income in *"Net gain on financial operations"*. The interest income and interest expense is reported in the consolidated statement of comprehensive income in "*Other interest income" or "Interest expense and similar expense"*.

Financial assets where the cash flows do not meet the conditions of the contractual cash flow characteristics test or present a part of the business model are reported in the consolidated statement of financial position in *"Financial assets other than held for trading mandatorily reported at fair value through profit or loss"*.

Changes in net fair value of financial assets other than held for trading measured mandatorily at FVTPL are reported in the consolidated statement of comprehensive income in *"Net gain on financial assets other than held for trading mandatorily reported at fair value through profit or loss"*. The interest income and interest expense are reported in the consolidated statement of comprehensive income in *"Interest income and similar income calculated using the effective interest rate method" or "Interest expense and similar expense"*.

Analysis of contractual cash flow characteristics

As part of the analysis of contractual cash flow characteristics, the Group assesses whether the contractual cash flows from loans and debt securities represent solely payments of principal and interest (SPPI) on the principal amount outstanding. Principal is defined as the fair value of the financial asset on initial recognition. Interest is defined as consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic and lending risks and costs, as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group will consider the contractual terms of the instrument. This will include assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Group will consider:

- contingent events that would change the amount and timing of contractual cash flows;
- leverage features;
- prepayment and extension terms;
- terms that limit the entity's claim to cash flows from specified assets; and
- features that modify consideration for the time value of money.

Business model

The definition of the Group's business models reflects how groups of financial assets are managed together to achieve a particular business objective. In assessing the objective of a business model, the Group primarily considers the following information:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, the Group considers whether the management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realising cash flows through the sale of the assets;
- how the performance of the business model is evaluated and reported to the Group's key management personnel;
- the risks that affect the performance of the business model and financial assets held within this business model, and how those risks are managed;
- how managers of the entity are compensated - e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the entity's stated objective for managing the financial assets is achieved and how cash flows are realised.

The Group classifies financial assets into the following business model categories:

(i) “Held for trading”,
(ii) “Hold, collect contractual cash flows and sell”;
(iii) “Hold and collect contractual cash flows”;
(iv) “Held for strategic reasons”; or
(v) “Derivatives held for risk management purposes”
(i) “Held for trading”

Debt securities and loans classified by the Group as “held for trading” are held to generate cash flows through their sale. The Group makes decisions based on the assets’ fair values and manages their trading based on revenues from the realisation of these fair values. The “held for trading” business model category includes all debt securities and loans that are not included in the “hold and collect contractual cash flows” and “hold, collect contractual cash flows and sell” categories. The Group classifies as “held for trading” all derivative transactions that do not fall into the “derivatives held for risk management purposes” category.

(ii) “Hold, collect contractual cash flows and sell”

Loans and debt securities in the “hold, collect contractual cash flows and sell” category are held for the purpose of acquiring contractual cash flows and selling financial assets. To acquire contractual cash flows and sell financial assets form an essential part of the model’s business objective, which is to manage the Group’s liquidity needs. The Group expects that, upon the structural deficit of assets, it will sell these loans and securities to cover the deficit of liquid assets.

Within the “hold, collect contractual cash flows and sell” business model, the Group categorises:

- all denominated government bonds that are part of a liquidity provision; and
- potentially all other debt securities that are held and could be sold before their maturity if market conditions are favourable.

(iii) “Hold and collect contractual cash flows”

In the “hold and collect contractual cash flows” category the Group holds all loans and debt securities for the purpose of acquiring contractual cash flows over the entire useful lives of instruments. The Group expects and has intention and ability to hold these loans and debt securities to maturity. When determining whether cash flows will be generated by collecting financial assets’ contractual cash flows, the Group assesses the frequency, value and timeline of sales in previous periods as well as reasons why these sales were carried out and expectations regarding the future selling activities within the given portfolio.

The Group considers the following sales to be consistent with the “hold and collect contractual cash flows” business model:

- a sale as a result of an increase in the credit risk associated with a financial instrument, irrespective of the frequency and value;
- a sale carried out to manage credit risk concentration if this sale is unique (even if material in terms of its value) or immaterial in terms of value but frequent.

(iv) “Held for strategic reasons”

Equity securities falling into the “held for strategic reasons” category are held to acquire cash flows – dividends on a long-term basis. The Group classifies its ownership interests in non-consolidated companies as “held for strategic reasons”.

(v) “Derivatives held for risk management purposes”

Derivative transactions categorised as falling in the “derivatives held for risk management purposes” category represent hedging derivatives intended to manage the Group’s interest rate and currency risks. Hedging derivatives are used according to the type of hedging relationship, i.e. fair value hedges or cash flow hedges.

Impairment of financial assets

The Group determines impairment of financial assets using the ECL model in respect of the following financial assets:

- Financial assets at amortised cost;
- Debt financial instruments measured at FVOCI;

For the purpose of calculating loss allowances, IFRS 9 requires using a three-stage model that evaluates changes in portfolio quality since initial recognition as of the reporting date.

Stage 1 includes financial assets the credit risk of which has not increased significantly since initial recognition and assets with low credit risk as of the reporting date. The 12-month expected credit losses are recognised for all assets in this category. Interest income is calculated on the basis of the gross carrying amount of financial assets.

Stage 2 includes financial assets the credit risk of which has increased significantly since initial recognition but for which there is no objective evidence of impairment. Expected credit losses are recognised for these assets over their lifetime. Interest income is calculated on the basis of the gross carrying amount of financial assets.

Stage 3 includes financial assets for which there is objective evidence of impairment. Expected credit losses are recognised for these assets over their entire lifetime. Interest income is calculated on the basis of the net carrying amount of the assets.

Purchased or originated credit-impaired financial assets (“POCI”)

These assets include expected cash flows used in calculating the credit-adjusted effective interest rate upon the initial recognition of the expected credit loss over the entire lifetime of the asset. Changes in expected credit losses are recognised as loss allowances along with the related gain or loss through the Group’s profit or loss.

The calculation of expected credit losses and the methodology for classifying financial assets into individual stages of the ECL model is described in detail in note 45 (e).

Modification of financial assets

Financial assets are modified when there are new or else modified contractual terms related to cash flows from financial asset agreed between the date of origination and the maturity date.

To determine whether there is a significant or insignificant modification to the contractual terms, the Bank assesses changes in contractual cash flows from financial assets based on qualitative measures such as change in currency or type of the instrument, and quantitative criteria such as change in net present value. In case of significant modification, the original financial asset is derecognised and a new financial asset is recognised (including new classification and new impairment stage determination) in fair value as of the date of modification. Insignificant modifications of contractual terms do not result in derecognition, but to change in gross carrying amount of the financial asset calculated using original effective interest rate. The modification gain or loss is reported in “*Other operating income*” or “*Other operating expenses*”, respectively.

In assessing the significance of a change in quantitative criteria, the Bank calculates the change in the net present value (NPV) of past and present cash flows. If the change in NPV is significant (greater than 10 %), a so-called substantial modification occurs. The existing financial asset is derecognised and new financial assets is recognized. The difference in carrying amount between newly recognised and derecognised financial asset is recognized as a gain or loss on derecognition. The new financial asset (including the new classification and stage of impairment) is carried at fair value at the date of modification and with new effective interest rate. The date of modification is treated as the origination date of this financial asset, in particular to determine whether there has been a significant increase in credit risk. Insignificant modifications to the terms of contract (change in NPV less than 10 %) do not lead to derecognition of financial asset, but to adjustment of the gross carrying amount calculated on the basis of the original effective interest rate and the new discounted cash flows. The assessment of the significance of the modification does not depend on the portfolio to which financial assets belongs, it is only affected by the change in financial flows.

In the case of each modification of contractual terms there is an assessment whether forbearance criteria are met for classification of financial assets as forborne. Financial asset is considered to be forborne if the customer was in financial difficulties as of the moment of decision about change of contractual terms. The Bank considers financial difficulties as the situation, when customer or any of his exposures is in default, when in last three months the customer was 30 days past due, when at least 20% of customer`s exposure has rating 4.0 or worse, or when financial difficulties of the customer are implied from collection discussions or request to change contractual terms. After classification of financial assets with forbearance there is assessment, whether criteria for change indication as forced restructuring are met, following rules of definition of default. Defaulted financial assets are classified as Stage 3 based on IFRS 9 approach, financial assets with forbearance preferably to Stage 2 based on IFRS 9 approach.

Restructuring of loans and advances to customers

Restructuring of loans and advances means providing the customer with a relief because the Group concluded that it would likely incur a loss if it did not do so. For economic or legal reasons associated with the borrower's financial position the Group therefore provided the borrower with a relief which would not have been available otherwise. For example, the relief may include rescheduling repayments, reducing the interest rate or waiving default interest. A restructured loan or advance (receivable) is not a loan or advance which originated as a result of the renewal of a short-term loan for current assets if the borrower fulfilled all of his payment and non-payment obligations arising from the loan agreement. If the restructuring does not result in the derecognition of the original asset, the existing financial asset is modified. If the restructuring results in the derecognition of the original asset, a new financial asset is created, the fair value of which is considered to be the finite value of cash flows from the existing financial asset at the moment of its derecognition.

Furthermore, a change in the repayment schedule or in the form of the loan is not considered to be restructuring if these changes have been made for commercial reasons or on the grounds of changed financial needs of the borrower, and the anticipated development in the borrower's financial and economic situation does not give rise to doubt as to the full repayment of the receivable even without the change.

Financial liabilities

The Group classifies financial liabilities into two categories:

- financial liabilities at amortised cost;
- financial liabilities held for trading.

The Group classifies financial liabilities whose performance management is based on trading as measured subsequently at FVTPL upon initial recognition. Such financial liabilities are liabilities arising from securities sold and derivatives held for trading with a negative value. They are recognised in the consolidated statement of financial position under *"Financial liabilities held for trading."*

After initial recognition, all other financial liabilities are measured subsequently at amortised cost using the effective interest rate method.

The Group derecognises a financial liability where related contractual obligations are fulfilled or cancelled or they cease to exist.

Repurchase transactions

Where debt or equity securities are sold under a concurrent commitment to repurchase them at a predetermined price, they remain at fair value or amortised cost within the relevant portfolio in the consolidated statement of financial position and the consideration received is recorded in *"Financial liabilities at amortised cost"* - *"Deposits from banks"* or *"Financial liabilities at amortised cost"* - *"Deposits from customers"*. Conversely, debt or equity securities purchased under a concurrent commitment to resell are recorded off balance sheet where they are remeasured at fair value. The corresponding receivable from the provided loan is recorded in *"Financial assets at amortised cost – Loans and advances to banks"* or in *"Financial assets at amortised cost – Loans and advances to customers"*.

Securities borrowed are not reported in the consolidated financial statements unless they are assigned to third parties, in which case ("short sales") the purchase and sale are recognised as a liability with the gain or loss included in *"Net gain on financial operations"*.

The obligation to return them is recorded at fair value as a trading liability and presented in the consolidated statement of financial position line *"Other liabilities"*.

Interest on debt securities transferred under repo transactions (repurchase transactions) is accrued while interest on debt securities received under reverse repurchase transactions is not accrued. Income or expenses arising from repo transactions or reverse repo transactions (reverse repurchase transactions) as the difference between the selling and purchase price are accrued over the term of the transaction and presented in the consolidated statement of comprehensive income as *"Interest income and similar income calculated using the effective interest rate method"* or *"Interest expense and similar expense"*.

Issued bonds

Debt securities issued by the Group are stated at amortised costs using the effective interest rate method. Interest expense arising on the issue of the Group's own debt securities is reported in the consolidated statement of comprehensive income line *"Interest expense and similar expense"*. These instruments include mortgage bonds and senior non-preferred bonds. Senior non-preferred bonds are subordinated to other preferred bonds and are also MREL eligible. MREL eligible bonds are issued under the ICMA Green Bond Principles and ICMA Social Bond Principles. With the funds raised from the issuance, the Group finances the environmental and social issues as defined in their terms of issue. This bond format enables the Group to support the Czech economy in its transition to a long-term sustainable, prosperous and competitive one.

Interest expense on the issuance of the Group's own bonds is recognised in the statement of comprehensive income under *"Interest expense and similar expense"*.

The Group's own debt securities repurchased by the Group are presented as a reduction of liabilities arising from securities issued. Upon initial recognition, the Group's own debt securities are stated at fair value. The difference between the cost of repurchased own debt securities and the amortised cost of issued securities is included in the consolidated statement of comprehensive income line *"Net gain on financial operations"* in the period of acquisition. Interest expense on issued debt securities are reduced to reflect the gradual increase in the value of the Group's own debt securities.

Subordinated loan

A subordinated loan is a loan where it has been contractually agreed that, in the event of liquidation, bankruptcy, forced settlement or settlement with the borrower, the loan will be repaid only after the full satisfaction of all other liabilities to the other creditors, the only exception being liabilities that carry the same or similar subordination condition.

The principal of the subordinated loan and relevant interest are recognised from the draw-down date to the maturity date of the subordinated loan. The subordinated loan including the accrued and not yet paid portion of the interest is reported in "*Financial liabilities at amortised cost"* - *"Subordinated liabilities and bonds"* in the consolidated statement of financial position. Interest expense on subordinated loan is reported in the consolidated statement of comprehensive income in *"Interest expense and similar expense"*.

Subordinated debt securities issued

Subordinated debt securities issued are debt securities where it has been agreed that they will be settled only after the settlement of all other liabilities if the issuer is placed into liquidation or a resolution on the bankruptcy of the issuer is passed, except for liabilities that carry the same or similar subordination condition.

Subordinated debt securities issued are reported by the Group at amortised cost using the effective interest rate and are included in *"Financial liabilities at amortised cost – Subordinated liabilities and bonds"* in the consolidated statement of financial position. Interest expense arising on the issue of the Group's own debt securities is reported in the consolidated statement of comprehensive income line *"Interest expense and similar expense"*.

Financial derivative instruments

In the normal course of business, the Group enters into contracts for derivative financial instruments. Financial derivatives include foreign currency and interest rate swaps, cross currency swaps, currency forwards, forward rate agreements, foreign currency and interest rate options (both purchased and sold), and other derivative financial instruments. The Group uses various types of derivative instruments in respect of both its trading and hedging activities of currency and interest rate positions. The Group internally includes all types of derivatives in the banking or trading portfolios. The banking portfolio additionally includes financial derivatives used as hedging instruments in fair value and cash flow hedging.

All financial derivative instruments are initially recognised at fair value in the consolidated statement of financial position and are subsequently remeasured and stated at fair value. The fair values of financial derivatives held for trading are reported in "*Financial assets held for trading – derivatives held for trading"* and "*Financial liabilities held for trading – derivatives held for trading"* in the consolidated statement of financial position. The fair values of hedging financial derivatives are reported in "*Hedging derivatives with positive fair value"* and *"Hedging derivatives with negative fair value"* in the consolidated statement of financial position. Interest income and expense associated with financial derivatives used as hedging instruments when hedging fair values or cash flows is reported in the consolidated statement of comprehensive income depending on whether the hedged item generates interest income or interest expense. Net interest income/(expense) of hedged derivatives used for hedging financial assets at amortised cost is presented in "*Interest income and similar income calculated using the effective interest rate method" – "Hedging interest rate derivatives"* in the consolidated statement of comprehensive income. Net interest income/(expense) of hedging derivatives used for hedging financial liabilities at amortised cost is recognised in *"Interest expense" – "Hedging interest rate derivatives"* in the consolidated statement of comprehensive income. Interest income and expense relating to financial derivatives in the trading portfolio and derivatives in the banking portfolio used as economic hedges is reported in "*Other interest income"* or "*Interest expense and similar expense"*.

Realised and unrealised gains and losses are recognised in the consolidated statement of comprehensive income line *"Net profit on financial operations"*. Fair values of derivatives are based upon quoted market prices or pricing models which take into account current market and contractual prices of the underlying instruments, as well as the time value and yield curve or volatility factors underlying the positions. The fair value of derivative instruments also includes credit and debit adjustments resulting from a derivative transaction counterparty's credit risk.

Embedded derivatives

In some instances, a derivative may be part of a compound financial instrument, which includes both the host instrument and the derivative (embedded derivative) that influences the cash flow or otherwise modifies the characteristics of the host instrument.

Derivatives embedded in other financial instruments are treated as separate derivatives when:

- the host instrument is not a financial asset in compliance with IFRS 9;
- a separate host instrument is not remeasured at fair value through profit or loss (FVTPL);
- the terms of the embedded derivative would meet the definition of a derivative if these were part of a separate contract;
- the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host instrument.

Separate embedded derivatives are stated at fair value and changes in fair values are recognised in consolidated profit or loss if they are not part of hedging relationships within cash flow hedging or hedging of a net investment in a foreign operation.

Hedge accounting

The Group applies hedge accounting in accordance with IAS 39, and not in compliance with the current amendment to IFRS 9. Hedging derivatives are derivatives that the Bank can use to hedge against its interest rate and currency risks. A hedging relationship qualifies for hedge accounting if, and only if, all of the following conditions are met:

a) At the inception of the hedge there is formal designation and documentation of the hedging relationship and the entity's risk management objective and strategy for undertaking the hedge;
b) The hedge is expected to be highly effective in achieving offsetting changes in fair value or cash flows attributable to the hedged risk, consistently with the originally documented risk management strategy for that particular hedging relationship;
c) For cash flow hedges, a forecast transaction that is the subject of the hedge must be highly probable and must present an exposure to variations in cash flows that could ultimately affect profit or loss;
d) The effectiveness of the hedge can be reliably measured, i.e. the fair value or cash flows of the hedged item that are attributable to the hedged risk and the fair value of the hedging instrument can be reliably measured;
e) The hedge is assessed on an ongoing basis and determined actually to have been highly effective throughout the financial reporting periods for which the hedge was designated;
f) Current changes in hedged and hedging instruments' fair values or cash flows are almost equal (between 80% and 125%).

Hedging financial derivatives are accounted for according to the type of the hedging relationships which are as follows:

(a) Fair value hedge: a hedge of the exposure to changes in fair value of a recognised asset or liability or an unrecognised firm commitment, or an identified portion of such an asset, liability or firm commitment, that is attributable to a particular risk and could affect profit or loss;

(b) Cash flow hedge: a hedge of the exposure to variability in cash flows that:
i. Is attributable to a particular risk associated with a recognised asset or liability (such as all or some future interest payments on variable rate debt) or a highly probable forecast transaction; and,
ii. Could affect profit or loss.
(c) Hedge of a net investment in a foreign operation.

The Group applies fair value hedging to manage its market risks. Changes in the fair value of hedging derivatives classified as a fair value hedge are reported in the consolidated statement of comprehensive income line “*Net gain from hedge accounting*”, interest income and expense on these derivatives (i.e. both realised and accrued) are reported in the consolidated statement of comprehensive income line “*Interest income and similar income calculated using the effective interest rate method*” or “*Interest expense and similar expense*”. A change in the fair value of the hedged item in relation to the fair value hedge of individual hedged items is recognised as part of the carrying amount of the hedged item in the consolidated statement of financial position and in line “*Net gain from hedge accounting*” in the consolidated statement of comprehensive income. In respect of the fair value hedge of the hedged

items portfolio, the change in the fair value of hedged items is reported in the consolidated statement of financial position as "*Fair value remeasurement of portfolio-remeasured items*" in relevant items and in line "*Net gain from hedge accounting*" in the consolidated statement of comprehensive income.
The cash flow hedging is aimed at the elimination of uncertainty in future cash flows and the stabilisation of the net interest income. The effective part of the change in the fair value of hedging derivatives treated as cash flow hedges is reported in *"Revaluation of cash flow hedges"* in the consolidated statement of comprehensive income and cumulatively in *"Fair value reserve"* in the consolidated statement of financial position. The ineffective part of the change in the fair value of hedging derivatives treated as cash flow hedges is immediately presented in *"Net gain from hedge accounting"* in the consolidated statement of comprehensive income. The values that were reported in other comprehensive income are reallocated in gain or loss in the period in which the hedged item affects gains or losses in "*Net gain from hedge accounting"* in the consolidated statement of comprehensive income.

The effectiveness of the hedge is regularly tested on a monthly basis, prospectively and retrospectively. Where the hedge ceases to meet the criteria for hedge accounting, the maturity of the hedging instrument expires, the hedging instrument is sold, terminated or exercised, the Group discontinues the hedging relationship and writes off the adjustments of the carrying amount of the hedged interest-bearing financial instruments through consolidated statement of comprehensive income over the period to the maturity of the hedged item in respect of the fair value hedge, or the accumulated profit or loss from the hedging instrument, originally presented in other comprehensive income, remain in the consolidated statement of financial position in *"Fair value reserve"* until the hedged item affects gains or losses in respect of cash flow hedges.

g) Offsetting

Financial assets and liabilities may be offset if the Bank has a legally enforceable right to do so and plans to offset them on a net basis or apply the assets and liabilities simultaneously. The transactions are intended to be reported in the consolidated statement of financial position on a net basis. The Bank does not offset any financial assets and financial liabilities.

h) Other equity instruments

Other equity instruments principally include AT1 capital investment certificates that combine the elements of equity and debt securities and meet the criteria for inclusion in the Group's auxiliary Tier 1 capital. These instruments are reported at their nominal value in the consolidated statement of financial position line *"Other equity instruments"*. The payment of interest income attributable to the certificate holders is governed by the relevant terms and conditions set out in the prospectus for the certificates and is made from the Bank's retained earnings following the approval of the profit distribution by the Bank's General Meeting of shareholders. Coupons paid on other equity instruments reduce retained earnings in the reporting period in which their payout is approved by the annual General Meeting. AT1 certificates includes no contractual obligation to deliver cash or another financial asset and obligation to exchange financial liabilities with another entity under conditions that are potentially unfavourable to the issuer. Certificates are not redeemable at the option of the holders and they will not otherwise be called or repurchased except at the option of the issuer. Issuer at its sole and full discretion, can at any time elect to cancel, in whole or in part, any payment of distributions. Based on these reasons are AT1 certificates classified as equity instruments.

i) Property and equipment and intangible assets

Property and equipment comprise assets with a physical substance and with an estimated useful life exceeding one year and acquisition cost of more than CZK 80,000. Until 2023, laptops and desktop computers with an acquisition cost of up to CZK 80,000 were also part of property and equipment. They were removed from the accounting records in September 2023. The net book value of the assets removed was MCZK 60. The Group does not consider this change to be material and therefore no adjustment has been made to the 2022 financial statements.

Intangible assets include assets without physical substance with an estimated useful life exceeding one year and acquisition cost of more than CZK 60,000.

Property and equipment and intangible assets are stated at acquisition cost less accumulated depreciation, amortisation and loss allowances and are depreciated or amortised when ready for use through the consolidated statement of comprehensive income line *"Depreciation and amortisation of property and equipment and intangible assets"* on a straight-line basis over their estimated useful lives.

Depreciation periods and depreciation rates for individual categories of property and equipment and intangible assets are as follows:

	Depreciation period	**Depreciation rate**
Software	4 years	25%
Other intangible assets	3 - 8 years	12.5 - 33.3%
Buildings	30 years	3.33%
Fixtures and fittings	5 – 10 years	10 – 20 %
Machinery and equipment	5 – 10 years	10 – 20%

Leasehold improvements are depreciated on a straight-line basis over the lease term, or if appropriate the depreciation period is extended by the term arising from an option arrangement if the Group assumes that the option will be exercised. Leasehold improvements under lease arrangements with no fixed expiry date are depreciated over 15 years, which is an average term for lease arrangement with no fixed expiry date.
Land and works of art (irrespective of their cost) and assets under construction are not depreciated.

The cost of internally generated intangible assets comprise all costs that can be allocated directly or by reference to a reasonable and consistent basis for generating and preparing an asset for its intended use.

Core deposits intangibles

Core deposits intangibles (CDI) arising in connection with the acquisition of Equa bank a.s. represent the present value of the expected cost savings resulting from the difference between the costs of alternative sources of financing and the costs of CDI. The value of an intangible asset stems from the more favourable costs of CDI compared to alternative sources of financing. Upon initial recognition, CDI was measured at fair value using the discounted cash flow method, whereby the expected cost savings were discounted by capital costs. The Group amortises CDI on a straight-line basis over 10 years.

Customer tribe

The Group recognises a purchased customer tribe under intangible assets provided that the Group exercises control over the asset and is able to control the future expected cash flows arising from customer relations. Upon initial recognition, the Group measured the customer tribe at fair value using the multi-period excess earnings method. The Group amortises the ING customer tribe on a straight-line basis over 3 years and the Equa bank customer tribe over 8 years.

Brand

The Group recognises the Equa bank brand as an intangible asset in order to strengthen its position in the Czech banking and financial market. Upon initial recognition, the Group measures the intangible asset at fair value using the royalty savings method. The Group amortises this intangible asset over a period of 4.5 years

The Group reviews the utilisation of its assets once a year and adjusts the policy on their depreciation/amortisation as and when needed. A change in the depreciation period is not considered a change in accounting policies but a change in accounting estimates.

The Group's acquired assets are tested for impairment once a year. Classified assets are tested if there is an indication of impairment. Impairment of assets, if any, is reported in the consolidated statement of comprehensive income in *"General operating expenses"*. The Group regularly reviews the anticipated future benefit from intangible assets; if no benefit can be expected, the relevant intangible assets are derecognised from the statement on financial position. The loss resulting from the derecognition is included in the consolidated statement of comprehensive income line *"Other operating expenses"*.

Repairs and maintenance are charged directly to the consolidated statement of comprehensive income line *"General operating expenses"* in the year in which the expenses were incurred.

j) Equity investments

Equity investments in subsidiaries that are not consolidated by the Group due to their immateriality are reported in the consolidated statement of financial position in "*Other assets"*.

Equity investments where the Group holds a share in the registered capital lower than 20 percent are reported as "*Financial assets measured at FVOCI*".

k) Interests in unconsolidated structured entities

Interests in unconsolidated structured entities are interests where the Group holds more than 50% but does not control the entity. These are entities established so that voting or similar powers are not a dominant factor in determining who controls the entity. These interests are reported in the consolidated statement of financial position in "*Other assets"*. These are predominantly interests held by the Group as collateral for its business activities – in particular, the financing of real estate projects. Interests in entities are recognised at acquisition cost including transaction costs, less loss allowances for impairment. At the reporting date, the Group assesses the interests for impairment. The impairment of an interest in an entity is identified as the difference between the carrying amount and recoverable amount. The recoverable amount is the higher of an asset's fair value less cost of disposal and its value in use determined as a sum of discounted expected cash flows. Impairment of interests in an entity is reported in the consolidated statement of comprehensive income in *"Other operating expenses"*.

l) Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of assets assumed by the Group, liabilities of the Group incurred by the former owners of the acquiree and the equity interest issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair values at the acquisition date, except that: deferred tax assets or liabilities and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with IAS 12 Income Taxes and IAS 19 Employee Benefits, respectively.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain. Goodwill is tested for impairment on an annual basis. When the consideration transferred by the Group in a business combination includes contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date. If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognised,

to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.
If a business combination occurs during the current reporting period, the values reported for the prior period are not adjusted for the pre-acquisition values of the acquired entity.

m) Goodwill

At initial recognition, goodwill is measured as stated above. Goodwill is accounted for in the consolidated statement of financial position as part of assets in *"Intangible fixed assets"*. Goodwill is not amortised and is tested for impairment on an annual basis.

The individual cash-generating units to which goodwill has been allocated are tested. A cash-generating unit represents the smallest identifiable group of assets generating cash income. The carrying amount of the relevant cash-generating unit is compared with its recoverable amount. Recoverable amount is defined as either fair value less selling costs or value in use, if higher.

The Group determines the recoverable amount of a cash-generating unit as the value in use, which is equal to the present value of future cash flows discounted at an appropriate risk-adjusted rate. The cash flows represent the after-tax profits of the cash-generating unit that can be distributed to owners.

The estimated cash flows are based on a five-year financial plan adjusted for the relevant capital requirements. The discount rate is equal to the cost of capital required by the Group's shareholder. The estimate of future cash flows for the period following the five-year financial plan is calculated as perpetuity based on constant cash flows in the form of net operating profit after tax and incorporating a stable growth rate.

The financial plan is approved by the Group's management and is based on the following key assumptions:

- macroeconomic assumptions (interest rates, FX rates, unemployment, inflation);
- banking market development assumptions (development of aggregate volumes of client loans and liabilities);
- development of the Bank's client balance in product and segment detail;
- development of the Bank's non-client balance;
- assumptions regarding external regulatory developments (e.g. development of prescribed capital targets);
- other specific assumptions – e.g. acquisitions, significant one-off events with an impact on the Group's financial position).

Goodwill impairment is determined by comparing the recoverable amount of the individual cash-generating units to which the goodwill has been allocated with their carrying amount. If the recoverable amount of a cash-generating unit is lower than its carrying amount, the difference is recognised as an impairment loss and recognised in *"General operating expenses"*. This loss is first offset against the goodwill allocated to the cash-generating unit. Impairment losses offset against goodwill cannot be reversed in subsequent reporting periods.

Negative goodwill represents the negative difference between the acquisition cost and the fair value of the Group's share of the net assets of the acquired company at the acquisition date. Negative goodwill that exceeds the reliably measurable future losses and costs of the acquired entity (which are not reflected in its identifiable assets and liabilities) and the fair values of its non-cash assets is charged immediately to income.

n) Leases

Under IFRS 16, in assessing whether the contract contains a lease, the contract is, or contains, a lease if the contract conveys the right to control and to use an identified asset for a period of time in exchange for consideration.

The Group as a lessee

A lessee recognises a right-of-use asset and a lease liability. A right-of-use asset is initially measured at cost and is subsequently depreciated until the end of its useful life or until the end of the lease contract term. Right-of-use assets are reported by the Group in the consolidated statement of financial position line *"Property and equipment"*.

The lease liability is initially measured at the present value of the lease payments which have not been paid as of the commencement date of the lease contract, discounted at the rate implicit in the lease if that can be readily determined. If that rate cannot be readily determined, the lessee shall use their incremental borrowing rate. Lease payments entering into the calculation of the lease liability measurement include fixed lease payments, variable lease payments that depend on an index or a rate, amounts expected to be payable by the lessee under residual value guarantees, the exercise price of a purchase option that the lessee is reasonably certain to exercise and payments for terminating the lease if the lease term reflects early termination.

Subsequently, the lease liability is measured at carrying amount plus the relevant interest and less lease payments made, and remeasured to take into account a modification or reassessment of the lease.

Lease liabilities are reported in the consolidated statement of financial position line *"Other financial liabilities"*, which is included in the line *"Financial liabilities at amortised cost"*. Interest is reported in the consolidated statement of comprehensive income in *"Interest expense and similar expense"*.

In applying IFRS 16, the Group applies exemptions for lease terms of 12 months or less and not containing a purchase option (short-term leases) and exemptions for leases when the underlying asset has a low value when new. The Group set the low-value limit to CZK 100 thousand. In such cases, the right-of-use asset or the relating liability is not reported and the relevant payments are reported in the consolidated statement of comprehensive income in *"General operating expenses*".

The Group as a lessor

When the Group acts as a lessor, it determines at lease inception whether the lease is a finance lease or an operating lease. To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

In respect of assets leased under finance leases, the present value of lease payments is recognised as a receivable in the consolidated statement of financial position in *"Finance leases"*. The difference between the gross value of a receivable and its present value is reported as accrued interest income. The financial income from the lease is recognised in the consolidated statement of comprehensive income in *"Other interest income"* over the lease term in order to produce a constant interest rate.

The Group presents assets that are the subject of an operating lease in the appropriate lines of the statement of financial position according to the nature of the leased assets and uses for them accounting policies applied to the relevant asset class. Lease payments received from operating leases are recognised as the Group's income on a straight-line basis over the term of the relevant lease and presented in the statement of comprehensive income in *"Other operating income"*.

o) Investment property

Investment property, that is, property held to earn rentals or for capital appreciation, is stated at cost and subsequently depreciated based on the determined useful life or agreed lease term to the expenses of the Group. Deprecation is presented in *"Depreciation/amortisation of property and equipment and intangible assets"*.

Investment property is regularly tested for impairment. When impairment of investment property is identified, the Group recognises the impairment through *"General operating expenses"*.

p) Assets and disposal groups held for sale

Assets held for sale and assets that are part of a disposal group held for sale are reported in the consolidated statement of financial position line *"Assets held for sale"*. If the disposal group held for sale also includes liabilities, they are reported in the consolidated statement of financial position line *"Liabilities attributable to assets held for sale"*. Non-current assets and disposal groups classified as held for sale are measured at the lower of the carrying amount and fair value less the sale-related costs.

q) Provisions

A provision represents a probable cash outflow of uncertain timing or amount. The Group recognises a provision when, and only when:

- it has a present obligation (legal or constructive) as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- the amount of the obligation can be estimated reliably.

Provisions for guarantees and other off balance sheet items

The Group recognises potential commitments arising from issued guarantees, irrevocable credit commitments (undrawn portion), confirmed open letters of credit, etc. as part of off-balance sheet assets. Provisions for estimated losses on these commitments are made under the same principles as the loss allowances to financial assets. Changes in these provisions are recognised in "*Impairment losses on financial instruments*".

Provisions for payroll bonuses

The Group accounts for provisions for payroll bonuses (quarterly and annual bonuses). Creation, utilisation and release of the provisions for payroll bonuses are reported in the consolidated statement of comprehensive income in *"Personnel expenses"*.

Provision for restructuring

The Group accounts for a provision for restructuring when a formal and detailed restructuring plan has been approved and the restructuring commenced before the end of the reporting period. The provision for restructuring includes only direct costs incurred as a result of the restructuring which are not associated with the Group's ordinary activities.

Other provisions

Creation, utilisation and release of the other provisions relating to banking activities (legal disputes, etc.) are reported in *"General operating expenses"*. If a provision does not relate to banking activities, the creation, utilisation and release of the other provisions are reported in *"Other operating income/Other operating expenses"*. Other provisions also include the provision for fines and penalties.

r) Current tax liability

Current tax liability represents the tax liabilities for the current period less current income tax prepayments, adjusted for changes in prior year's tax liability, if any. Tax liabilities are stated at the amount that is expected to be paid to the tax authority. In calculating the tax liabilities for the current period, the tax rates and tax legislation in force as of the reporting date will apply.

s) Non-controlling interests

Non-controlling interests include the share in profits and losses and net assets that are not attributable to the owners of the parent company. These interests are reported in the consolidated statement of comprehensive income and in *"Equity"* in the consolidated statement of financial position separately from the equity attributable to the owners of the Bank. Non-controlling interests are reported using the method of a proportionate interest in net identifiable assets of an acquired entity not attributable to the owners of the parent company and are adjusted by the share in profits and losses of the acquired entity and share in dividends paid from the acquired entity not attributable to the owners of the parent company. As of 31 December 2023 or 2022, the Group held no non-controlling interests.

t) Transactions with securities undertaken on behalf of customers

Securities taken by the Group into custody, administration or to be managed are kept off balance sheet at their market or nominal values if the market value is not available. *"Other liabilities"* in the consolidated statement of financial position comprise the Group's payables to customers (Deposits from customers) arising from cash received to purchase securities or advance payments to be refunded to customers.

u) Contingent assets, contingent liabilities and off-balance sheet items

A contingent asset/liability is a potential asset/liability that arises from past events and whose existence will be only confirmed by the occurrence or non-occurrence of one or more uncertain future events not fully under the entity's control. Contingent assets/liabilities are recorded off balance sheet, with the Group regularly reviewing their development to specify whether an inflow/outflow of resources embodying economic benefits has become probable. Where the likelihood of an outflow of economic benefits is higher than 50%, the Group will recognise a provision. Where the likelihood of an inflow of economic benefits is virtually certain, the Group will recognise an asset and income.

Contingent liabilities also include existing liabilities if their settlement is unlikely to require an outflow of resources embodying economic benefits or if the amount of the liability cannot be reliably quantified. Contingent liabilities include for example: irrevocable credit commitments and commitments arising from bank guarantees and letters of credit.

Besides contingent assets and contingent liabilities, assets arising from activities consisting in management, administration and custody of valuables and securities are also recorded off balance sheet, including the related liabilities to return the relevant assets to customers.

Off-balance sheet items also include the nominal values of interest rate and foreign currency instruments, including forwards, swaps and options.

v) Segment reporting

The Group reports information about segments in accordance with IFRS 8 Operating Segments. IFRS 8 requires that operating segments be identified based on internal reports regularly reviewed by the Group's chief operating decision maker. Pursuant to these internal reports including the overview of the performance of the particular operating segment, it is possible to assess the performance of the segment, or if appropriate decide on the strategic development of the operating segment.

The basis for determining reportable segments is a report that the Group prepares for the board of directors which is considered to be the 'chief operating decision maker', i.e. a person/group of persons that allocates resources and assesses the performance of individual operating segments of the Group.

Information on reportable operating segments of the Group is disclosed in note 43.

w) Foreign currency translation

Transactions denominated in foreign currencies are initially measured at the official exchange rate announced by CNB on the transaction date. Monetary assets and liabilities denominated in foreign currencies are translated into the local currency at CNB's exchange rate prevailing as of the reporting date. Realised and unrealised gains and losses on foreign currency translation are recognised in the consolidated statement of comprehensive income in *"Net gain on financial operations"*. Non-cash items measured at fair value denominated in a foreign currency are translated using the exchange rate at the date the fair value is determined. Non-cash items measured at historical cost denominated in a foreign currency are not translated.

x) Cash and cash equivalents

The Group considers cash in hand, deposits with central banks, and deposits with other banks with one-day maturity to be cash equivalents.

y) Mandatory minimum reserves

Mandatory minimum reserves include mandatory deposits with the Czech National Bank, the drawing of which is limited for the Group. The Group may draw an amount from mandatory minimum reserves which exceeds the actual average amount of the mandatory minimum reserves for the given period calculated according to the Czech National Bank's regulation. The deposit is mandatory for all commercial banks in the Czech Republic. Mandatory minimum reserves are not included in "Cash and cash equivalents" due to their limited applicability for the Group's liquidity management and possible sanctions by the Czech National Bank in the event of non-compliance with their required average amount for the given period.

z) Employee benefits

Every employee of the Group has access to a 'benefit purse' in which they obtain an annual one-off contribution at the beginning of the year, depending on the number of years worked. In drawing it, the employees have many options to choose from, including categories such as leisure, travelling, sports, education, relaxation and beauty, experiences, health, culture, fare, supplementary pension insurance and life assurance contributions, and meal contributions. The costs incurred in connection with the benefit purse contributions are reported on an accruals basis in *"Personnel expenses"* in the consolidated statement of comprehensive income. Employees receive bonuses on significant personal and work anniversaries. The costs incurred in connection with these benefits are reported in *"Personnel expenses"* in the consolidated statement of comprehensive income.

The amount of the bonuses depends on the fulfilment of the performance criteria. The bankers from the branch network, or mortgage network, receive monthly and quarterly bonuses; branch managers and mortgage office managers receive quarterly bonuses. Call centre employees receive monthly bonuses. Employees from the Operations division with short-term goals receive monthly bonuses. Employees from Risk department with short-term goals receive monthly or quarterly bonuses. Other employees receive annual bonuses. Bonuses are reported on an accruals basis. At year-end, the liability is reported in *"Provisions for payroll bonuses"*. Creation, utilisation and release of the provisions for payroll bonuses are reported in the consolidated statement of comprehensive income in *"Personnel expenses"*.

Members of the board of directors receive bonuses tied to their performance, depending on the fulfilment of financial and non-financial criteria approved by the supervisory board. 50% of the variable wage component of a member of the Board of Directors is calculated and paid out on the methodology Value in Use (“ViU”). This method is based on Dividend Discount Model (DDM) and is the sum of Net Present Value (NPV) of dividends in the following five years since the evaluation year and the ongoing value. This wage component is awarded based on this scheme: 60% is deferred by 18 months from the end of the financial year for which it is awarded; the remaining 40% is paid out over next five years, with one fifth being paid each year. The other half of the variable wage component is awarded under the following scheme: 60% non-delayed; the remaining 40% is paid out over next five years, with one fifth being paid each year. Deferred bonuses paid in cash, i.e. bonuses paid to members of the Board of Directors more than 12 months subsequent to the end of the reporting period during which they provided services to the Group, are considered to be long-term employee benefits reported in “*Provision for payroll bonuses*” in the consolidated statement of financial position. Creation, utilisation and release of the provisions for payroll expenses are reported in the consolidated statement of comprehensive income in “*Personnel expenses*”.

6. CHANGES IN ACCOUNTING POLICIES IN 2023

a) Newly applied standards and interpretations the application of which had a significant impact on the financial statements

In 2023, the Group did not start using any standards and interpretations which would have a significant impact on the consolidated financial statements.

b) Newly applied standards and interpretations the application of which had no significant impact on the financial statements

The following amendments to the existing standards issued by the International Accounting Standards Board (IASB) and adopted by the EU are effective for the current reporting period:

- **IFRS 17** ***Insurance Contracts*** New standard IFRS 17 Insurance Contracts including amendments from June 2020 and December 2021 (effective for annual periods beginning on or after 1 January 2023),

- **Amendments to IAS 1** ***Presentation of Financial Statements*** – Disclosure of Accounting Policies (effective for annual periods beginning on or after 1 January 2023),

- **Amendments to IAS 8** ***Accounting Policies, Changes in Accounting Estimates and Errors*** – Definition of Accounting Estimates (effective for annual periods beginning on or after 1 January 2023),

- **Amendments to IAS 12** ***Income Taxes*** – Deferred Tax related to Assets and Liabilities arising from a Single Transaction (effective for annual periods beginning on or after 1 January 2023),

- **Amendments to IAS 12** ***Income Taxes*** **-** International Tax Reform - Pillar Two Model Rules (effective for annual periods beginning on or after 1 January 2023).

The adoption of these amendments to the existing standards has not resulted in any changes to the Group's accounting policies.

c) Standards and interpretations issued by IASB and adopted by the EU that are not effective yet

- **Amendments to IFRS 16** ***Leases*** – Lease Liability in a Sale and Leaseback (effective for annual periods beginning on or after 1 January 2024),

- **Amendments to IAS 1** ***Presentation of Financial Statements*** – Classification of Liabilities as Current or Non-Current and Classification of Liabilities as Current or Non-current – Deferral of Effective Date (effective for annual periods beginning on or after 1 January 2024),

- **Amendments to IAS 1** ***Presentation of Financial Statements*** – Non-Current Liabilities with Covenants (effective for annual periods beginning on or after 1 January 2024).

d) Standards and interpretation issued by IASB, but not yet adopted by the European Union

At present, IFRS as adopted by the EU do not significantly differ from regulations adopted by the International Accounting Standards Board (IASB) except for the following amendments to the existing standards, which were not endorsed for use in the EU as at the date of publication of consolidated financial statements (the effective dates stated below is for IFRS as issued by IASB):

- **Amendments to IFRS 10** ***Consolidated Financial Statements*** **and IAS 28** ***Investments in Associates and Joint Ventures*** – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (effective date deferred indefinitely until the research project on the equity method has been concluded),

- **Amendments to IAS 7** ***Statement of Cash Flows*** **and IFRS 7** ***Financial Instruments*** – Supplier Finance Arrangements (effective for annual periods beginning on or after 1 January 2024),

- **Amendments to IAS 21** ***The Effects of Changes in Foreign Exchange Rates*** – Lack of Exchangeability (effective for annual periods beginning on or after 1 January 2025),

The Group anticipates that the adoption of these standards, amendments to the existing standards, and interpretations will have no material impact on the consolidated financial statements of the Group in the period of initial application.

7. NET INTEREST INCOME

MCZK	2023	2022
Interest income and similar income calculated using the effective interest rate method		
Financial assets at amortised cost	**35,636**	**26,381**
from debt securities	2,712	850
from loans and advances to banks	12,119	10,039
from loans and advances to customers	20,805	15,492
Financial assets other than held for trading mandatorily reported at fair value through profit or loss	**7**	**7**
debt securities	7	7
Other assets	**709**	**633**
Negative interest from financial liabilities measured at amortised cost	**-**	**31**
Hedging interest rate derivatives	**4,152**	**2,848**
Interest income and similar income calculated using the effective interest rate method	**40,504**	**29,900**
Other interest income		
Finance leases	**248**	**208**
Financial assets held for trading	**2,727**	**2,530**
trading derivatives	2,714	2,524
of which derivatives in the Bank's portfolio	*61*	*8*
debt securities	13	6
Other interest income	**2,975**	**2,738**
Interest expense		,
Financial liabilities held for trading	**(2,987)**	**(2,438)**
trading derivatives	(2,987)	(2,438)
of which derivatives in the Bank's portfolio	*(79)*	*(3)*
Financial liabilities at amortised cost	**(18,302)**	**(9,663)**
from deposits from banks	(652)	(532)
from deposits from customers	(15,639)	(8,545)
from debt securities issued	(1,663)	(371)
from subordinated liabilities	(348)	(215)
From lease liabilities	**(24)**	**(24)**
From securitisation	**(6)**	**-**
Hedging interest rate derivatives	**(6,751)**	**(4,720)**
Negative interest from financial assets measured at amortised cost	**-**	**(35)**
Total interest expense and similar expense	**(28,070)**	**(16,880)**
Net interest income	**15,409**	**15,758**

The items *"Interest income and similar income calculated using the effective interest rate method" – "Hedging interest rate derivatives"* and *"Interest expense" – "Hedging interest rate derivatives"* comprise net interest expense from hedging financial derivatives upon a cash flow hedge of MCZK (368) (2022: net interest expense of MCZK (258)), net interest income from hedging financial derivatives upon a fair value hedge of mortgage and corporate loans of MCZK 3,523 (2022: net interest income of MCZK 2,547), net interest income from hedging financial derivatives upon a fair value hedge of the debt securities portfolio measured at amortised cost of MCZK 985 (2022: net interest income of MCZK 561, net interest expense from hedging financial derivatives upon a fair value hedge of the portfolio of current and savings accounts of MCZK (6,368) (2022: MCZK net interest income of 4,709), and net interest expense from hedging financial derivatives upon a fair value hedge of the portfolio of securities issued measured at amortised cost in the total amount of MCZK (371) (2022: net interest expense of MCZK (13)).

Interest income additionally includes interest on impaired assets (primarily loans and advances to customers) of MCZK 189 (2022: MCZK 312).

8. NET FEE AND COMMISSION INCOME

MCZK	2023	2022
Fee and commission income		
Securities transactions	140	151
Clearing and settlement	16	17
Asset management	38	54
Administration, custody and safekeeping of values	70	54
Payments	2,207	1,896
Product distribution for customers	565	489
Loan administration	181	179
Fund management and distribution of investment certificates	569	469
Customer foreign currency operations	2,313	2,435
Other	129	205
Total fee from customers' accounts	**6,228**	**5,949**
Provided guarantees	227	203
Total fee and commission income	**6,455**	**6,152**
Fee and commission expense		
Clearing and settlement	(75)	(73)
Administration, custody and safekeeping of values	(8)	(6)
Payments	(1,137)	(724)
Guarantees received	(144)	(22)
Distribution of customer products	(159)	(108)
Other	(255)	(225)
Total fee and commission expense	**(1,778)**	**(1,158)**
Net fee and commission income	**4,677**	**4,994**

9. NET GAIN/LOSS ON FINANCIAL OPERATIONS

MCZK	2023	2022
Interest rate and currency derivatives and FX spots	201	(303)
Profit/(loss) from revaluation of foreign currency position	(586)	(349)
Gain/(loss) from transactions with securities held for trading	15	15
Liabilities from short sales transactions	16	11
Equity instruments held for trading	32	20
Total	**(322)**	**(606)**

10. NET GAIN/LOSS ON FINANCIAL ASSETS OTHER THAN HELD FOR TRADING MANDATORILY REPORTED AT FAIR VALUE THROUGH PROFIT OR LOSS

MCZK	2023	2022
Debt securities	16	10
Loans and advances to customers	-	(17)
Total	**16**	**(7)**

11. NET PROFIT/(LOSS) FROM HEDGE ACCOUNTING

MCZK	2023	2022
Change in the fair value of hedging derivatives upon fair value hedge	1,992	(3,865)
Change in the fair value of hedged items upon fair value hedge	(2,082)	3,767
Gains/ (losses) from cash flow hedges – ineffective part	-	(6)
Total	**(90)**	**(104)**

12. DIVIDEND INCOME

MCZK	2023	2022
Visa Inc.	1	1
Total	**1**	**1**

13. IMPAIRMENT GAINS/(LOSSES) ON CREDIT AND OFF-BALANCE SHEET EXPOSURES

MCZK	2023	2022
Changes in loss allowances		
Additions to loss allowances	(3,406)	(3,237)
Release of loss allowances	2,436	3,087
Use of loss allowances	755	373
Gross carrying value of assigned and written-off receivables	(755)	(373)
Income from written-off/sold receivables	62	251
Total changes in loss allowances	**(908)**	**101**
Provisions for off-balance sheet credit risks		
Establishment of provisions	(407)	(338)
Release of provisions	332	377
Total changes in provisions for off-balance sheet credit risks	**(75)**	**39**
Impairment gains/(losses) on credit and off-balance sheet exposures	**(983)**	**140**

14. GAIN OR LOSS (-) ARISING FROM DERECOGNITION OF FINANCIAL ASSETS MEASURED AT AMORTISED COST

MCZK	Net carrying amount		Gain arising from derecognition	
	2023	2022	2023	2022
Financial assets at amortised cost				
Loans and receivables	406	126	13	4
Debt securities	2 726	126	(8)	1
Financial liabilities at amortised cost				
Debt securities issued	11	-	3	-
Total	**3 143**	**252**	**8**	**5**

In 2023 and 2022, loans and receivables from clients were sold due to the deterioration in credit risk. Debt securities were sold shortly before maturity.

15. PERSONNEL EXPENSES

MCZK	2023	2022
Wages and salaries	(3,239)	(3,171)
Social and health insurance	(1,040)	(1,015)
Other personnel expenses	(197)	(213)
Total	**(4,476)**	**(4,399)**
of which wages, salaries and remuneration paid to:		
Members of the board of directors	(111)	(102)
Members of the supervisory board	(7)	(7)
Total	**(118)**	**(109)**

As of 31 December 2023 and 2022, the recalculated average number of the Group's employees was as follows:

	2023	2022
Employees	3,524	3,347
Members of the board of directors	8	8
Members of the supervisory board	12	12

Members of the board of directors and supervisory board above represent members of the Bank's board of directors and supervisory board.

The financial arrangements between the Group and members of the board of directors and supervisory board are disclosed in note 51.

16. GENERAL OPERATING EXPENSES

MCZK	2023	2022
Rent, repairs and other office management services	(284)	(266)
Marketing expenses	(615)	(655)
Costs of legal and advisory services	(420)	(685)
of which: *statutory audit of financial statements*	*(17)*	*(21)*
other assurance services	*(4)*	*(8)*
other non-audit services	*(2)*	*(1)*
IT support costs	(920)	(919)
Deposit and transaction insurance	(209)	(146)
Telecommunication, postal and other services	(87)	(87)
Security costs	(58)	(59)
Cost of training	(37)	(28)
Office equipment	(21)	(27)
Travel expenses	(30)	(23)
Costs of company cars operation	(15)	(16)
Contribution to the crisis resolution fund	(346)	(390)
Other administrative expenses	(125)	(112)
Total	**(3,167)**	**(3,413)**

"Deposit and transaction insurance" includes the costs of the payment to the Deposit Insurance Fund (henceforth the "FPV").

Besides the statutory audit of the financial statements, the auditor and affiliated companies provided the Group with the following services in 2023:

Other assurance services:

- Review of the Financial Information for consolidation purposes prepared in conformity with the accounting instructions issued by group management of Raiffeisen Bank International for the period from 1 January 2023 to 31 March 2023;
- Review of the Financial Information for consolidation purposes prepared in conformity with the accounting instructions issued by group management of Raiffeisen Bank International for the period from 1 January 2023 to 30 June 2023;
- Audit of the Financial Information for consolidation purposes prepared in conformity with the accounting instructions issued by group management of Raiffeisen Bank International for the year ended 31 December 2023;
- Review of the impairment of financial assets at amortised cost and net income attributable to the shareholders of the Raiffeisenbank, a.s. group for the year ended 31 December 2023 for the purpose of using the interim profit or loss in the statement of equity and risk exposures;
- Other assurance services related to the prospectus of covered bonds containing data necessary to identify the monitor of the covered block ("asset monitor programme");
- Other assurance services related to the preparation of the ISAE3000 report on the use of green bond proceeds and the impact report;
- Other assurance services related to the issuance of a comfort letter in connection with the prospectus of a bond issue programme;

Other non-audit services:

- Preparation of a report on the adequacy of measures adopted for the purposes of protection of customer assets (MiFID II) based on Section 12(e)(3) of Act no. 256/2004, on Capital Market Business, as amended, and pursuant to the provisions of Section 116(a) of Decree No. 163/2014 Coll., on the Performance of the Activities of Banks, Credit Unions and Investment Firms, for the purposes of the Czech National Bank;
- Preparation of a report on the verification of the Group's management and control system in the scope required by the Czech National Bank;
- Services related to the provision of professional services in the area of bank benchmarking of financial statements of the Bank and selected competitor banks;
- Services related to the preparation and filing of Form 1042-S for the U.S. Treasury Department;
- Professional seminars on the Accounting Act and IFRS accounting standards;
- Services related to the review of depreciation/amortisation expense for tax purposes;
- Services related to the translation of the annual report.

17. DEPRECIATION AND AMORTISATION OF PROPERTY AND EQUIPMENT AND INTANGIBLE ASSETS

MCZK	2023	2022
Amortisation expense	(1,128)	(1,405)
Depreciation expense	(557)	(520)
Amortisation of right-of-use assets	(377)	(394)
Depreciation of investment property	(3)	(7)
Total	**(2,065)**	**(2,326)**

18. OTHER OPERATING INCOME

MCZK	2023	2022
Gain on sale of property and equipment and intangible assets	36	138
Income from reinvoicing to the parent company	44	80
Income related to banking products	4	30
Gain on operating leases	348	327
Modification gain	2	2
Other	564	304
Total	**998**	**881**

19. OTHER OPERATING EXPENSES

MCZK	2023	2022
Change in loss allowances to operating receivables	(2)	(3)
Operating lease expenses	(83)	(87)
Impairment of right-of-use assets	(16)	(20)
Other	(76)	(75)
Total	**(177)**	**(185)**

20. INCOME TAX

Income tax expense

MCZK	2023	2022
Current income tax	(2,163)	(2,075)
Tax refunds/(additional payments) for the prior reporting period	(65)	(45)
Income tax of prior years	16	44
(Expense)/income in respect of deferred tax	(140)	(69)
Total income tax	**(2,352)**	**(2,145)**

The tax balance differs from the tax balance that would have been determined had the basic tax rate been used as follows:

MCZK	2023	2022
Profit before tax	**9,846**	**10,949**
Tax calculated at the tax rate – 26%* (2022: 19%)	**(2,581)**	**(2,080)**
Non-taxable income (tax effect)	626	113
Non-tax deductible expenses (tax effect)	(348)	(177)
Tax relief and offsets	-	-
Tax expense for the current period	**(2,303)**	**(2,144)**
Tax overpayment/(arrears) for prior reporting periods	(65)	(45)
Income tax of prior years	16	44
Total income tax	**(2,352)**	**(2,145)**
Effective tax rate	**23.89%**	**19.59%**

*The tax rate includes the basic income tax rate of 19% and the effect of windfall tax.

For additional details on the deferred tax, refer to Note 29.

21. PROFIT PER SHARE

Profit per share of CZK 4,647 (2022: CZK 5,491 per share) was calculated as the profit attributable to equity holders of the Bank of MCZK 7,494 (2022: MCZK 8,804) less the coupon paid on other equity instruments of MCZK 308 (2022: MCZK 314) and divided by the number of issued shares, i.e. 1,546,080 pieces (2022: 1,546,080 pieces).

22. CASH AND CASH EQUIVALENTS

MCZK	2023	2022
Cash and cash equivalents	2,828	2,645
Balances with central banks (including one-day deposits)	1,294	531
Other demand deposits	10,817	10,726
Total	**14,939**	**13,902**

23. FINANCIAL ASSETS HELD FOR TRADING

MCZK	2023	2022
Derivatives	**4,918**	**7,548**
Interest rate derivatives	3,643	5,962
Currency derivatives	1,275	1,586
Debt securities	**446**	**162**
Government institutions	410	121
Non-financial enterprises	36	41
Total	**5,364**	**7,710**

Securities pledged as collateral

As of 31 December 2023 and 2022, the Group provided no pledge of the above securities as collateral as part of repurchase and similar transactions with other banks and customers.

24. FINANCIAL ASSETS OTHER THAN HELD FOR TRADING MANDATORILY REPORTED AT FAIR VALUE THROUGH PROFIT OR LOSS

MCZK	2023	2022
Debt securities	**208**	**194**
Other financial institutions	84	74
Non-financial enterprises	124	120
Total	**208**	**194**

25. FINANCIAL ASSETS MEASURED AT FVOCI

MCZK	2023	2022
Equity instruments	**132**	**101**
Shares	132	101
Total	**132**	**101**

"Financial assets measured at FVOCI" include the Group's equity investment in SWIFT of MCZK 2 (2022: MCZK 2), Bankovní identita a.s. of MCZK 36 (2022: MCZK 23), and VISA of MCZK 94 (2022: MCZK 76).

26. FINANCIAL ASSETS AT AMORTISED COST

a) Financial assets at amortised cost by segment

MCZK	2023		
	Gross carrying amount	Loss allowances	Net carrying amount
Debt securities	**99,138**	**(73)**	**99,065**
Credit institutions	1,154	(1)	**1,153**
Government institutions	90,780	(12)	**90,768**
Other financial institutions	2,535	(17)	**2,518**
Non-financial enterprises	4,669	(43)	**4,624**
Loans and advances to banks	**152,951**	**(1)**	**152,950**
Central banks	151,710	-	**151,710**
Credit institutions	1,241	(1)	**1,240**
Loans and advances to customers	**435,218**	**(5,629)**	**429,589**
Government institutions	363	-	**363**
Other financial institutions	24,219	(259)	**23,960**
Non-financial enterprises	160,550	(2,003)	**158,547**
Households	250,086	(3,367)	**246,719**
Total	**687,307**	**(5,703)**	**681,604**

MCZK	2022		
	Gross carrying amount	Loss allowances	Net carrying amount
Debt securities	**43,657**	**(45)**	**43,612**
Credit institutions	1,167	-	**1,167**
Government institutions	35,010	(1)	**35,009**
Other financial institutions	2,448	(21)	**2,427**
Non-financial enterprises	5,032	(23)	**5,009**
Loans and advances to banks	**160,049**	**(1)**	**160,048**
Central banks	158,505	-	**158,505**
Credit institutions	1,544	(1)	**1,543**
Loans and advances to customers	**417,980**	**(5,244)**	**412,736**
Government institutions	502	-	**502**
Other financial institutions	23,047	(151)	**22,896**
Non-financial enterprises	149,441	(1,931)	**147,510**
Households	244,990	(3,162)	**241,828**
Total	**621,686**	**(5,290)**	**616,396**

b) Financial assets at amortised cost by category

MCZK	2023	2022
Debt securities		
Debt securities	99,138	43,657
Debt securities - gross	**99,138**	**43,657**
Loss allowances	(73)	(45)
Debt securities - net	**99,065**	**43,612**
Loans and advances to banks	-	-
Term deposits	1,243	1,537
Factoring	-	7
Reverse repurchase transactions with Czech National Bank	151,710	158,505
Loans and advances to banks - gross	**152,953**	**160,049**
Loss allowances	(3)	(1)
Loans and advances to banks - net	**152,950**	**160,048**
Loans and advances to customers	-	-
Current account overdrafts	2,506	2,333
Term loans	251,820	232,305
Mortgage loans	171,466	173,870
Reverse repurchase	571	1,777
Credit card receivables	3,500	3,295
Other	5,355	4,400
Loans and advances to customers - gross	**435,218**	**417,980**
Loss allowances	(5,629)	(5,244)
Loans and advances to customers - net	**429,589**	**412,736**
Total financial assets at amortised cost	**681,604**	**616,396**

The Group has applied hedge accounting upon the fair value hedge of the portfolio of receivables from corporate and mortgage loans and debt securities at amortised cost. As of 31 December 2023, the remeasurement of the hedged items amounted to MCZK 50 (2022: MCZK (5,755)).

c) Reverse repurchase transactions

The Group provided reverse repurchase transactions to the Czech National Bank in the amount of MCZK 151,710 (2022: MCZK 158,505). Reverse repo transactions with the Czech National Bank are collateralised by securities with the fair value of MCZK 146,948 (2022: MCZK 155,840).

The amount of reverse repurchase transaction provided to customers was MCZK 571 (2022: MCZK 1,777). Reverse repurchase transactions with customers are collateralised by securities with the fair value of MCZK 855 (2022: MCZK 2,663).

d) Securitisation

In June 2023, the Group completed its third synthetic securitisation of Roof RBCZ 2023 for MEUR 960. In the synthetic securitisation, the Group cedes part of the credit risk associated with the loan portfolio to institutional investors. However, the loans in the synthetic securitisation portfolio remain in the Group's ownership and management. The synthetic securitisation therefore has no impact on the Bank's relationships with its customers. The securitised portfolio consists of corporate loans granted mainly to Czech companies and has been divided into three risk tranches: junior, mezzanine and senior. The credit risk related to the mezzanine tranche was transferred to institutional investors who provided the Bank with a portfolio guarantee to hedge the credit risk of the mezzanine tranche in the amount of MCZK 1,662 (2022: MCZK 0). This accepted portfolio guarantee to hedge the credit risk of the mezzanine tranche is linked to a cash deposit from institutional investors serving as cash collateral for this portfolio guarantee. This deposit is of the same amount as the portfolio guarantee received and bears interest. This deposit is shown in the statement of financial position under the line "*Deposits from customers*". The Group retained the credit risk of the junior and senior tranche. The expected termination of this portfolio guarantee is in December 2026. The Group allocates the cost of the portfolio guarantee received between the interest portion, which is reported under "*Interest expense and similar expense*", and the fee portion, which the Group reports under "*Fee and commission expense*". The transaction was carried out to reduce the Group's risk-weighted assets.

e) Syndicated loans

Pursuant to concluded syndicated loan agreements as of 31 December 2023, the Group acted as the arranger of syndicated loans in the original amount of aggregate credit limits of MCZK 6,090 (2022: MCZK 7,160), of which the proportion of the Group amounted to MCZK 2,210 (2022: MCZK 2,490), and the proportion of other syndicate members amounted to MCZK 3,879 (2022: MCZK 4,669).

As of 31 December 2023, the aggregate amount of outstanding receivables under the syndicated loan facilities was MCZK 5,310 (2022: MCZK 4,648), of which the proportion of the Group was MCZK 2,044 (2022: MCZK 1,546), and the proportion of other syndicate members was MCZK 3,266 (2022: MCZK 3,102).

The risks and interest arising from these syndicated loans are shared by all participating syndicate members in proportion to their aggregate exposure.

27. FINANCE LEASES

Aging of receivables from finance leases is as follows:

MCZK	2023	2022
Gross investments in finance leases	**9,063**	**8,801**
- up to 3 months	823	793
- 3 months to 1 year	1,914	1,941
- 1 year to 2 years	2,026	1,982
- 2 years to 3 years	1,716	1,448
- 3 years to 4 years	1,144	1,116
- 4 years to 5 years	676	617
- more than 5 years	764	904
Unrealised financial income	**(802)**	**(605)**
Net investments in finance leases – gross	**8,261**	**8,196**
Loss allowances	(85)	(99)
Net investments in finance leases – net	**8,176**	**8,097**

The assets that the Group leases under finance lease have the following structure:

MCZK	2023	2022
Lease of motor vehicles	6,701	6,544
Lease of real estate	19	22
Lease of equipment	1,541	1,630
Total	**8,261**	**8,196**

28. HEDGING DERIVATIVES WITH POSITIVE FAIR VALUE

MCZK	2023	2022
Portfolio hedge derivatives	**5,152**	**7,347**
Cash flow hedge	310	97
Fair value hedge	4,842	7,250
Total	**5,152**	**7,347**

29. DEFERRED TAX ASSET/LIABILITY

Deferred tax is calculated on all temporary differences under the liability method using the basic income tax rate of 21% taking into account the impact of the windfall tax which will apply for the years 2024 to 2025. In 2022, deferred tax was calculated on all temporary differences under the liability method using the basic income tax rate of 19% and the windfall tax rate of 60% applicable for years 2023 to 2025.

Deferred tax asset comprises the following items:

MCZK	Balance at 1 Jan 2023				Balance at 31 Dec 2023		
	Net deferred tax asset / (liability)	Changes to the consolidation group	Movement for the year - (expense)/ income	Movement for the year against equity	Deferred tax liability	Deferred tax asset	Net deferred tax asset / (liability)
Outstanding social and health insurance, bonuses	**217**	-	(78)	-	-	139	**139**
Other provisions	**182**	-	(39)	-	-	143	**143**
Outstanding vacation days	**5**	-	(3)	-	-	2	**2**
Fair value reserve - cash flow hedge	**237**	-	-	(200)	-	37	**37**
Differences between accounting and tax carrying amounts of property and equipment and intangible assets	**514**	-	108	-	-	622	**622**
Movement in fair value reserve in equity from remeasurement of financial assets at FVOCI	**1**	-	-	(4)	(3)	-	**(3)**
Differences between accounting and tax values - leases	**(1,563)**	-	(139)	-	(1,702)	-	**(1,702)**
Fair value remeasurement arising from the acquisition of a subsidiary*	**80**	-	11	-	-	91	**91**
Deferred tax asset/(liability)	**(327)**	**-**	**(140)**	**(204)**	**(1,705)**	**1,034**	**(671)**

*Line *"Fair value remeasurement of assumed assets and liabilities"* represents the calculated deferred tax asset on the remeasurement of the carrying amounts of assets and liabilities of Equa bank a.s. at fair value as of the acquisition date, i.e. 1 July 2021, including the effect of fair value amortisation.

MCZK	Balance as of 1 Jan 2022		Movement for the year - (expense)/ income	Movement for the year against equity	Balance at 31 Dec 2022		
	Net deferred tax asset / (liability)	Changes to the consolidation group			Deferred tax liability	Deferred tax asset	Net deferred tax asset / (liability)
Outstanding social and health insurance, bonuses	**120**	-	97	-	-	217	**217**
Other provisions	**151**	-	31	-	-	182	**182**
Outstanding vacation days	**6**	-	(1)	-	-	5	**5**
Fair value reserve - cash flow hedge	**89**	-	-	148	-	237	**237**
Differences between accounting and tax carrying amounts of property and equipment and intangible assets	**(706)**	22	1,198	-	-	514	**514**
Movement in fair value reserve in equity from remeasurement of financial assets at FVOCI	-	-	-	1	-	1	**1**
Differences between accounting and tax values - leases	**(188)**	-	(1,375)	-	(1,563)		**(1,563)**
Fair value remeasurement arising from the acquisition of a subsidiary*	**98**	-	(18)	-	-	80	**80**
Deferred tax asset/(liability)	**(430)**	**22**	**(68)**	**149**	**(1,563)**	**1,236**	**(327)**

*Line *"Fair value remeasurement of assumed assets and liabilities"* represents the calculated deferred tax asset on the remeasurement of the carrying amounts of assets and liabilities of Equa bank a.s. at fair value as of the acquisition date, i.e. 1 July 2021, including the effect of fair value amortisation.

MCZK	2023	2022
Deferred tax asset recorded in the balances sheet	24	27
Deferred tax liability recorded in the balance sheet	(695)	(354)
Net deferred tax (liability)/asset	**(671)**	**(327)**

30. OTHER ASSETS

MCZK	2023	2022
Indirect tax receivables	16	11
Receivables arising from non-banking activities	769	1,034
Deferred expenses and accrued income	439	372
Receivables from securities trading	92	109
Settlement of cash transactions with other banks	894	409
Mandatory minimum reserves	11,693	5,555
Other	971	1,142
Total	**14,874**	**8,632**

Mandatory minimum reserves are deposits the amount of which is determined based on a measure promulgated by the Czech National Bank and the drawing of which is limited. The Group may only use the mandatory minimum reserve without penalties to draw an amount exceeding the actual average amount of the mandatory minimum reserves for the period as calculated under the CNB's measure.

"Other" includes interests in unconsolidated structured entities of Raiffeisen Leasing, s.r.o. (see note 3(e)) of MCZK 26 (2022: MCZK 25) and interests in subsidiaries and associated companies not consolidated due to immateriality of MCZK 3 (2022: MCZK 3).

31. EQUITY INVESTMENTS IN ASSOCIATED COMPANIES

MCZK	2023	2022
Opening balance	**113**	**102**
Additions	-	-
Increase/(decrease) in net assets	12	11
Disposals	-	-
Total	**125**	**113**

MCZK	Country	Assets	Liabilities	Gain/(loss)	Effective share in share capital	Share in equity
Akcenta CZ a.s.	CR	3 405	2 989	39	30%	125
At 31 December 2023						**125**
Akcenta CZ a.s.	CR	3 942	3 565	36	30%	113
At 31 December 2022						**113**

32. INTANGIBLE ASSETS

MCZK	Software	Other intangible assets	Goodwill	Core deposit intangibles	Intangible assets under construction	Total
Acquisition cost						
At 1 January 2022	**9,321**	**815**	**447**	**1,574**	**502**	**12,659**
Additions	344	-	-	-	773	**1,117**
Disposals	(20)	(29)	-	-	(20)	**(69)**
Other changes (transfers)	376	-	-	-	(376)	**-**
Reclassification	53	(53)	-	-	-	**-**
At 31 December 2022	**10,074**	**733**	**447**	**1,574**	**879**	**13,707**
Additions	440	-	-	-	535	**975**
Disposals	(5)	-	-	-	-	**(5)**
Other changes (transfers)	597	-	-	-	(597)	**-**
Reclassification	-	-	-	-	-	**-**
At 31 December 2023	**11,106**	**733**	**447**	**1,574**	**817**	**14,677**
Accumulated amortisation						
At 1 January 2022	**(5,952)**	**(448)**	**-**	**(79)**	-	**(6,479)**
Additions – annual amortisation charges	(1,170)	(78)	-	(157)	-	**(1,405)**
Disposals	20	25	-	-	-	**45**
Reclassification	(7)	7	-	-	-	**-**
At 31 December 2022	**(7,109)**	**(494)**	**-**	**(236)**	**-**	**(7,839)**
Additions – annual amortisation charges	(894)	(77)	-	(157)	-	**(1,128)**
Disposals	5	-	-	-	-	**5**
Reclassification	-	-	-	-	-	**-**
At 31 December 2023	**(7,998)**	**(571)**	**-**	**(393)**	**-**	**(8,962)**
Net book value						
At 31 December 2022	**2,965**	**239**	**447**	**1,338**	**879**	**5,868**
At 31 December 2023	**3,108**	**162**	**447**	**1,181**	**817**	**5,715**

Additions to software predominantly represent the putting into use of technical improvements on data warehouses and other software used by the Group. Internal costs (primarily personnel expenses and rental costs) which are required to generate these assets are capitalised. In 2023, internal costs totalling MCZK 136 (2022: MCZK 204) were capitalised.

Other additions to intangible assets under construction include purchases from external entities. In this category, the Group does not report or record additions acquired through business combinations.

"Other changes (transfers)" includes capitalisation of completed investments.

The Group tests goodwill for impairment once a year. For the purposes of goodwill testing, the cash-generating unit is the retail client portfolio to which the total amount of goodwill recognised has been allocated.

The projected cash flows are based on a five-year financial plan adjusted for the relevant capital requirements. The estimate of future cash flows for the period following the five-year financial plan is calculated as a perpetuity based on constant cash flows in the form of net operating profit after tax and incorporating a stable growth rate. A discount rate of 13% was used to calculate the value of future cash flows. A growth rate of 2% was used to calculate the terminal value, which corresponds to long-term inflation expectations.

The Group performed a sensitivity analysis to examine the sensitivity of the value in use of goodwill to the following key indicators:

- change in interest rates: the sensitivity analysis is based on the results of a market risk calculation performed by the Group on a regular basis, which shows the sensitivity of net interest income to a parallel decline in the interest rate curve over a two-year horizon. The Group's net interest income is generally positively correlated with the level of interest rates due to the low elasticity of customer current account rates.

- discount factor – is directly derived from the cost of capital, which is determined by the shareholder's expected return on investment in the Group. In the base scenario, the cost of capital is set at 12%. In the sensitivity analysis, the cost of capital is set at 15%.

- long-term growth rate – equal to 2% in the base scenario, which is in line with long-term inflation expectations. In the sensitivity analysis, the long-term growth rate is 1%.

Based on the test result, there is no indication of impairment of goodwill due to the fact that the value in use is significantly higher than the carrying amount of the cash-generating unit in both scenarios.

33. PROPERTY AND EQUIPMENT

MCZK	Land, buildings and technical improvements on buildings	Fixtures and fittings	Machinery and equipment	Property and equipment under construction	Total
Acquisition cost					
At 1 January 2022	**4,658**	**217**	**2,721**	**476**	**8,072**
Changes to the consolidation group	(464)	-	(66)	-	**(530)**
Additions	381	2	599	90	**1,072**
Disposals	(581)	(7)	(341)	(250)	**(1,179)**
Other changes (transfers)	4	2	84	(90)	**-**
At 31 December 2022	**3,998**	**214**	**2,997**	**226**	**7,435**
Additions	276	4	731	42	**1,053**
Disposals	(239)	(7)	(650)	(101)	**(997)**
Other changes (transfers)	10	5	26	(41)	**-**
At 31 December 2023	**4,045**	**216**	**3,104**	**126**	**7,491**
Accumulated depreciation					
At 1 January 2022	**(2,376)**	**(146)**	**(1,251)**	**(97)**	**(3,870)**
Changes to the consolidation group	235	-	65	-	**300**
Additions	(509)	(9)	(396)	-	**(914)**
Disposals	291	7	215	-	**513**
At 31 December 2022	**(2,359)**	**(148)**	**(1,367)**	**(97)**	**(3,971)**
Additions	(479)	(9)	(446)	-	**(934)**
Disposals	179	6	520	-	**705**
At 31 December 2023	**(2,659)**	**(151)**	**(1,293)**	**(97)**	**(4,200)**
Loss allowances					
At 1 January 2022	**-**	**-**	**(3)**	**-**	**(3)**
Disposals	-	-	3	-	**3**
At 31 December 2023	**-**	**-**	**-**	**-**	**-**
Disposals	-	-	-	-	**-**
At 31 December 2023	**-**	**-**	**-**	**-**	**-**
Net book value					
At 31 December 2022	**1,639**	**66**	**1,630**	**129**	**3,464**
At 31 December 2023	**1,386**	**65**	**1,811**	**29**	**3,291**

"Changes to the consolidation group" in 2022 represent the disposal of property and equipment of KONEVOVA, s.r.o.

The figures presented under *"Other changes (transfers)"* represent the reclassification of assets from assets under construction to individual categories and a change in the classification of selected classes of assets.

As of 31 December 2023, the carrying amount of right-of-use assets was MCZK 940 (at 31 December 2022: MCZK 1,134) – see note 48.

34. INVESTMENT PROPERTY

MCZK	2023	2022
Acquisition cost		
At 1 January	**306**	**242**
Additions	4	71
Disposals	(216)	(7)
Acquisition cost at 31 December	**94**	**306**
Accumulated depreciation and loss allowances		
At 1 January	(49)	(59)
Annual depreciation	(3)	(7)
Disposals	5	4
Loss allowance	-	13
Accumulated depreciation and loss allowances at 31 December	**(47)**	**(49)**
Net book value at 31 December	**47**	**257**

The rental income from investment property as of 31 December 2023 amounted to MCZK 12 (31 December 2022: MCZK 19). Expenses related to the rental of the investment property as of 31 December 2023 amounted to MCZK 1 (31 December 2022: MCZK 4).

The fair value of investment property as of 31 December 2023 amounted to MCZK 67 (31 December 2022: MCZK 403). The fair value is measured based on the appraisals of internal experts with appropriate professional qualification, using one of the following valuation methods or the combination of the valuation methods: valuation based on the acquisition costs, yield methods and residual value of the land plots. The Group makes the assessment of the fair value of the investment property at least on a yearly basis.

35. FINANCIAL LIABILITIES HELD FOR TRADING

MCZK	2023	2022
Derivatives	**4,678**	**7,968**
Interest rate derivatives	3,601	5,638
Currency derivatives	1,077	2,330
Total	**4,678**	**7,968**

36. FINANCIAL LIABILITIES AT AMORTISED COST

a) Deposits from banks

MCZK	2023	2022
Current accounts/One-day deposits	845	638
Term deposits of banks	4,984	5,059
Deposits with notice	-	-
Repurchase transactions	17,890	4,972
Total	**23,719**	**10,669**

Securities pledged as collateral for repurchase transactions are government bonds in the amount of MCZK 1,258 (31 December 2022: MCZK 1,071), which were received as collateral in reverse repurchase transactions with the Czech National Bank, and government bonds in the amount of MCZK 20,162 (31 December 2022: MCZK 5,566), which the Group recognises in *"Financial assets at amortised cost – Debt securities"*.

The Group has also taken interbank loans in the amount of MCZK 2,540 (31 December 2022: MCZK 3,880) collateralised by the Group's own mortgage bonds of MCZK 3,256 (31 December 2022: MCZK 5,337).

b) Deposits from customers

Analysis of deposits from customers by type

MCZK	2023	2022
Current accounts/One-day deposits	395,279	385,370
Term deposits	162,573	139,751
Term deposits with maturity	21,111	24,940
Repurchase transaction	15,032	-
Total	**593,995**	**550,061**

The Group has applied hedge accounting upon the fair value hedge of the portfolio of current and savings accounts and debt securities issued. As of 31 December 2023, the remeasurement of the hedged items amounted to MCZK (6,467) (2022: MCZK (14,354)).

The securities pledged as collateral in repurchase transactions are government bonds in the amount of MCZK 14,874 (as of 31 December 2022: MCZK 0), which were obtained as collateral in a reverse repurchase transaction with the ČNB.

Analysis of deposits from customers by sector

MCZK	2023	2022
Government institutions	27,736	10,700
Other financial institutions	19,966	18,847
Non-financial enterprises	153,487	144,671
Households	392,806	375,843
Total	**593,995**	**550,061**

c) Debt securities issued

Analysis of issued debt securities by type

MCZK	2023	2022
Mortgage bonds	5,519	8,361
Senior non-preferred bonds	30,793	16,192
Total	**36,312**	**24,553**

Analysis of mortgage bonds

MCZK							
Issue date	Maturity date	ISIN	Currency	Nominal value		Net carrying amount	
				2023	2022	2023	2022
8/3/2017	8/3/2023	XS1574150857	EUR	-	7,235	-	2,918
8/3/2017	8/3/2024	XS1574151236	EUR	7,418	7,235	3,996	3,917
19/3/2020	19/3/2025	CZ0002006893	CZK	1,500	1,500	1,523	1,526
15/7/2020	15/7/2030	CZ0002007057	CZK	41,000	41,000	-	-
15/11/2021	15/11/2031	XS2406886973	EUR	12,363	12,058	-	-
TOTAL				**62,281**	**69,028**	**5,519**	**8,361**

ISIN	Interest rate
XS1574150857	0.88%
XS1574151236	1.13%
CZ0002006893	1.65%
CZ0002007057	1.00%
XS2406886973	0.70%

In 2023, mortgage bond XS1574150857 issued by the Group reached its maturity.

Mortgage bonds XS2406886973 and CZ0002007057 remain completely in the Group's own books.

As of 31 December 2023, the Group held issued EUR-denominated mortgage bonds totalling MEUR 508.3 (as of 31 December 2022: MEUR 598.7), which can be used as collateral in repurchase transactions with the European Central Bank, and issued CZK-denominated mortgage bonds totalling MCZK 41,000, which can be used as collateral in repo transactions with the Czech National Bank.

Apart from this, the Group used issued EUR-denominated mortgage bonds of MEUR 131.7 (as of 31 December 2022: MEUR 221.3) as collateral in repurchase transactions on the inter-banking market.

Analysis of senior non-preferred bonds

MCZK							
Issue date	Maturity date	ISIN	Currency	Nominal value		Net carrying amount	
				2023	2022	2023	2022
18/03/2021	22/03/2026	XS2321749355	CZK	2,689	2,680	2,740	2,740
09/06/2021	09/06/2028	XS2348241048	EUR	8,654	8,381	8,651	8,429
20/09/2022	20/09/2027	XS2534984120	CZK	2,200	1,303	2,228	1,326
20/09/2022	20/09/2027	XS2534985283	CZK	1,318	1,019	1,340	1,043
28/11/2022	28/11/2027	XS2559478693	CZK	2,635	2,634	2,654	2,654
19/01/2023	19/01/2026	XS2577033553	EUR	12,363	-	13,180	-
TOTAL				**29,859**	**16,017**	**30,793**	**16,192**

ISIN	Interest rate
XS2321749355	6M PRIBOR + 0.6 p.b. p.a.
XS2348241048	Fixed rate of 1% p.a.
XS2534984120	Fixed rate of 6.22 % p.a.
XS2534985283	6M PRIBOR + 1 p.b. p.a.
XS2559478693	Fixed rate of 8.27 % p.a.
XS2577033553	Fixed rate of 7.125 % p.a.

In January 2023, the Group issued an international issue of senior non-preferred bonds which are both subordinated to the other preferred bonds and MREL eligible.

Bond XS2577033553, admitted to trading on the Luxembourg Stock Exchange and denominated in EUR, may only be sold to eligible counterparties and was offered mainly to investors on the domestic market.

It has a maturity of three years and an embedded call option for the Group for early repayment in nominal value after two years from the issue date. This bond has been assigned a *Baa2* rating by Moody's.

In 2022, the Group issued three issues of senior non-preferred bonds that are subordinated to other preferred bonds and MREL eligible.

Bond XS2559478693, admitted to trading on the Luxembourg Stock Exchange and denominated in CZK, may only be sold to eligible counterparties and was offered mainly to investors on the domestic market. It has a maturity of five years and an embedded call option for the Group for early repayment in nominal value after four years from the issue date. This bond has not been assigned any rating.

Bonds XS2534984120 and XS2534985283, admitted to trading on the Luxembourg Stock Exchange and denominated in CZK, can also be sold to retail clients and were offered mainly to investors on the domestic market. They have a maturity of five years and an embedded call option for the Group for early repayment in nominal value after four years from the issue date. These bonds have not been assigned any rating.

During the first half of 2021, the Group issued two issues of senior non-preferred bonds that are subordinated to other preferred bonds and MREL eligible.

International bond XS2348241048, admitted to trading on the Luxembourg Stock Exchange and denominated in EUR, was issued as a green bond in cooperation with Barclays Bank Ireland PLC, Crédit Agricole Corporate and Investment Bank, and Raiffeisen Bank International AG. It has a maturity of seven years and an embedded call option for the Group for early repayment in nominal value after six years from the issue date. The bond has been assigned a *Baa3* rating by Moody's.

Bond XS2321749355, admitted to trading on the Luxembourg Stock Exchange and denominated in CZK, can be sold to non-professional customers and was offered mainly to investors on the domestic market. It has a maturity of five years and an embedded call option for the Group for early repayment in nominal value after four years from the issue date. This bond has not been assigned any rating.

d) Subordinated liabilities and bonds

Subordinated loan

MCZK	2023	2022
Raiffeisen Bank International AG (parent company)	3,238	3,156
Raiffeisenlandesbank Oberösterreich AG	1,080	1,052
Raiffeisen Bausparkasse Holding GmbH	302	302
Total	**4,620**	**4,510**

Subordinated deposits

MCZK	2023	2022
Households	-	41
Total	**-**	**41**

Subordinated bonds

MCZK							
Issue date	**Maturity date**	**ISIN**	**Currency**	**Nominal value**		**Net carrying amount**	
				2023	**2022**	**2023**	**2022**
26/9/2017	26/9/2027	CZ0003704595	CZK	300	300	310	309
16/9/2019	18/9/2029	CZ0003704900	CZK	300	300	302	302
TOTAL				**600**	**600**	**612**	**611**

ISIN	Interest rate
CZ0003704595	8.365 %
CZ0003704900	4.06 %

e) Other financial liabilities

MCZK	2023	2022
Liabilities from trading with securities	37	62
Liabilities from non-banking activities	606	559
Settlement and suspense clearing accounts	5,304	4,379
Lease liabilities	977	1,144
Total	**6,924**	**6,144**

37. HEDGING DERIVATIVES WITH NEGATIVE FAIR VALUE

MCZK	2023	2022
Positive fair value of portfolio hedge derivatives	**12,725**	**17,658**
Cash flow hedge	483	930
Fair value hedge	12,242	16,728
Total	**12,725**	**17,658**

38. PROVISIONS

MCZK	2023	2022
Provisions for commitments and financial guarantees provided	**593**	**512**
Other provisions	**746**	**872**
Provisions for legal disputes	9	14
Provisions for payroll bonuses	676	732
Provision for restructuring	-	36
Other	61	90
Total	**1,339**	**1,384**

The Group recognises provisions for credit risks arising from off-balance sheet items in respect of irrevocable credit commitments, guarantees and letters of credit provided to customers. The purpose of this provision is to cover credit risks associated with off-balance sheet receivables. Provisions are made for estimated credit losses on these potential receivables on the basis of the same principles as loss allowances for financial assets. The movement in provisions for commitments and financial guarantees provided is part of Section 45 *"Financial instruments – credit risk"*.

Overview of other provisions

MCZK	Provisions for legal disputes	Provisions for salary bonuses	Provision for restructuring	Other provisions	Total
1 January 2022	**14**	**632**	**153**	**86**	**885**
Additions	-	732	-	33	**765**
Utilisation	-	(589)	(96)	(16)	**(701)**
Release of redundant provisions	-	(43)	(21)	(13)	**(77)**
31 December 2022	**14**	**732**	**36**	**90**	**872**
Short-term	**-**	**601**	**36**	**-**	**637**
Long-term	**14**	**131**	**-**	**90**	**235**
Additions	4	676	-	25	**705**
Utilisation	-	(692)	(36)	(26)	**(754)**
Release of redundant provisions	(9)	(40)	-	(28)	**(77)**
31 December 2023	**9**	**676**	**-**	**61**	**746**
Short-term	**-**	**497**	**-**	**14**	**511**
Long-term	**9**	**179**	**-**	**47**	**235**

The Group recognises provisions for legal disputes based on an internal expert assessment of the current legal disputes conducted against the Group. If there is a risk of possible loss in the legal dispute, the internal division issues an instruction for a provision to be recognised. If the legal dispute discontinues or the likelihood of a loss is reduced, the provision is released due to redundancy.

As of 31 December 2022 *"Provision for restructuring"* included the balance of the provision for restructuring in relation to the legal merger of Raiffeisenbank a.s. and Equa bank a.s.

"Other provisions" includes provisions for bonuses for customers, contractual obligations related to the restoration of leased branches to their original condition, etc. For all types of other provisions, the Group assesses the risk and probability of performance. This item includes the effect of changes in foreign currency rates on provisions denominated in foreign currencies.

Provisions are recognised when it is possible to estimate the amount of future performance. In most types of risk, the Group established a provision equal to 100% of the anticipated repayments and payments.

39. OTHER LIABILITIES

MCZK	2023	2022
Estimated payables – payroll costs	310	313
Provision for outstanding vacation days	13	24
Accrued expenses and deferred income	238	199
Estimated payables – un-invoiced receipts for services/goods	916	707
Other	272	229
Total	**1,749**	**1,472**

40. EQUITY

a) Share capital

The Bank's shareholder structure as of 31 December 2023:

Name	Registered office	Number of ordinary shares	Nominal value (MCZK)	Ownership percentage* (in %)
Raiffeisen CEE Region Holding GmbH	Austria	1,159,560	11,596	75
RLB OÖ Sektorholding GmbH	Austria	386,520	3,865	25
		1,546,080	**15,461**	**100**

* Direct investment in the share capital

The registered capital has been fully paid. The ordinary shares are in accordance with Act No. 90/2012 Coll. on Business Corporations and Cooperatives, and there are no special rights associated with them. The shareholder is entitled to a share of the Bank's profit (dividend), which the General Meeting had approved for distribution according to the Bank's economic results. The Bank has not issued any convertible bonds or priority bonds within the meaning of Section 286 of Act No. 90/2012 Coll., On Business Corporations and Cooperatives. In 2023 and 2022, the Bank did not hold any of its own shares or issue any interim certificates.

The annual General Meeting of the Bank held on 24 March 2023 resolved to transfer the net profit for 2022 in the amount of MCZK 7,541 to retained earnings and at the same time the payment of the coupon see Note 40 b) Other equity instruments.

On 14 December 2023, the Bank's extraordinary General Meeting approved the following payment of dividends from retained earnings:

Dividends paid to shareholders	3,185
Of which: Raiffeisen CEE Region Holding GmbH	*2,389*
RLB OÖ Sektorholding GmbH	*796*

In 2023, the dividend per share amounted to CZK 2,060 (2022: CZK 0).

b) Other equity instruments

Other equity instruments include subordinated unsecured AT1 capital investment certificates issued by the Group that combine the elements of equity and debt securities and meet the criteria for inclusion in the Group's Tier 1 capital. In accordance with the terms of issue of AT1 capital investment certificates, the Group is not obliged to deliver cash or any other financial asset to the holders of AT1 instruments to settle a contractual obligation, i.e. the AT1 holders are not entitled to the repayment of the outstanding amount or the payment of the coupon yield. As of 31 December 2023, the issue totalled MCZK 4,831 (at 31 December 2022: MCZK 4,831). The Czech National Bank approved the inclusion of AT1 certificates in the Group's auxiliary Tier 1 capital. In 2023, the Group paid out a coupon of MCZK 308 (2022: MCZK 296) from retained earnings to the holders of these certificates.

c) Fair value reserve

Arising from cash flow hedges

MCZK	2023	2022
Fair value of the effective part of cash flow hedges at 1 January	(895)	(468)
Deferred tax asset/(liability) arising from fair value reserve at 1 January	237	89
Total balance at 1 January	**(658)**	**(379)**
Net gains/(losses) from cash flow hedge for the year		
Cross currency swaps	(3)	-
Interest rate swaps	732	(427)
Tax effect of cash flow hedges for the year	(200)	148
Fair value of the effective part of cash flow hedges at 31 December	(167)	(895)
Deferred tax asset/(liability) arising from fair value reserve at 31 December	38	237
Total balance at 31 December	**(129)**	**(658)**

From remeasurement of equity securities at FVOCI

MCZK	2023	2022
Fair value reserve from remeasurement of equity securities at FVOCI at 1 January	(8)	1
Deferred tax asset/(liability) arising from fair value reserve at 1 January	1	-
Total balance at 1 January	**(7)**	**1**
Net gain/(loss) from remeasurement of equity securities at FVOCI	23	(9)
Transfer from OCI to Retained Earnings	-	-
Tax effect of remeasurement of equity securities at FVOCI for the year	(4)	1
Fair value reserve from remeasurement of equity securities at FVOCI at 31 December	15	(8)
Deferred tax asset/(liability) arising from fair value reserve at 31 December	(3)	1
Total balance at 31 December	**12**	**(7)**

41. CONTINGENT LIABILITIES

a) Legal disputes

As of 31 December 2023, the Group conducted a review of legal disputes outstanding against it. Pursuant to the review of individual legal disputes in terms of the risk of potential losses and the probability of payment, in 2023, the Group recognised a provision (see note 38) for significant litigations in the aggregate amount of MCZK 9 (2022: MCZK 14).

b) Loan commitments, guarantees and other commitments provided

MCZK	2023	2022
Loan commitments provided	102,177	110,337
Financial guarantees provided	4,947	6,046
Other commitments provided	43,552	38,532
Total	**150,676**	**154,915**

Breakdown of off-balance sheet exposures and provisions for off-balance sheet exposures by segment and impairment stage:

MCZK	31 Dec 2023									
	Carrying amount					Provisions				
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total
Credit institutions	4,493	567	-	-	**5,060**	(3)	(1)	-	-	**(4)**
Government institutions	68	-	-	-	**68**	-	-	-	-	**-**
Other financial institutions	10,070	1,597	5	-	**11,672**	(10)	(10)	(3)	-	**(23)**
Non-financial enterprises	63,629	46,097	87	2	**109,815**	(111)	(399)	(4)	-	**(514)**
Households	21,887	2,138	28	8	**24,061**	(14)	(29)	(7)	(2)	**(52)**
Total	**100,147**	**50,399**	**120**	**10**	**150,676**	**(138)**	**(439)**	**(14)**	**(2)**	**(593)**

MCZK	31 Dec 2022							
	Carrying amount				Provisions			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Credit institutions	2,335	1,680	-	**4,015**	-	-	-	**-**
Government institutions	57	-	-	**57**	-	-	-	**-**
Other financial institutions	9,384	1,037	30	**10,451**	(14)	(6)	(17)	**(37)**
Non-financial enterprises	77,992	32,270	227	**110,489**	(104)	(257)	(17)	**(378)**
Households	26,300	3,558	45	**29,903**	(27)	(47)	(23)	**(97)**
Total	**116,068**	**38,545**	**302**	**154,915**	**(145)**	**(310)**	**(57)**	**(512)**

42. FINANCIAL DERIVATIVES

a) Trading derivatives – overview of fair value and nominal value

MCZK	Fair value – assets	Fair value – liabilities	Nominal value
At 31 December 2023			
Interest rate			
Interest rate swaps	3,633	3,593	151,661
Interest rate forwards	10	8	18,000
Interest rate	**3,643**	**3,601**	**169,661**
Cross currency swaps	-	29	1,314
Currency forwards and swaps	805	579	82,157
Currency options	470	469	79,207
Foreign exchange	**1,275**	**1,077**	**162,678**
Total	**4,918**	**4,678**	**332,339**

MCZK	Fair value – assets	Fair value – liabilities	Nominal value
At 31 December 2022			
Interest rate			
Interest rate swaps	5,925	5,613	167,547
Interest rate forwards	37	25	16,000
Interest rate	**5,962**	**5,638**	**183,547**
Currency forwards and swaps	1,359	2,102	89,999
Currency options	227	228	27,373
Foreign exchange	**1,586**	**2,330**	**117,372**
Total	**7,548**	**7,968**	**300,919**

b) Trading derivatives – residual maturity of contracted amount (nominal value)

MCZK	1 year or less	From 1 to 5 years	Over 5 years	Total
At 31 December 2023				
Interest rate				
Interest rate swaps	40,762	86,406	24,493	**151,661**
Interest rate forwards	14,000	4,000	-	**18,000**
Interest rate	**54,762**	**90,406**	**24,493**	**169,661**
Foreign exchange				
Cross currency swaps	305	1,009	-	**1,314**
Currency forwards and swaps	76,063	6,094	-	**82,157**
Currency options	41,823	37,384	-	**79,207**
Foreign exchange	**118,191**	**44,487**	**-**	**162,678**
Total trading derivatives	**172,953**	**134,893**	**24,493**	**332,339**

MCZK	1 year or less	From 1 to 5 years	Over 5 years	Total
At 31 December 2022				
Interest rate				
Interest rate swaps	65,028	71,926	30,593	**167,547**
Interest rate forwards	16,000	-	-	**16,000**
Interest rate	**81,028**	**71,926**	**30,593**	**183,547**
Foreign exchange				
Currency forwards and swaps	79,299	10,700	-	**89,999**
Currency options	19,130	8,243	-	**27,373**
Foreign exchange	**98,429**	**18,943**	**-**	**117,372**
Total trading derivatives	**179,457**	**90,869**	**30,593**	**300,919**

c) Hedging derivatives – overview of fair and nominal value

The Group uses interest rate swaps (IRS) in CZK, EUR and overnight index swaps (OIS) in USD to hedge the fair value of assets and liabilities in CZK, EUR and USD with a fixed interest rate. Furthermore, the Group uses IRS to hedge cash flows and assets denominated in CZK and CCS for net cash flow hedges of EUR-denominated assets and CZK-denominated liabilities.

During the year ended 31 December 2023, the Group reported the following hedging arrangements that meet the criteria for hedge accounting under IAS 39.

Fair value hedge:

- fair value hedge of the mortgage/corporate loan receivable portfolio, denominated in CZK and EUR;
- fair value hedge of portfolio of purchased government bonds denominated in CZK;
- fair value hedge of the current and savings account portfolio, denominated in CZK, EUR and USD;
- fair value hedge of the debt securities portfolio at amortised cost, denominated in EUR.

Interest rate swaps (IRS) and overnight index swaps (OIS) are the hedging instruments used in hedge accounting upon a fair value hedge.

Portfolio cash flow hedge:

- cash flow hedge of the portfolio of assets denominated in CZK linked to the variable interest rate

Interest rate swaps (IRS) are the hedging instruments used in cash flow hedging.

- Net cash flow hedges of a portfolio of EUR-denominated variable rate assets and EUR-denominated variable rate liabilities

The net cash flow hedging instruments in this case are currency swaps (CCS).

A hedge is regarded as highly effective if both of the following conditions are met:

- at the inception of the hedge and in subsequent periods, the hedge is expected to be highly effective in achieving offsetting changes in fair value or cash flows attributable to the hedged risk during the period for with the hedge is designated;
- the tests are performed on a cumulative basis; the hedge is highly effective when the actual results of the hedge are within a range of 80-125%.

Hedge ineffectiveness (less than 5%) is caused by insignificant differences between the maturity of hedging derivatives and the remeasurement of the hedged item. The Group did not identify any other sources of hedge ineffectiveness.

Impact of IBOR reform on hedge accounting

As part of the IBOR reforms, the Bank implemented the necessary changes to the IBOR rates, which were discontinued and replaced by the successor rates SOFR in USD, SONIA in GBP, etc. These changes were implemented on the Group's internal systems together with the modification of the contractual documentation. All IRS hedging derivatives bearing interest at USD LIBOR were migrated to OIS with SOFR during the first half of 2023.

MCZK	Fair value – assets	Fair value – liabilities	Nominal value
At 31 December 2023			
Portfolio hedge derivatives			
Cross currency swaps to hedge cash flow	-	88	2,104
Interest rate swaps to hedge cash flow	310	395	8,850
Interest rate swaps to hedge fair value	4,842	12,242	326,486
Total	**5,152**	**12,725**	**337,440**

MCZK	Fair value – assets	Fair value – liabilities	Nominal value
At 31 December 2022			
Portfolio hedge derivatives			
Interest rate swaps to hedge cash flow	98	930	8,400
Interest rate swaps to hedge fair value	7,249	16,728	288,100
Total	**7,347**	**17,658**	**296,500**

d) Hedging derivatives – residual maturity of contractual amount (nominal value)

MCZK	1 year or less	From 1 to 5 years	Over 5 years	Total
At 31 December 2023				
Interest rate risk				
Portfolio hedge derivatives	550	1,554	-	**2,104**
Cross currency swaps to hedge cash flow	(0.44)%	(0.41)%	-	**(0.42)%**
Interest rate swaps to hedge cash flow	400	1,200	7,250	**8,850**
Average interest rate	1.47%	1.90%	3.19%	**2.94%**
Interest rate swaps to hedge fair value	61,650	181,634	83,202	**326,486**
Average interest rate	2.28%	2.79%	2.94%	**2.73%**
Total financial derivatives	**62,600**	**184,388**	**90,452**	**337,440**
MCZK	**1 year or less**	**From 1 to 5 years**	**Over 5 years**	**Total**
At 31 December 2022				
Interest rate risk				
Portfolio hedge derivatives				
Interest rate swaps to hedge cash flow	400	800	7,200	**8,400**
Average interest rate	1.20%	1.57%	2.96%	**2.74%**
Interest rate swaps to hedge fair value	63,450	153,600	71,050	**288,100**
Average interest rate	1.41%	1.95%	2.06%	**1.86%**
Total financial derivatives	**63,850**	**154,400**	**78,250**	**296,500**

e) Fair value hedge

Hedging instruments

MCZK	2023					
	Nominal value	Fair value		Line item in the statement of financial position where the hedging instrument is recognised	Change in fair value used for calculation of hedge ineffectiveness	Line item(s) in the statement of comprehensive income that include(s) hedge ineffectiveness
		Assets	Liabilities			
Interest rate risk						
Portfolio hedge derivatives						
Interest rate swaps	326,486	4,842	12,242	Hedge derivatives with positive/negative fair value	1,991	Net gain/(loss) from hedge accounting

MCZK	2022					
	Nominal value	Fair value		Line item in the statement of financial position where the hedging instrument is recognised	Change in fair value used for calculation of hedge ineffectiveness	Line item(s) in the statement of comprehensive income that include(s) hedge ineffectiveness
		Assets	Liabilities			
Interest rate risk						
Portfolio hedge derivatives						
Interest rate swaps	288,100	7,249	16,728	Hedge derivatives with positive/negative fair value	(3,865)	Net gain/(loss) from hedge accounting

Hedged items

MCZK	2023					
	Net book value		Accumulated amount of hedged item revaluation		Line item in the statement of financial position where the hedged item is recognised	Change in fair value used for calculation of hedge ineffectiveness
	Assets	Liabilities	Assets	Liabilities		
Interest rate risk						
Debt securities	28,796	-	(305)	-	Financial assets at amortised cost	1,980
Loans and advances to customers	125,652	-	355	-	Financial assets at amortised cost	3,825
Deposits from customers	-	(147,730)	-	(5,691)	Financial liabilities at amortised cost	(7,386)
Debt securities issued	-	(9,954)	-	(777)	Financial liabilities at amortised cost	(501)

MCZK	2022					
	Net book value		Accumulated amount of hedged item revaluation		Line item in the statement of financial position where the hedged item is recognised	Change in fair value used for calculation of hedge ineffectiveness
	Assets	Liabilities	Assets	Liabilities		
Interest rate risk						
Debt securities	12,487	-	(2,286)	-	Financial assets at amortised cost	(749)
Loans and advances to customers	73,933	-	(3,469)	-	Financial assets at amortised cost	(553)
Deposits from customers	-	(112,068)	-	(13,076)	Financial liabilities at amortised cost	3,925
Debt securities issued	-	(11,577)	-	(1,278)	Financial liabilities at amortised cost	1,145

f) Cash flow hedge

Hedging instruments

MCZK	2023									
	Nominal value	**Fair value**		**Line item in the consolidated statement of financial position where the hedging instrument is recognised**	**Changes in fair value used for calculating hedge ineffectiveness**	**Changes in the value of the hedging instrument recognised in OCI**	**Ineffectiveness recognised in the consolidated statement of comprehensive income**	**Line item in the consolidated statement of comprehensive income that includes hedge ineffectiveness**	**Amount reclassified from the hedge reserve to profit or loss**	**Line item in the consolidated statement of comprehensive income affected by the reclassification**
		Assets	**Liabilities**							
Interest rate risk										
Interest rate swaps	8,850	310	395	Hedging derivatives with positive/ negative fair value	732	732	-	Net gain from hedge accounting	-	Net gain from hedge accounting
Cross currency swaps	2,104	-	88	Hedging derivatives with positive/ negative fair value	(3)	(3)	-	Net gain from hedge accounting	-	Net gain from hedge accounting

MCZK	2022									
	Nominal value	**Fair value**		**Line item in the consolidated statement of financial position where the hedging instrument is recognised**	**Changes in fair value used for calculating hedge ineffectiveness**	**Changes in the value of the hedging instrument recognised in OCI**	**Ineffectiveness recognised in the consolidated statement of comprehensive income**	**Line item in the consolidated statement of comprehensive income that includes hedge ineffectiveness**	**Amount reclassified from the hedge reserve to profit or loss**	**Line item in the consolidated statement of comprehensive income affected by the reclassification**
		Assets	**Liabilities**							
Interest rate risk										
Interest rate swaps	8,400	98	930	Hedging derivatives with positive/ negative fair value	(434)	(428)	(6)	Net gain from hedge accounting	(6)	Net gain from hedge accounting
Cross currency swaps	-	-	-	Hedging derivatives with positive/ negative fair value	-	-	-	Net gain from hedge accounting	-	Net gain from hedge accounting

Hedged items

MCZK	2023		2022	
	Line item in the consolidated statement of financial position where the hedged item is recognised	**Changes in fair value used for calculating hedge ineffectiveness**	**Line item in the consolidated statement of financial position where the hedged item is recognised**	**Changes in fair value used for calculating hedge ineffectiveness**
Interest rate risk				
Loans and advances to customers	Financial assets at amortised cost	(721)	Financial assets at amortised cost	428
Deposits from customers	Financial liabilities at amortised cost	-	Financial liabilities at amortised cost	-
Debt securities issued	Financial liabilities at amortised cost	-	Financial liabilities at amortised cost	-

43. OTHER OFF-BALANCE SHEET ITEMS

a) Assets placed under management, into administration and deposit

In the years ended 31 December 2023 and 2022, the Group placed no assets under management, into administration or deposit.

b) Assets accepted for management, administration and deposit

MCZK	2023	2022
Assets accepted for management	51,608	40,324
Assets accepted for administration	67,781	49,725
Total	**119,389**	**90,049**

44. SEGMENT ANALYSIS

The base for the segment analysis according to IFRS 8 are internal reports of the Group which are based on management accounts and serve as the principal financial information for decision-making of the Group's management.

Management accounts are maintained on a margin basis. For this reason, the interest income and expense and fee and commission income and expense of individual operating segments are not reported separately, but on a net basis.

Operating segments are represented as follows:

- Corporate banking;
- Retail banking;
- Treasury and ALM;
- Other.

The Corporate banking segment involves transactions with corporate clients, public sector institutions and financial institutions.

The Retail banking segment generally includes all private individuals including VIP clients, individuals - entrepreneurs and the Group's own employees.

The Treasury segment includes interbank transactions, trading with financial instruments, securities and ALM.

The "Other" segment mainly includes equity investments and other non-interest bearing assets and liabilities of the Group that cannot be allocated to segments referred to above, i.e. capital, subordinated deposit, assets, other assets/liabilities, capital investments.

The Group monitors amounts of net interest income and net fee and commission income, net gain/(loss) from financial operations, movements in loss allowances, general operating expenses, income tax, and volume of client and non-client assets and liabilities by segment. Other items are not monitored by segment.

A predominant part of the Group's income is generated in the Czech Republic from transactions with customers who have their permanent residence or place of business in the Czech Republic or from trading with financial instruments issued by Czech entities. The income generated outside the Czech Republic is immaterial for the Group.

The Group has no customer or group of related parties for which income from transactions exceeds 10% of the Group's total income.

Selected items by segment (2023)

At 31 December 2023 MCZK	Corporate entities	Retail customers	Treasury and ALM	Other	Reconciliation to the consolidated statement of comprehensive income	Total
Income statement:						
Net interest income	5,252	8,133	1,096	928	-	**15,409**
Net fee and commission income	1,509	3,362	(66)	(128)	-	**4,677**
Net gain/(loss) from financial operations	(12)	-	(319)	9	-	**(322)**
Net gain/(loss) on financial assets other than held for trading mandatorily reported at fair value through profit or loss	4	-	-	12	-	**16**
Net gain/(loss) from hedge accounting	-	-	(90)	-	-	**(90)**
Impairment gains/(losses) on credit and off-balance sheet exposures	(609)	(377)	(20)	23	-	**(983)**
Gain or loss (-) arising from derecognition of financial assets measured at amortised cost	8	-	-	-	-	**8**
Other operating expenses	(2,280)	(6,114)	(144)	(349)	-	**(8,887)**
Dividend income	-	-	-	1	-	**1**
Gains/(losses) on the sale of subsidiaries and associated companies	-	-	-	-	-	**-**
Gains/(losses) on non-current assets and disposal groups	-	-	-	5	-	**5**
Operating profit	**3,872**	**5,004**	**457**	**501**	**-**	**9,834**
Share of the income from joint ventures	-	-	-	**12**	-	**12**
Profit before tax	**3,872**	**5,004**	**457**	**513**		**9,846**
Income tax	(934)	(721)	(103)	(594)	-	**(2 352)**
Profit after tax	**2,938**	**4,283**	**354**	**(81)**	**-**	**7,494**
Assets and liabilities:						
Total assets	**156,742**	**274,329**	**274,501**	**34,178**	**-**	**739,750**
Total liabilities	**120,703**	**430,749**	**81,947**	**47,657**	**-**	**681,056**

Selected items by segment (2022)

At 31 December 2022 MCZK	Corporate entities	Retail customers	Treasury and ALM	Other	Reconciliation to the consolidated statement of comprehensive income	Total
Income statement:						
Net interest income	4,436	8,274	2,127	921	-	**15,758**
Net fee and commission income	1,659	3,507	(76)	(96)	-	**4,994**
Net gain/(loss) from financial operations	16	-	(613)	(9)	-	**(606)**
Net gain/(loss) on financial assets other than held for trading mandatorily reported at fair value through profit or loss	(6)	-	-	(1)	-	**(7)**
Net gain/(loss) from hedge accounting	-	-	(126)	22	-	**(104)**
Impairment gains/(losses) on credit and off-balance sheet exposures	(15)	134	(1)	22	-	**140**
Gain or loss (-) arising from derecognition of financial assets measured at amortised cost	5	-	-	-	-	**5**
Other operating expenses	(2,184)	(6,510)	(191)	(557)	-	**(9,442)**
Dividend income	-	-	-	1	-	**1**
Gains/(losses) on the sale of subsidiaries and associated companies	-	-	-	188	-	**188**
Gains/(losses) on non-current assets and disposal groups	-	-	-	11	-	**11**
Operating profit	**3,911**	**5,405**	**1,120**	**502**		**10,938**
Share of the income from joint ventures	-	-	-	11	-	**11**
Profit before tax	**3,911**	**5,405**	**1,120**	**513**	**-**	**10,949**
Income tax	(764)	(1,004)	(226)	(151)	-	**(2,145)**
Profit after tax	**3,147**	**4,401**	**894**	**362**	**-**	**8,804**
Assets and liabilities:						
Total assets	**131,645**	**268,254**	**242,153**	**24,330**	**-**	**666,382**
Total liabilities	**116,611**	**402,092**	**56,918**	**36,616**	**-**	**612,237**

Differences between individual lines of the segment analysis and information in the consolidated statement of comprehensive income and the consolidated statement of financial position

In *"Net interest income"* in the *"Other"* segment, the Group reports a positive compensation of capital costs that are allocated to individual client segments.

"Other operating expenses" includes *"Other operating expenses*", *"Other operating income*", *"Personnel expenses", "Depreciation/amortisation of property and equipment and intangible assets"* and *"General operating expenses*" presented in the consolidated statement of comprehensive income in separate lines.

The differences referred to above between the segment analysis and the consolidated statement of comprehensive income arise from the different classification of selected profit and loss items in the Group's management accounting.

45. FINANCIAL INSTRUMENTS – CREDIT RISK

The Group takes on exposure to credit risks resulting from its trading activities, provision of loans, hedging transactions, investment activities and agency services.

Credit risks associated with trading and investment activities are managed using the methods and instruments applied by the Group in managing its credit risk exposures.

a) Collateral assessment

Generally, the Group requires collateral for loans granted to certain borrowers prior to the issuance of the loan. The Group considers the following types of collateral as eligible collateral:

- cash;
- real estate;
- first-class receivables;
- bank guarantees;
- guarantee provided by a reputable third party;
- machinery and equipment - movable assets; and
- first-class securities.

To determine the realisable value of collateral of immovable and movable assets, the Group refers to estimates of usual prices revised by a specialised department of the Group or internal assessments prepared by this department of the Group. In other types of hedging instruments, their value including the recalculated value is determined in line with the internal standards of the Group. The realisable value of collateral is subsequently determined by discounting the appraised value using a correction coefficient which reflects the Group's ability to realise the collateral as and when required. The Group regularly reviews and updates collateral values depending on the type and quality of the collateral, usually no later than on an annual basis.

b) Credit risk measurement methods

The principal credit risk management methods in retail include in particular rating based on the application and behavioural scoring. The risks are managed on a portfolio level through the portfolio management approach, through the management of the approval process based on the regular monitoring of the portfolio quality development, and prediction of potential future loss development.

In the corporate segment, the Group measures the credit risk through rating scales (see below) and each rating category is allocated a certain risk rate (probability of default and a coefficient for determining risk weighted assets); the risk measured using this method can be mitigated through collateral according to effective regulations of the Czech National Bank.

c) Concentration of credit risk

The Group maintains a system of internal limits for individual countries, sectors and clients (or groups of economically connected clients) in order to be able to manage risks connected with significant concentration of credit risk. As of the reporting date, the Group recorded no significant credit risk concentration exposure to an individual client or an economically connected group of clients that would exceed the limits set by the Czech National Bank.

The credit risk concentration analysis by sector/industry and concentration by geographical areas is provided in notes 45(k) and 45(l).

d) Recovery of receivables

The Group has special functions in place which are responsible for the recovery and administration of distressed receivables. These functions undertake legal steps, perform the restructuring of receivables, communicate with problematic clients, etc. in order to achieve maximum recovery, including collateral recovery, and representing the Group in creditors' committees under insolvency proceedings.

e) Expected credit losses

The measurement of expected credit losses reflects an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes, the time value of the money and reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

General approach

The process of measuring the expected credit losses is a field that requires the use of complex models and significant assumptions about future economic conditions and payment behaviour. Significant judgements are required in applying the accounting requirements for measuring expected credit losses, inter alia:

- Determining criteria for significant increase in credit risk;
- Choosing appropriate models and assumptions for the measurement of expected credit losses;
- Consideration of risk factors beyond the current models
- Establishing the number and relative weightings of forward-looking scenarios for each type of product/market and the associated expected credit losses;
- Establishing groups of similar financial assets for the purposes of measuring expected credit losses.

For Raiffeisen Bank International (RBI), credit risk comes from the risk of suffering financial loss should any of the customers, clients or market counterparties fail to fulfil their contractual obligations. Credit risk arises mainly from interbank, commercial and consumer loans, and loan commitments arising from such lending activities, but can also arise from financial guarantees given, such as credit guarantees, letters of credit, and acceptances (note: for risk management purposes, the Group applies the rules according to the RBI methodologies).

The Group is also exposed to other credit risks arising from investments in debt securities and from its trading activities (trading credit risks) including trade in non-equity trading portfolio assets and derivatives as well as settlement balances with market counterparties and reverse repurchase agreements.

The estimation of the credit risk for risk management purposes requires the use of models, as the risk varies with changes in market conditions, expected cash flows and the passage of time. The assessment of the credit risk of a portfolio of assets entails further estimations as to the likelihood of defaults occurring, the associated default ratios and the default correlations between counterparties. The Group measures credit risks using the probability of default ("PD"), exposure at default ("EAD") and loss given default ("LGD"). This is the predominant approach used for the purposes of measuring expected credit losses under IFRS 9.

IFRS 9 prescribes a three-stage model for impairment based on changes in credit quality from the point of initial recognition. Under this model, a financial instrument that is not credit-impaired on initial recognition is classified in Stage 1 and has its credit risk continuously monitored. If a significant increase in credit risk since initial recognition is identified, the financial instrument is moved to Stage 2 but is not yet deemed to be credit-impaired. If the financial instrument is deemed credit-impaired, it is then moved to Stage 3.

Financial instruments in Stage 1 have their expected credit loss measured at an amount equal to the portion of lifetime expected credit losses that result from default events possible within the next twelve months. Instruments in Stages 2 or 3 have their expected credit losses measured based on expected credit losses on a lifetime basis. According to IFRS 9, when measuring expected credit losses it is necessary to consider forward-looking information. Purchased or originated credit-impaired financial assets ("POCI") are those financial assets that are credit-impaired on initial recognition. Their expected credit loss is always measured on a lifetime basis.

Significant increase in credit risk

According to RBI Group definition (note: this methodology is implemented by the Group), RBI considers a financial instrument to have experienced a significant increase in credit risk when one or more of the following quantitative, qualitative or backstop criteria have been met:

Quantitative criteria

RBI uses quantitative criteria as the primary indicator of significant increase in credit risk for all material portfolios plus additionally qualitative criteria like 30 days past due or forbearance measures for a particular facility as backstop. For quantitative staging, the Group compares the lifetime PD curve at reporting date with the forward lifetime PD curve at the date of initial recognition. Given the different nature of products between non-retail and retail, the methods for assessing potential significant increases also slightly differ.

For non-retail risk, to make the two curves comparable, the PDs are scaled down to annualized PDs. A significant increase in credit risk is considered to have occurred if the PD increase was 250% or greater. For longer maturities the threshold of 250% is reduced to account for a maturity effect.

On the other hand, for retail exposures the remaining cumulative PDs are compared as the logit difference between “Lifetime PD at reporting date” and “Lifetime PD at origination conditional to survival up to the reporting date”. A significant increase in credit risk is considered to have occurred once this logit difference is above a certain threshold. The threshold levels are calculated separately for each portfolio which is covered by individual rating-based lifetime PD models. According to the currently valid methodology in place for 2023, based on historical data, the thresholds are estimated as the 50th-75th quantile of the distribution of the above-mentioned logit differences on the worsening portfolio (defined as products such as mortgage loans, credit cards, SME loans for each country). That usually translates to PD increase between 70 and up to 150%, dependent on the default behaviour of the different portfolios.

With regard to the threshold at which a financial instrument must be transferred to Stage 2, RBI has decided on the aforementioned thresholds based on the current market practice.

Qualitative criteria

RBI uses qualitative criteria as a secondary indicator of a significant increase in credit risk for all material portfolios. A movement to Stage 2 takes place when the criteria below are met.

For corporate customer, sovereign, bank, and project finance portfolios, if the borrower meets one or more of the following criteria:

- Detection of first signs of credit deterioration in the Early Warning System
- Changes in contract terms as part of a Forbearance measure
- External risk factors with a potentially significant impact on the client’s repayment ability

The assessment of a significant increase in credit risk incorporates forward-looking information and is performed on a quarterly basis at an individual transaction level for all corporate customer, sovereign, bank, and project finance portfolios held by RBI.

For retail portfolios, a Stage 2 transfer is carried out on the basis of the following qualitative criteria if the borrower meets one or more of the following criteria:

- Forbearance Flag active;
- Default of other exposure of the same customer (PI segment);
- Holistic approach – applicable for cases where new forward-looking information becomes available for a segment or portion of the portfolio and this information is not yet captured in the rating system. Upon identifying such cases, the Management shall measure this portfolio with lifetime expected credit losses (as collective assessment).

The assessment of a significant increase in credit risk incorporates forward-looking information and is performed on a monthly basis at an individual transaction level for all retail portfolios held by RBI.

Backstop

A backstop is applied and the financial instrument considered to have experienced a significant increase in credit risk if the debtor is more than 30 days overdue on its contractual payments. In a few limited cases, the presumption that financial assets which are more than 30 days overdue should be moved to Stage 2 is rebutted.

Low credit risk exemption

In selected cases for mostly sovereign debt securities, RBI makes use of the low credit risk exemption. All securities which are presented as low credit risk have a rating equivalent to investment grade or better. RBI has not used the low credit risk exemption for any lending business.

Definition of Default and Credit-Impaired Assets

RBI uses the same definition of default for the purpose of calculating expected credit losses under IFRS 9 as for the CRR equity statement (Basel 3). This means that a default claim is also in Stage 3. Default is assessed by referring to quantitative and qualitative triggers. Firstly, a borrower is considered to be in default if they are assessed to be more than 90 days past due on a material credit obligation. Secondly, a borrower is considered to be defaulted if they have significant financial difficulty and are unlikely to repay any credit obligation in full. The default definition has been applied consistently to model the Probability of Default (PD), Exposure at Default (EAD) and Loss given Default (LGD) throughout expected loss calculations of RBI.

Explanation of inputs, assumptions and estimation techniques

The expected credit loss is measured on either a 12-month or lifetime basis depending on whether a significant increase in credit risk has occurred since initial recognition or whether an asset is considered to be credit-impaired. Forward-looking economic information is also included in determining the 12-month and lifetime PD, EAD and LGD. These assumptions vary by product type. Expected credit losses are the discounted product of the probability of default (PD), loss given default (LGD), exposure at default (EAD) and discount factor (D).

Probability of default

The probability of default represents the likelihood of a borrower defaulting on its financial obligation either over the next twelve months or over the remaining lifetime of the obligation. In general, the lifetime probability of default is calculated using the regulatory twelve-month probability of default, stripped of any margin of conservatism, as a starting point. Thereafter, various statistical methods are used to generate an estimate of how the default profile will develop from the point of initial recognition throughout the lifetime of the loan or portfolio of loans. The profile is based on historical observed data and parametric functions.

Different models have been used to estimate the default profile of outstanding lending amounts and these can be grouped into the following categories:

- Sovereign, local and regional governments, insurance companies and collective investment undertakings: The default profile is generated using a transition matrix approach. Forward-looking information is incorporated into the probability of default using the Vasicek one-factor model.
- Corporate customers, project finance and financial institutions: The default profile is generated using a parametric survival regression (Weibull) approach. Forward-looking information is incorporated into the probability of default using the Vasicek one-factor model. The default rate calibration is based on the Kaplan Maier methodology with withdrawal adjustment.
- Retail lending and mortgage loans: The default profile is generated using parametric survival regression in competing risk frameworks. Forward-looking information is incorporated into the probability of default using satellite models.

In the limited circumstances where some inputs are not fully available, grouping, averaging and benchmarking of inputs is used for the calculation.

Loss Given Default (LGD)

Loss given default represents RBI's expectations of the extent of loss on a defaulted exposure. Loss given default is expressed as a percentage loss per unit of exposure at the time of default.

Different models have been used to estimate the loss given default of outstanding lending amounts and these can be grouped into the following categories:

- Sovereign: The loss given default is found by using market implied sources.
- Corporate customers, project finance, financial institutions, local and regional governments, insurance companies: The loss given default is generated by discounting cash flows collected during the workout process. Forward-looking information is incorporated into the loss given default using the Vasicek model.
- Retail lending and mortgage loans: The loss given default is generated by stripping the downturn adjustments and other margins of conservatism from the regulatory loss given default. Forward-looking information is incorporated into the loss given default using various satellite models.

In the limited circumstances where some inputs are not fully available, alternative recovery models, benchmarking of inputs and expert judgement are used for the calculation.

Exposure at default (EAD)

Exposure at default is based on the amount RBI expects to be owed at the time of default, determined based on the expected payment profile, which varies by product type. For amortizing products and bullet repayment loans, this is based on the contractual repayments owed. If not already taken into account in the PD estimate over the loan term, early (full) repayment/refinance assumptions are also considered in the calculation.

For revolving products, the exposure at default is predicted by adding the undrawn amount multiplied by a conversion factor to the amount currently drawn, which allows for the expected drawdown of the limit by the time of default. The prudential regulatory margins are removed from the credit conversion factor. In the limited circumstances where some inputs are not fully available, predefined constant values are used.

Discount Factor (D)

In general, for on balance sheet exposure which is not leasing or POCI, the discount rate used in the expected credit loss calculation is the effective interest rate or an approximation thereof.

Calculation

For loans in stages 1 and 2, the expected credit loss is the product of PD, LGD and EAD times the probability not to default prior to the considered time period. The latter is expressed by the survivorship function S. This effectively calculates future values of expected credit losses, which are then discounted back to the reporting date and summed. The calculated values of expected credit losses are then weighted by the forward-looking scenario.

Different models have been used to estimate the provisions in Stage 3 and these can be grouped into the following categories:

- Corporate customers, project finance, sovereign, financial institutions, local and regional governments, insurance companies and collective investment undertakings: Stage 3 provisions are calculated using an effective interest rate that discounts cash flows based on scenarios prepared by recovery specialists.
- For retail receivables, Stage 3 provisions are generated by calculating the statistically derived best estimate of expected loss which has been adjusted for indirect costs.

Shared credit risk characteristics

Almost all of the provisions under IFRS 9 are measured collectively. Only in case of non-retail Stage 3 exposures, most of the provisions are assessed individually. For expected credit losses provisions modelled on a portfolio basis, a grouping of exposures is performed on the basis of shared credit risk characteristics so that the exposures within each group are similar. Retail exposure characteristics are grouped at country level, customer classification (households and SMEs), product level (e.g. mortgage, personal loans, overdraft facilities or credit cards), PD rating grades and LGD pools. Each combination of the above characteristics is considered as a group with a uniform expected loss profile. Non-retail exposure characteristics are assigned to a probability of default according to rating levels. Thereby customer types are grouped into individual assessment models. For the determination of LGD and EAD parameters, the portfolio is grouped by country and product.

Forward-looking information

Both the assessment of a significant increase in credit risk and the calculation of expected credit losses incorporate forward-looking information. RBI has performed an analysis of historical data and identified the key economic variables impacting credit risk and expected credit losses for each portfolio.

These economic variables and their associated impact on the probability of default, loss given default and exposure at default vary by category type. Forecasts of these economic variables (the base economic scenario) are provided by Raiffeisen Research on a quarterly basis and provide the best estimate view over the next three years. Beyond three years, no macroeconomic adjustments are carried out. That means that after three years, to project the economic variables for the full remaining lifetime of each instrument, a mean reversion approach has been used, which means that economic variables tend to either a long-term average rate or a long-term average growth rate until maturity. The impact of these economic variables on the probability of default, loss given default and exposure at default has been determined by performing statistical regression to understand the impact changes in these variables have had historically on default rates and on the components of loss given default and exposure at default.

In addition to the base economic scenario, Raiffeisen Research also estimates an optimistic and a pessimistic scenario to ensure non-linearities are captured.

The high inflation rates have changed the interest rate outlook in Central Europe. While the ECB is expected to scale back its expansionary monetary policy rather cautiously and leave key interest rates unchanged, some countries in Central Europe are already close to the end of the interest rate cycle. Due to increased inflation risks, the pessimistic scenario implies even higher interest rates.

As with any economic forecasts, the projections and likelihoods of occurrence are subject to a high degree of inherent uncertainty and therefore the actual outcomes may be significantly different to those projected. RBI considers these forecasts to represent its best estimate of the future outcomes and cover any potential non-linearities and asymmetries within RBI's different portfolios.

The most significant assumptions used as a starting point for the expected credit loss estimates at year-end are shown below (Source: Raiffeisen Research, November 2023):

Real GDP	Scenario	2024	2025	2026
	Optimistic	3.83	3.70	3.37
Czech Republic	Base	2.62	3.02	2.70
	Pessimistic	0.81	2.02	1.70

Unemployment	Scenario	2024	2025	2026
	Optimistic	3.18	3.25	3.10
Czech Republic	Base	3.50	3.35	3.20
	Pessimistic	4.35	3.82	3.67

Rate of Long-Term Bonds	Scenario	2024	2025	2026
	Optimistic	2.34	2.63	2.63
Czech Republic	Base	3.55	3.30	3.30
	Pessimistic	5.74	4.52	4.52

Inflation	Scenario	2024	2025	2026
	Optimistic	0.25	0.68	0.58
Czech Republic	Base	2.80	2.10	2.00
	Pessimistic	4.13	2.84	2.74

The macro-economic scenarios from Raiffeisen Research are translated via macro models to changes of PD and LGD. For the development of a macroeconomic model, a variety of relevant macroeconomic variables were considered. The model employed is a linear regression model aiming to explain changes or the level of the default rate. The following types of macro variables were considered as drivers of the credit cycle: Real GDP Growth, Unemployment Rate, 3M Money Market Rate, 10Y Government Bond Yield, Houseprice Index, FX Rates, and HICP Inflation Rate. For each country (or portfolio in the case of retail exposure), a relevant set is determined on the ability to explain historically observed default rates. Through the cycle, PDs are adjusted with the results of the macro-economic model to reflect the current and expected state of the economy. For LGD, the macro model is applied to the underlying cure rates, i.e. a positive macro-economic outlook drives up the cure rates, reducing LGD. For retail exposures, workout LGD is modelled similarly to the default rates either directly or via individual components such as cure rate, loss given cure, and loss given non-cure. Long-run average LGDs are adjusted with the macro models' results to reflect the current and expected state of the economy.

The weightings assigned to each scenario at the end of the reporting year end are as follows: 25 per cent optimistic, 50 per cent base and 25 per cent pessimistic scenarios. Weighting was maintained and no further scenarios were used as a result of the COVID-19 pandemic.

Management overlays within the meaning of IFRS 9

In situations where the existing input parameters, assumptions and modelling do not cover all relevant risk factors, post-model adjustments and additional risk factors are the most important types of management overlays within the meaning of IFRS 9. These are used in circumstances where existing inputs, assumptions and model techniques do not capture all relevant risk factors. Existing inputs, assumptions and model techniques might not capture all relevant risk factors due to transient circumstances, insufficient time to appropriately incorporate relevant new information into the rating or re-segmentation of portfolios, and situations when individual lending exposures within a group of lending exposures react to factors or events differently than initially expected.

For both corporate and retail exposures, other risk factors were taken into account through special risk factors for the non-retail segment; for the retail segment, through post-model adjustments, i.e. the holistic approach.

The adjustments applicable for 2023 and for 2022 are presented in the table below and are broken down by the respective categories.

2023 – Accumulated impairment (Stage 1 & 2)

(MCZK)	Modelled ECL	Other risk factors	Post-model adjustments		Total
		Macroeconomic risks	ESG	Other	
Retail exposures	1,281	-	51	810	**2,142**
Non-retail exposures	678	866	-	-	**1,544**
Total	**1,959**	**866**	**51**	**810**	**3,686**

2022 – Accumulated impairment (Stage 1 & 2)

(MCZK)	Modelled ECL	Other risk factors		Post-model adjustments		Total
		COVID-19	Other	COVID-19	Other	
Retail exposures	1,487	-	-	-	676	**2,163**
Non-retail exposures	687	53	559	-	-	**1,299**
Total	**2,174**	**53**	**559**	**-**	**676**	**3,462**

Post-model adjustments (retail exposures)

In light of concerns about the impending risk of a steep increase in interest rates, which would above all affect mortgages at the time of interest rate refixation, the principle of moving mortgage contracts from Stage 1 to Stage 2 is in place depending on the estimated increase in DSTI at the time of refixing compared to the accepted increase at the time the contract was granted. In practice, this means that a contract is moved to Stage 2 if the DSTI predicted on the basis of the estimated macro-economic interest rate trend at the time of the next loan refixation exceeds the DSTI threshold accepted at the time of the loan (this accepted threshold is determined on the basis of a non-linear logarithmic increase in DSTI with an inverse proportion – a lower absolute increase is accepted for a high DSTI than for a low DSTI). As of 31 December 2023, the total value of balance sheet exposure and off-balance sheet exposure to loans covered by this holistic approach amounted to CZK 43,217. Given the distribution of the mortgage portfolio until the next refixation, the post-model volume is most sensitive to the level of interest rates estimated for refixations that will take place in 3 years or more.

In 2023, the RBI Group introduced the identification of high-risk mortgage collateral in terms of climate risks (e.g. fire risk, landslide risk, flood risk, etc.). Mortgages secured by real estate falling into the high-risk group are moved from Stage 1 to Stage 2. This modification accounts for about 10% of the total modelling volume.

Post-model adjustments are reversed either when the risks have materialised and the claims concerned have been moved to Stage 3 or when the expected risks have not materialised. In relation to the holistic approach to the expected rise in interest rates, this means the recovery of contracts where the predicted DSTI at the time of the next refixation falls below the accepted DSTI increase at the time of the loan. The respective contracts will either naturally default by this time or not be considered for post-model adjustments once the recovery conditions have been met because increased credit risk will be reversed. In relation to high-risk mortgage collateral, the post-model adjustment will be reversed if the collateral is replaced by another (less risky) collateral or if the climate risk forecast for the collateral is mitigated.

As part of the post-model adjustments for the scenarios described above, the ECL calculation takes into account a significant increase in credit risk by applying an LTPD curve corresponding to a rating 2-3 stages worse.

Special risk factors (non-retail exposures)

In 2021, the Group took into account the following special risk factors: the impact of the COVID-19 pandemic, energy and fuel prices, increasing building material prices and base interest rates, the chip market crisis, and supply chain disruptions. These special risk factors impact ECL in sectors related to tourism, gastronomy, entertainment, automotive, construction, and specific energy-intensive industries such as steelmaking and wood processing.

In 2022, for corporate customers, additional expected credit loss effects have been built into the modelled expected credit losses by means of an industry matrix, country specifics or, if necessary, by means of other special risk factors. On top of the existing country-specific view, the Group uses an industry-based differentiation to further modulate risk parameters. This industry matrix combines a short-term state of the industry within the economic cycle and the expected development over the medium term.

In this context, the Group also took into account the following other risk factors in 2023: Inflation, especially for sectors where reduced purchasing demand is expected (restaurants, retail, leisure products and services including downstream distributors), high interest rates, low PMI index, disruption of supply chains (automotive suppliers, heavy engineering, metallurgy, construction, commercial printing and residential housing), rising prices of energy, input material, commodities and price volatility due to the ongoing conflict in Ukraine including the risk of downstream sanctions (gas, chemicals, glass manufacturing and energy trading). As of 31 December 2023, the total balance sheet exposure and off-balance sheet exposure to loans for which other risk factors have been taken into account was MCZK 105,507.

The model for the non-retail segment is based on the identification of relevant sectors that may be affected by adverse macroeconomic factors in the coming months. As of 31 December 2023, 28 of the total 188 industries monitored have been included in the model. In identified industries where the expected default is greater than three times the current default probability, 20 industries were re-classified from Stage 1 to Stage 2. For the remaining industries, the potential loss is calculated based on the expert expected default probability of the relevant industry in Stage 1. For each sector, a probability of 5% is used for a lower probability of default and 10% for a higher probability.

Climate change risks

Environmental and climate change risks (transit and physical implications of these risks) are important factors in the credit risk management process. These environmental and climate change risks affect the overall credit assessment process with regard to customers. The assessment of clients' vulnerability to climate change and environmental risks is based on an assessment of the risk of damage to collateral (real estate) from natural disasters, where this deterioration in collateral may reduce clients' incentives to meet their obligations. The credit risk management process also assesses customers’ adaptation strategies to environmental and climate change risks, including the impact of expected investment costs associated with emission reductions and an assessment of the impact of losses in the supply chain in the event of failure to reduce environmental impacts. The assessment of these risks at the level of both the customer and the respective business transaction with them is embedded in the Group’s internal procedures and processes. The Group has a policy in place for clients in exposed sectors. This is expected to change when the methods for climate-related risk will begin to be implemented, building on the experience of the ECB/EBA climate stress test, which will influence the resulting internal rating of customers. In 2023, the Group continued to collect the necessary data into the corresponding data structures. The Group perceives the following as other critical priorities in this area: implementation of data collection in credit processes and their evaluation, preparation of data for disclosure under the Group-level taxonomy regulation, and optimisation of the Group’s primary systems, processes and products in line with the Group’s strategy in this area.

Sensitivity analysis

The most significant assumptions affecting the sensitivity of the expected credit loss allowance are as follows:

- gross domestic product (all portfolios),
- unemployment rate (all portfolios),
- long term government bond rate (non-retail portfolios especially),
- real estate prices (retail portfolios especially).

The table below provides a comparison between the reported accumulated impairment for expected credit losses for financial assets and off-balance sheet exposures in Stage 1 and 2 (weighted by 25 per cent optimistic, 50 per cent base and 25 per cent pessimistic scenarios) and then each scenario weighted by 100% on their own. The optimistic and pessimistic scenarios do not reflect extreme cases, but the average of the scenarios which are distributed in these cases.

2023 – Accumulated impairment (Stage 1 & 2)

(MCZK)	Reported	Optimistic	Base	Pessimistic
Retail exposures	2,142	1,936	2,140	2,352
Non-retail exposures	1,544	1,486	1,536	1,619
Total	**3,686**	**3,422**	**3,676**	**3,971**

2022 – Accumulated impairment (Stage 1 & 2)

(MCZK)	Reported	Optimistic	Base	Pessimistic
Retail exposures	2,163	1,988	2,155	2,353
Non-retail exposures	1,299	1,232	1,286	1,394
Total	**3,462**	**3,220**	**3,441**	**3,747**

The table below shows the impact of staging on the Group's accumulated impairment of financial assets and off-balance sheet exposures by comparing the reported amounts accumulated for all performing assets subject to impairment with the special case where all accumulated impairment is measured based on 12-month expected losses (Stage 1).

2023 – Accumulated impairment (Stage 1 & 2)

(MCZK)	Reported	Accumulated 12-month impairment	Impact of Staging
Retail exposures	2,142	1,078	1,064
Non-retail exposures	1,544	557	987
Total	**3,686**	**1,635**	**2,051**

2022 – Accumulated impairment (Stage 1 & 2)

(MCZK)	Reported	Accumulated 12-month impairment	Impact of Staging
Retail exposures	2,163	1,124	1,039
Non-retail exposures	1,299	518	781
Total	**3,462**	**1,642**	**1,820**

The table below shows the impact of staging on Group's accumulated impairment for financial assets and off-balance sheet exposures by comparing the reported amounts accumulated for all performing assets subject to impairment with the special case where all accumulated impairment is measured based on lifetime expected losses (Stage 2). As there is not a sufficiently long series of historical data on the use of stages, it is impossible to estimate adequate increase at present. However, we do not expect the share of assets in Stage 2 to ever reach 100%.

2023 – Accumulated impairment (Stage 1 & 2)

(MCZK)	Reported	Accumulated lifetime impairment	Impact of Staging
Retail exposures	2,142	4,375	(2,233)
Non-retail exposures	1,544	1,582	(38)
Total	**3,686**	**5,957**	**(2,271)**

2022 – Accumulated impairment (Stage 1 & 2)

(MCZK)	Reported	Accumulated lifetime impairment	Impact of Staging
Retail exposures	2,163	5,299	(3,136)
Non-retail exposures	1,299	1,590	(291)
Total	**3,462**	**6,889**	**(3,427)**

Write-offs

Loans and debt securities are written off (either partially or fully) where there is no expectation of recovery in line with IFRS 9. This happens when the borrower no longer generates any income from operations and collateral values cannot generate sufficient cash flows. In the case of non-retail exposures, loans and debt securities are managed on an individual basis by the Workout team. In the case of bankruptcy exposures, the procedure is dependent and items are written off in line with the status of the bankruptcy proceedings. For retail exposures, write-offs are carried out when all recovery processes have been exhausted and no further performance is expected. This is the case, for example, for credit exposures after the cessation of enforcement proceedings due to lack of means, termination of debt elimination in the insolvency proceedings, or when we have not recovered any amount in the last twelve months and we do not expect any further performance. If this concerns a current account where the debit is mainly made up of fees, we carry out a write-off 90 days after the due date. In the case of corporate customer exposures in gone concern cases, loans are written down to the value of collateral if the company no longer generates any cash flows from operations.

The contractual amount outstanding on financial assets that were written off during the reporting period and are still subject to enforcement activity amounts to MCZK 455 (2022: MCZK 525).

f) Financial assets at amortised cost and provisions for commitments and financial guarantees provided based on the stages of impairment

Financial assets measured at amortised cost

MCZK	31 December 2023				
	Gross carrying amount				
	Stage 1	Stage 2	Stage 3	POCI*	Total
Debt securities	**95,598**	**3,540**	**-**	**-**	**99,138**
Credit institutions	205	949	-	-	**1,154**
Government institutions	90,780	-	-	-	**90,780**
Other financial institutions	1,067	1,468	-	-	**2,535**
Non-financial enterprises	3,546	1,123	-	-	**4,669**
Loans and advances to banks	**152,951**	**-**	**-**	**-**	**152,951**
Central banks	151,710	-	-	-	**151,710**
Credit institutions	1,241	-	-	-	**1,241**
Loans and advances to customers	**320,166**	**108,669**	**5,725**	**658**	**435,218**
Government institutions	359	4	-	-	**363**
Other financial institutions	18,311	5,595	313	-	**24,219**
Non-financial enterprises	117,454	40,961	1,963	172	**160,550**
Households	184,042	62,109	3,449	486	**250,086**
Total	**568,715**	**112,209**	**5,725**	**658**	**687,307**

These assets include the expected cash flows used to calculate the effective interest rate upon initial recognition of the expected credit loss over the life of the asset.

MCZK	31 December 2022				
	Gross carrying amount				
	Stage 1	Stage 2	Stage 3	POCI*	Total
Debt securities	**42,332**	**1,325**	**-**	**-**	**43,657**
Credit institutions	1,167	-	-	-	**1,167**
Government institutions	35,010	-	-	-	**35,010**
Other financial institutions	1,724	724	-	-	**2,448**
Non-financial enterprises	4,431	601	-	-	**5,032**
Loans and advances to banks	**160,042**	**7**	**-**	**-**	**160,049**
Central banks	158,505	-	-	-	**158,505**
Credit institutions	1,537	7	-	-	**1,544**
Loans and advances to customers	**309,223**	**102,938**	**5,145**	**674**	**417,980**
Government institutions	497	5	-	-	**502**
Other financial institutions	19,873	3,023	151	-	**23,047**
Non-financial enterprises	113,170	34,220	1,877	174	**149,441**
Households	175,683	65,689	3,117	500	**244,990**
Total	**511,597**	**104,270**	**5,145**	**674**	**621,686**

* These assets include the expected cash flows used to calculate the effective interest rate upon initial recognition of the expected credit loss over the life of the asset.

Breakdown of loss allowances for financial assets at amortised cost and provisions for commitments and financial guarantees provided based on segments and stages of impairment

MCZK	31 December 2023				
	Stage 1	Stage 2	Stage 3	POCI*	Total
Debt securities	**(15)**	**(58)**	**-**	**-**	**(73)**
Government institutions	(12)	-	-	-	**(12)**
Credit institutions	-	(1)	-	-	**(1)**
Other financial institutions	(1)	(16)	-	-	**(17)**
Non-financial enterprises	(2)	(41)	-	-	**(43)**
Loans and advances to banks	**(1)**	**-**	**-**	**-**	**(1)**
Central banks	-	-	-	-	**-**
Credit institutions	(1)	-	-	-	**(1)**
Loans and advances to customers	**(897)**	**(2,084)**	**(2,804)**	**156**	**(5,629)**
Government institutions	-	-	-	-	**-**
Other financial institutions	(26)	(20)	(213)	-	**(259)**
Non-financial enterprises	(332)	(618)	(1,070)	17	**(2,003)**
Households	(539)	(1,446)	(1,521)	139	**(3,367)**
Total loss allowances for financial assets at amortised cost	**(913)**	**(2,142)**	**(2,804)**	**156**	**(5,703)**
Provisions for off-balance sheet items	**(138)**	**(439)**	**(14)**	**(2)**	**(593)**
Total	**(1,051)**	**(2,581)**	**(2,818)**	**154**	**(6,296)**

* These assets include the expected cash flows used to calculate the effective interest rate upon initial recognition of the expected credit loss over the life of the asset.

MCZK	31 December 2022				
	Stage 1	Stage 2	Stage 3	POCI*	Total
Debt securities	**(6)**	**(39)**	**-**	**-**	**(45)**
Government institutions	(1)	-	-	-	**(1)**
Other financial institutions	(1)	(20)	-	-	**(21)**
Non-financial enterprises	(4)	(19)	-	-	**(23)**
Loans and advances to banks	**(1)**	**-**	**-**	**-**	**(1)**
Central banks	-	-	-	-	**-**
Credit institutions	(1)	-	-	-	**(1)**
Loans and advances to customers	**(1,043)**	**(1,866)**	**(2,597)**	**262**	**(5,244)**
Government institutions	-	-	-	-	**-**
Other financial institutions	(16)	(97)	(38)	-	**(151)**
Non-financial enterprises	(235)	(637)	(1,098)	39	**(1,931)**
Households	(792)	(1,132)	(1,461)	223	**(3,162)**
Total loss allowances for financial assets at amortised cost	**(1,050)**	**(1,905)**	**(2,597)**	**262**	**(5,290)**
Provisions for off-balance sheet items	**(145)**	**(310)**	**(57)**	**-**	**(512)**
Total	**(1,195)**	**(2,215)**	**(2,654)**	**262**	**(5,802)**

* These assets include the expected cash flows used to calculate the effective interest rate upon initial recognition of the expected credit loss over the life of the asset.

g) Finance leases

MCZK	31 December 2023				
	Gross carrying amount				
	Stage 1	Stage 2	Stage 3	POCI	Total
Government institutions	3	(1)	-	-	**4**
Other financial institutions	11	-	-	-	**11**
Non-financial enterprises	6,067	1,834	50	-	**7,951**
Households	275	12	8	-	**295**
Total	**6,356**	**1,847**	**58**	**-**	**8,261**

MCZK	31 December 2022				
	Gross carrying amount				
	Stage 1	Stage 2	Stage 3	POCI	Total
Government institutions	3	-	-		**3**
Other financial institutions	8	-	-		**8**
Non-financial enterprises	6,389	1,440	71		**7,900**
Households	262	18	5		**285**
Total	**6,662**	**1,458**	**76**		**8,196**

Breakdown of loss allowances for finance leases based on segments and stages of impairment

MCZK	31 December 2023				
	Stage 1	Stage 2	Stage 3	POCI	Total
Government institutions	-	-	-	-	**-**
Other financial institutions	-	-	-	-	**-**
Non-financial enterprises	(24)	(28)	(29)	-	**(81)**
Households	(1)	(1)	(2)	-	**(4)**
Total	**(25)**	**(29)**	**(31)**	**-**	**(85)**

MCZK	31 December 2022				
	Stage 1	Stage 2	Stage 3	POCI	Total
Government institutions	-	-	-	-	**-**
Other financial institutions	-	-	-	-	**-**
Non-financial enterprises	(19)	(31)	(44)	-	**(94)**
Households	(1)	(1)	(3)	-	**(5)**
Total	**(20)**	**(32)**	**(47)**	**-**	**(99)**

h) Changes in gross carrying amount and changes in loss allowances

The classification of financial assets into retail and non-retail exposures is based on internal risk models and does not match the sectoral classification used in Note 45(f).

MCZK	31 December 2023				
Gross carrying amount – loans and advances to banks	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Balance at 1 January 2023	**160,042**	**7**	**-**	**-**	**160,049**
Transfers to/(from) Stage 1	-	-	-	-	**-**
Transfers to/(from) Stage 2	-	-	-	-	**-**
Transfers to/(from) Stage 3	-	-	-	-	**-**
Transfers to POCI	-	-	-	-	**-**
Increase due to origination and acquisition	156,287	-	-	-	**156,287**
Decrease due to derecognition and overall payment	(163,565)	(7)	-	-	**(163,572)**
Decrease in allowance due to write-offs	-	-	-	-	**-**
Partial repayment	187	-	-	-	**187**
Adjustments by foreign exchange gains/losses	-	-	-	-	**-**
Balance at 31 December 2023	**152,951**	**-**	**-**	**-**	**152,951**

MCZK			31 December 2022		
Gross carrying amount – loans and advances to banks	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Balance at 1 January 2022	**197,963**	**-**	**-**	**-**	**197,963**
Transfers to/(from) Stage 1	-	-	-	-	**-**
Transfers to/(from) Stage 2	(7)	7	-	-	**-**
Transfers to/(from) Stage 3	-	-	-	-	**-**
Transfers to POCI	-	-	-	-	**-**
Increase due to origination and acquisition	159,308	-	-	-	**159,308**
Decrease due to derecognition and overall payment	(197,293)	-	-	-	**(197,293)**
Decrease in allowance due to write-offs	-	-	-	-	**-**
Partial repayment	71	-	-	-	**71**
Adjustments by foreign exchange gains/losses	-	-	-	-	**-**
Balance at 31 December 2022	**160,042**	**7**	**-**	**-**	**160,049**

MCZK			31 December 2023		
Gross carrying amount – debt securities	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Balance at 1 January 2023	**42,332**	**1,325**	**0**	**0**	**43,657**
Transfers to/(from) Stage 1	-	-	-	-	**-**
Transfers to/(from) Stage 2	(2,208)	2,208	-	-	**-**
Transfers to/(from) Stage 3	-	-	-	-	**-**
Transfers to POCI	-	-	-	-	**-**
Increase due to origination and acquisition	44,719	-	-	-	**44,719**
Decrease due to derecognition and overall payment	(3,177)	-	-	-	**(3,177)**
Decrease in allowance due to write-offs	-	-	-	-	**-**
Partial repayment	13,825	-	-	-	**13,825**
Adjustments by foreign exchange gains/losses	107	7	-	-	**114**
Balance at 31 December 2023	**95,598**	**3,540**	**-**	**-**	**99,138**

MCZK			31 December 2022		
Gross carrying amount – debt securities	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Balance at 1 January 2022	**34,236**	**2,317**	**-**	**-**	**36,553**
Transfers to/(from) Stage 1	2,317	(2,317)	-	-	**-**
Transfers to/(from) Stage 2	(1,349)	1,349	-	-	**-**
Transfers to/(from) Stage 3	-	-	-	-	**-**
Transfers to POCI	-	-	-	-	**-**
Increase due to origination and acquisition	5,699	-	-	-	**5,699**
Decrease due to derecognition and overall payment	(2,239)	-	-	-	**(2,239)**
Decrease in allowance due to write-offs	-	-	-	-	**-**
Partial repayment	3,733	-	-	-	**3,733**
Adjustments by foreign exchange gains/losses	(65)	(24)	-	-	**(89)**
Balance at 31 December 2022	**42,332**	**1,325**	**-**	**-**	**43,657**

MCZK			31 December 2023		
Gross carrying amount – non-retail	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Balance at 1 January 2023	**124,946**	**33,408**	**1,658**	**153**	**160,165**
Transfers to/(from) Stage 1	9,754	(9,754)	-	-	**-**
Transfers to/(from) Stage 2	(30,965)	30,965	-	-	**-**
Transfers to/(from) Stage 3	(615)	(784)	1,399	-	**-**
Transfers to POCI	-	-	-	-	**-**
Increase due to origination and acquisition	72,407	2,734	156	31	**75,328**
Decrease due to derecognition and overall payment	(37,757)	(11,806)	(824)	(121)	**(50,508)**
Decrease in allowance due to write-offs	-	-	(36)	-	**(36)**
Partial repayment	(13,984)	(1,111)	(404)	(14)	**(15,513)**
Resegmentation from the retail portfolio	66	1	-	-	**67**
Adjustments by foreign exchange gains/losses	1,464	320	4	-	**1,788**
Balance at 31 December 2023	**125,316**	**43,973**	**1,953**	**49**	**171,291**

MCZK			31 December 2022		
Gross carrying amount – non-retail	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Balance at 1 January 2022	**110,157**	**21,397**	**1,829**	**194**	**133,577**
Transfers to/(from) Stage 1	1,840	(1,714)	(126)	-	**-**
Transfers to/(from) Stage 2	(27,461)	27,471	(10)	-	**-**
Transfers to/(from) Stage 3	(1,109)	(129)	1,238	-	**-**
Transfers to POCI	-	-	-	-	**-**
Increase due to origination and acquisition	91,617	589	-	-	**92,206**
Decrease due to derecognition and overall payment	(42,777)	(11,686)	(796)	(59)	**(55,318)**
Decrease in allowance due to write-offs	-		(157)	-	**(157)**
Partial repayment	(8,434)	(2,379)	(338)	(41)	**(11,192)**
Resegmentation from the retail portfolio	2,092	76	31	59	**2,258**
Adjustments by foreign exchange gains/losses	(979)	(217)	(13)	-	**(1,209)**
Balance at 31 December 2022	**124,946**	**33,408**	**1,658**	**153**	**160,165**

MCZK		31 December 2023			
Gross carrying amount – retail	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Balance at 1 January 2023	**184,277**	**69,530**	**3,487**	**521**	**257,815**
Transfers to/(from) Stage 1	16,961	(16,736)	(225)	-	**-**
Transfers to/(from) Stage 2	(20,710)	20,982	(272)	-	**-**
Transfers to/(from) Stage 3	(1,296)	(787)	2,083	-	**-**
Transfers to POCI	-	-	-	-	**-**
Increase due to origination and acquisition	45,128	417	21	164	**45,730**
Decrease due to derecognition and overall payment	(19,015)	(8,215)	(984)	39	**(28,175)**
Decrease in allowance due to write-offs	-	-	(135)	(50)	**(185)**
Partial repayment	(10,442)	(494)	(203)	(65)	**(11,204)**
Resegmentation to the non-retail portfolio	(66)	(1)	-	-	**(67)**
Adjustments by foreign exchange gains/losses	13	-	-	-	**13**
Balance at 31 December 2023	**194,850**	**64,696**	**3,772**	**609**	**263,927**

MCZK	31 December 2022				
Gross carrying amount – retail	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Balance at 1 January 2022	**177,352**	**61,557**	**4,050**	**704**	**243,663**
Transfers to/(from) Stage 1	21,125	(20,951)	(174)	-	**-**
Transfers to/(from) Stage 2	(33,651)	34,074	(423)	-	**-**
Transfers to/(from) Stage 3	(808)	(426)	1,234	-	**-**
Transfers to POCI	-	(3)	(5)	8	**-**
Increase due to origination and acquisition	51,210	835	18	108	**52,171**
Decrease due to derecognition and overall payment	(18,232)	(4,906)	(782)	(64)	**(23,984)**
Decrease in allowance due to write-offs	-	-	(169)	(28)	**(197)**
Partial repayment	(10,613)	(574)	(231)	(148)	**(11,566)**
Resegmentation to the non-retail portfolio	(2,092)	(76)	(31)	(59)	**(2,258)**
Adjustments by foreign exchange gains/losses	(14)	-	-	-	**(14)**
Balance at 31 December 2022	**184,277**	**69,530**	**3,487**	**521**	**257,815**

MCZK	31 December 2023				
Gross carrying amount – finance leases	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Balance at 1 January 2023	**6,661**	**1,459**	**76**	**-**	**8,196**
Transfers to/(from) Stage 1	807	(806)	(1)	-	**-**
Transfers to/(from) Stage 2	(1,249)	1,249	-	-	**-**
Transfers to/(from) Stage 3	(2)	(12)	14	-	**-**
Transfers to POCI	-	-	-	-	**-**
Increase due to origination and acquisition	1,881	518	7	-	**2,406**
Decrease due to derecognition and overall payment	(319)	(120)	(14)	-	**(453)**
Decrease in allowance due to write-offs	-	-	(4)	-	**(4)**
Partial repayment	(1,526)	(470)	(21)	-	**(2,017)**
Adjustments by foreign exchange gains/losses	103	29	1	-	**133**
Balance at 31 December 2023	**6,356**	**1,847**	**58**	**-**	**8,261**

MCZK	31 December 2022				
Gross carrying amount – finance leases	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Balance at 1 January 2022	**7,018**	**978**	**150**	**-**	**8,146**
Transfers to/(from) Stage 1	353	(348)	(5)	-	**-**
Transfers to/(from) Stage 2	(823)	826	(3)	-	**-**
Transfers to/(from) Stage 3	(7)	(9)	16	-	**-**
Transfers to POCI	-	-	-	-	**-**
Increase due to origination and acquisition	2,504	636	-	-	**3,140**
Decrease due to derecognition and overall payment	(562)	(113)	(42)	-	**(717)**
Decrease in allowance due to write-offs	-	-	(3)	-	**(3)**
Partial repayment	(1,697)	(480)	(35)	-	**(2,212)**
Adjustments by foreign exchange gains/losses	(124)	(32)	(1)	-	**(158)**
Balance at 31 December 2022	**6,661**	**1,459**	**76**	**-**	**8,196**

MCZK	31 December 2023				
	Stage 1	Stage 2	Stage 3	POCI	Total
Loss allowances – debt securities					
Balance at 1 January 2023	**(6)**	**(39)**	**-**	**-**	**(45)**
Transfers to/(from) Stage 1	-	-	-	-	-
Transfers to/(from) Stage 2	3	(3)	-	-	-
Transfers to/(from) Stage 3	-	-	-	-	-
Transfers to POCI	-	-	-	-	-
Increase due to origination and acquisition	(3)	-	-	-	**(3)**
Changes due to change in credit risk (net)	(9)	(13)	-	-	**(22)**
Adjustments by foreign exchange gains/losses	-	(3)	-	-	**(3)**
Balance at 31 December 2023	**(15)**	**(58)**	**-**	**-**	**(73)**

MCZK	31 December 2022				
	Stage 1	Stage 2	Stage 3	POCI	Total
Loss allowances – debt securities					
Balance at 1 January 2022	**(3)**	**-**	**-**	**-**	**(3)**
Increase due to origination and acquisition	(3)	-	-	-	**(3)**
Changes due to change in credit risk (net)	-	(39)	-	-	**(39)**
Balance at 31 December 2022	**(6)**	**(39)**	**-**	**-**	**(45)**

MCZK	31 December 2023				
	Stage 1	Stage 2	Stage 3	POCI	Total
Loss allowances – non-retail					
Balance as of 1 January 2023	**(226)**	**(606)**	**(851)**	**10**	**(1,673)**
Transfers to/(from) Stage 1	(218)	218	-	-	-
Transfers to/(from) Stage 2	61	(61)	-	-	-
Transfers to/(from) Stage 3	2	27	(29)	-	-
Transfers to POCI	-	-	-	-	-
Increase due to origination and acquisition	(86)	(59)	(9)	-	**(154)**
Decrease due to derecognition	3	123	299	56	**481**
Changes due to the change in credit risk (net)	169	(200)	(361)	(45)	**(437)**
Decrease in loss allowances due to write-offs	-	-	(36)	-	**(36)**
Impact of unwind	-	-	-	-	-
Adjustment by foreign exchange gains/losses	(18)	(21)	(11)	-	**(50)**
Balance at 31 December 2023	**(313)**	**(579)**	**(998)**	**21**	**(1,869)**

MCZK	31 December 2022				
	Stage 1	Stage 2	Stage 3	POCI	Total
Loss allowances – non-retail					
Balance as of 1 January 2022	**(260)**	**(355)**	**(1,050)**	**(5)**	**(1,670)**
Transfers to/(from) Stage 1	(78)	49	29	-	-
Transfers to/(from) Stage 2	103	(103)	-	-	-
Transfers to/(from) Stage 3	6	12	(18)	-	-
Transfers to POCI	-	-	-	-	-
Increase due to origination and acquisition	(221)	(40)	-	-	**(261)**
Decrease due to derecognition	38	176	328	-	**541**
Changes due to the change in credit risk (net)	197	(316)	(267)	15	**(371)**
Decrease in loss allowances due to write-offs	-	-	157	-	**157**
Impact of unwind	-	-	-	-	-
Adjustment by foreign exchange gains/losses	(11)	(28)	(30)	-	**(69)**
Balance at 31 December 2022	**(226)**	**(606)**	**(851)**	**10**	**(1,673)**

MCZK	31 December 2023				
	Stage 1	Stage 2	Stage 3	POCI	Total
Loss allowances – retail					
Balance as of 1 January 2023	**(817)**	**(1,261)**	**(1,746)**	**252**	**(3,572)**
Transfers to/(from) Stage 1	(359)	325	34	-	**-**
Transfers to/(from) Stage 2	189	(224)	35	-	**-**
Transfers to/(from) Stage 3	99	84	(183)	-	**-**
Transfers to POCI	-	-	-	-	**-**
Increase due to origination and acquisition	(251)	(9)	(2)	-	**(262)**
Decrease due to derecognition	20	238	268	15	**541**
Changes due to the change in credit risk (net)	395	(862)	(433)	(181)	**(1,081)**
Changes due to change in methodology*	133	159	147	-	**439**
Decrease in loss allowances due to write-offs	7	45	84	49	**185**
Impact of unwind	-	-	(10)	-	**(10)**
Adjustment by foreign exchange gains/losses	-	-	-	-	**-**
Balance at 31 December 2023	**(584)**	**(1,505)**	**(1,806)**	**135**	**(3,760)**

*In May 2023, Raiffeisen stavební spořitelna a.s. started using rating models to calculate expected credit losses for retail loans. The PD vectors estimated for the individual rating stages are now used both for the evaluation of the quantitative criterion for inclusion in Stage 2 and for the actual calculation of expected credit losses. At the same time, new LGD models have been introduced.

MCZK	31 December 2022				
	Stage 1	Stage 2	Stage 3	POCI	Total
Loss allowances – retail					
Balance as of 1 January 2022	**(511)**	**(1,412)**	**(2,040)**	**146**	**(3,817)**
Transfers to/(from) Stage 1	(424)	384	40	-	**-**
Transfers to/(from) Stage 2	225	(241)	16	-	**-**
Transfers to/(from) Stage 3	73	46	(119)	-	**-**
Transfers to POCI	-	-	1	(1)	**-**
Increase due to origination and acquisition	(143)	(2)	(3)	-	**(148)**
Decrease due to derecognition	24	137	195	26	**382**
Changes due to the change in credit risk (net)	(67)	(205)	90	67	**(115)**
Decrease in loss allowances due to write-offs	6	32	78	14	**130**
Impact of unwind	-	-	(3)	-	**(3)**
Adjustment by foreign exchange gains/losses	-	-	(1)	-	**(1)**
Balance at 31 December 2022	**(817)**	**(1,261)**	**(1,746)**	**252**	**(3,572)**

MCZK	31 December 2023				
	Stage 1	Stage 2	Stage 3	POCI	Total
Loss allowances – finance leases					
Balance as of 1 January 2023	**(20)**	**(32)**	**(47)**	**-**	**(99)**
Transfers to/(from) Stage 1	(17)	17	-	-	**-**
Transfers to/(from) Stage 2	3	(3)	-	-	**-**
Transfers to/(from) Stage 3	-	-	-	-	**-**
Transfers to POCI	-	-	-	-	**-**
Increase due to origination and acquisition	(10)	(9)	(1)	-	**(20)**
Decrease due to derecognition	1	2	8	-	**11**
Changes due to the change in credit risk (net)	18	(4)	6	-	**20**
Decrease in loss allowances due to write-offs	-	-	3	-	**3**
Impact of unwind	-	-	-	-	**-**
Adjustment by foreign exchange gains/losses	-	-	-	-	**-**
Balance at 31 December 2023	**(25)**	**(29)**	**(31)**	**-**	**(85)**

MCZK	31 December 2022				
	Stage 1	Stage 2	Stage 3	POCI	Total
Loss allowances – finance leases					
Balance as of 1 January 2022	**(24)**	**(36)**	**(67)**	**-**	**(127)**
Transfers to/(from) Stage 1	(17)	15	2	-	**-**
Transfers to/(from) Stage 2	7	(7)	-	-	**-**
Transfers to/(from) Stage 3	-	-	-	-	**-**
Transfers to POCI	-	-	-	-	**-**
Increase due to origination and acquisition	(9)	(11)	-	-	**(20)**
Decrease due to derecognition	2	3	20	-	**26**
Changes due to the change in credit risk (net)	20	3	(5)	-	**18**
Decrease in loss allowances due to write-offs	-	-	2	-	**2**
Impact of unwind	-	-	-	-	**-**
Adjustment by foreign exchange gains/losses	-	1	1	-	**2**
Balance at 31 December 2022	**(20)**	**(32)**	**(47)**	**-**	**(99)**

MCZK	31 December 2023				
	Stage 1	Stage 2	Stage 3	POCI	Total
Provisions for off-balance sheet items					
Balance at 1 January 2023	**(145)**	**(310)**	**(57)**	**-**	**(512)**
Increase due to origination and acquisition	(86)	(138)	-	-	**(224)**
Decrease due to derecognition	5	42	10	-	**57**
Changes due to the change in credit risk (net)	93	(22)	33	(2)	**102**
Adjustment by foreign exchange gains/losses	(5)	(11)	-	-	**(16)**
Balance at 31 December 2023	**(138)**	**(439)**	**(14)**	**(2)**	**(593)**

MCZK	31 December 2022				
	Stage 1	Stage 2	Stage 3	POCI	Total
Provisions for off-balance sheet items					
Balance at 1 January 2022	**(196)**	**(241)**	**(118)**	**-**	**(555)**
Increase due to origination and acquisition	(124)	(146)	-	-	**(270)**
Decrease due to derecognition	6	72	74	-	**151**
Changes due to the change in credit risk (net)	173	13	(12)	-	**174**
Adjustment by foreign exchange gains/losses	(4)	(8)	(1)	-	**(13)**
Balance at 31 December 2022	**(145)**	**(310)**	**(57)**	**-**	**(512)**

The "Changes in credit risk (net)" line includes the net amount of changes in expected losses at the end of the reporting period due to increases or decreases in credit risk since initial recognition, regardless of whether they have resulted in a transfer of the financial asset to a different stage. This line shows the impact in the allowance for increases or decreases in the value of financial assets, e.g. due to the partial repayment of exposures through instalments, except for the final instalment, which is shown in the line *"Decrease due to derecognition"*. Changes in valuation due to updates or revisions of risk parameters as well as changes in prospective economic data are also reported in this line.

i) Allocation of financial assets at amortised cost and credit commitments and financial guarantees based on internal rating and stage of impairment

The Group allocates each exposure to a credit risk grade in conformity with a rating model corresponding with borrower's segment and type of exposure.

Rating models and credit risk stages are defined based on statistical models and techniques. The allocated credit risk stage is a result of a combination of qualitative and quantitative parameters which indicate the probability of default of the credit exposure.

Each credit exposure must be allocated to a credit risk stage. Exposures and borrowers are subject to ongoing monitoring, which may result in being moved to a different credit risk grade. Accordingly, the exposure and borrower can be moved to a different credit risk rating during their relationship with the Group. The monitoring typically involves use of the following data:

- Information obtained from a borrower – financing request, audited financial statements, management accounts, financial budget and projections, structure of areas of particular focus such as sales revenues, customers, receivables, costs, suppliers, liabilities, bank loans, intragroup transactions, competitors, management etc.;
- Internally collected data – overdue status, fulfilment of financial covenants, internal monitoring of the credit exposure and periodic review of borrower's files;
- External data from credit reference agencies, press articles, changes in external credit ratings;
- Quoted securities prices for the borrower where available;
- Actual and expected significant changes in the political, regulatory and technological environment of the borrower or in its business activities.

The credit risk rating grades for the retail exposures are subject to ongoing monthly monitoring which typically involves use of the available information.

Rating grades –non-retail portfolio:

Rating	Annual probability of default (in %)
Excellent	0.0000 - 0.0300
Strong	0.0310 - 0.1878
Good	0.1879 - 1.1735
Satisfactory	1.1736 - 7.3344
Substandard	7.3345 - 99.999
Credit-impaired	100

Rating grades – retail portfolio:

Rating	Annual probability of default (in %)
Excellent	> 0.0000 - ≤ 0.1700
Strong	> 0.1700 -≤ 0.35000
Good	> 0.3500 - ≤ 1.3700
Satisfactory	> 1.3700 - ≤ 7.2800
Substandard	> 7.2800 -< 100
Credit-impaired	100

Financial assets at amortised cost

Loans and advances to banks

MCZK	31 December 2023				
Gross carrying amount	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Excellent	151,710	-	-	-	**151,710**
Strong	1,241	-	-	-	**1,241**
Good	-	-	-	-	**-**
Satisfactory	-	-	-	-	**-**
Substandard	-	-	-	-	**-**
Credit-impaired	-	-	-	-	**-**
No rating	-	-	-	-	**-**
Total	**152,951**	**-**	**-**	**-**	**152,951**

MCZK	31 December 2022				
Gross carrying amount	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Excellent	158,505	-	-	-	**158,505**
Strong	1,537	-	-	-	**1,537**
Good	-	-	-	-	**-**
Satisfactory	-	-	-	-	**-**
Substandard	-	7	-	-	**7**
Credit-impaired	-	-	-	-	**-**
No rating	-	-	-	-	**-**
Total	**160,042**	**7**	**-**	**-**	**160,049**

Debt securities

MCZK	31 December 2023				
Gross carrying amount	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Excellent	5,478	-	-	-	**5,478**
Strong	89,237	2,417	-	-	**91,654**
Good	883	788	-	-	**1,671**
Satisfactory	-	335	-	-	**335**
Substandard	-	-	-	-	**-**
Credit-impaired	-	-	-	-	**-**
No rating	-				**-**
Total	**95,598**	**3,540**	**-**	**-**	**99,138**

MCZK	31 December 2022				
Gross carrying amount	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Excellent	3,645	-	-	-	**3,645**
Strong	37,399	792	-	-	**38,191**
Good	805	533	-	-	**1,338**
Satisfactory	483	-	-	-	**483**
Substandard	-	-	-	-	**-**
Credit-impaired	-	-	-	-	**-**
No rating	-	-	-	-	**-**
Total	**42,332**	**1,325**	**-**	**-**	**43,657**

Loans and advances to customers – non-retail

MCZK	31 December 2023				
Gross carrying amount	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Excellent	-	-	-	-	**-**
Strong	20,703	5,106	-	-	**25,809**
Good	65,390	20,729	-	-	**86,119**
Satisfactory	38,650	15,892	-	-	**54,542**
Substandard	573	2,246	-	2	**2,821**
Credit-impaired	-	-	1,953	47	**2,000**
No rating	-	-	-	-	**-**
Total	**125,316**	**43,973**	**1,953**	**49**	**171,291**

MCZK	31 December 2022				
Gross carrying amount	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Excellent	-	-	-	-	**-**
Strong	20,722	3,944	-	-	**24,666**
Good	64,371	9,981	-	-	**74,352**
Satisfactory	38,718	16,808	-	-	**55,526**
Substandard	1,135	2,662	-	-	**3,797**
Credit-impaired	-	-	1,658	153	**1,811**
No rating	-	13	-	-	**13**
Total	**124,946**	**33,408**	**1,658**	**153**	**160,165**

Loans and advances to customers – retail

MCZK	31 December 2023				
Gross carrying amount	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Excellent	149	1	-	-	**150**
Strong	73,843	20,693	-	25	**94,561**
Good	74,523	28,537	-	67	**103,127**
Satisfactory	39,534	9,945	-	109	**49,588**
Substandard	6,801	5,520	-	70	**12,391**
Credit-impaired	-	-	3,772	338	**4,110**
No rating	-	-	-	-	**-**
Total	**194,850**	**64,696**	**3,772**	**609**	**263,927**

MCZK	31 December 2022				
Gross carrying amount	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Excellent	-	499	-	-	**499**
Strong	79,911	33,633	-	59	**113,604**
Good	55,996	24,849	-	16	**80,861**
Satisfactory	36,849	7,582	-	81	**44,512**
Substandard	10,838	2,875	-	90	**13,803**
Credit-impaired	-	-	3,487	275	**3,762**
No rating	682	92	-	-	**774**
Total	**184,276**	**69,531**	**3,487**	**521**	**257,815**

Loans and advances to customers for which no rating is reported in 2022 represent the retail advances of Raiffeisen stavební spořitelna a.s. Expected credit losses for retail financial instruments at Stages 1, 2, and 3 and for non-retail financial instruments at Stage 3 are calculated by Raiffeisen stavební spořitelna a.s. A qualitative component is applied to assess a significant increase in credit risk for retail financial assets. Expected credit losses on these exposures are calculated using PD curves estimated at Stages 1 to 3, not rating. The risk-weighted assets of these exposures are calculated using the STA method.

Finance leases

MCZK	31 December 2023				
Gross carrying amount	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Excellent	-	-	-	-	**-**
Strong	672	12	-	-	**684**
Good	2,198	1,176	-	-	**3,374**
Satisfactory	3,469	592	-	-	**4,061**
Substandard	15	67	-	-	**82**
Credit-impaired	-	-	58	-	**58**
No rating	2	-	-	-	**2**
Total	**6,356**	**1,847**	**58**	**-**	**8,261**

MCZK	31 December 2022				
Gross carrying amount	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Excellent	-	-	-	-	**-**
Strong	813	11	-	-	**824**
Good	3,109	403	-	-	**3,512**
Satisfactory	2,736	916	-	-	**3,652**
Substandard	1	128	-	-	**129**
Credit-impaired	-	-	76	-	**76**
No rating	3	-	-	-	**3**
Total	**6,662**	**1,458**	**76**	**-**	**8,196**

Loan commitments and financial guarantees

MCZK	31 December 2023				
Gross carrying amount	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Excellent	22	1	-	-	**23**
Strong	38,813	5,921	-	-	**44,734**
Good	41,813	32,121	-	3	**73,937**
Satisfactory	19,238	11,942	-	1	**31,181**
Substandard	261	414	-	-	**675**
Credit-impaired	-	-	120	6	**126**
No rating	-	-	-	-	**-**
Total	**100,147**	**50,399**	**120**	**10**	**150,676**

MCZK	31 December 2022				
Gross carrying amount	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Excellent	21	-	-	-	**21**
Strong	45,975	9,715	-	-	**55,690**
Good	50,135	18,075	-	-	**68,210**
Satisfactory	18,361	9,849	-	-	**28,210**
Substandard	1,530	864	-	-	**2,394**
Credit-impaired	-	-	302	-	**302**
No rating	46	42	-	-	**88**
Total	**116,068**	**38,545**	**302**	**-**	**154,915**

j) Modified contractual cash flows

The following table provides information on financial assets that were modified while they had loss allowances measured at an amount equal to lifetime ECL:

MCZK	2023	2022
Financial assets modified during the year		
Amortised cost before the modification of contractual cash flows	1,072	533
Net modification profit	2	2
Financial assets modified since initial recognition		
Gross carrying amount at the reporting date relating to financial assets for which loss allowance has changed to 12-month ECL during the year	80	57

k) Quantitative information on collateral for credit-impaired financial assets (Stage 3)

MCZK	2023		2022	
	Gross carrying amount	Collateral	Gross carrying amount	Collateral
Financial assets at amortised cost (Stage 3)	5,725	1,862	5,145	1,917

The principal type of collateral for credit-impaired financial assets is the pledge of real estate, movable property and company guarantees.

l) Concentration of credit risk by location

Loans and advances to customers

MCZK	2023	2022
Czech Republic	406,727	391,418
Slovakia	4,988	5,024
Other EU member states	18,125	17,084
Other	5,378	4,454
Total gross carrying amount	**435,218**	**417,980**

The reporting of concentration of credit risk by country is based on the domicile of the client.

Loan commitments and financial guarantees

MCZK	2023	2022
Czech Republic	136,835	141,241
Slovakia	1,055	1,596
Other EU member states	10,401	6,468
Other	2,385	5,610
Total gross carrying amount	**150,676**	**154,915**

m) Analysis of loans and advances to customers and finance lease receivables by sector and type of collateral

2023	Cash collateral	State guarantees	Bank guarantees	Real estate	Company guarantee	Other collateral	Movable assets	Total collateral
Administrative and support activities	2	-	47	535	488	8	1,204	**2,284**
Activities of households	5,936	-	-	161,193	-	917	-	**168,046**
Real estate	402	304	315	32,209	117	12	1,843	**35,202**
Transport and storage	1	-	165	1,529	582	109	4,142	**6,528**
Information and communication activities	18	-	88	373	51	118	266	**914**
Arts, entertainment and recreation	34	-	30	523	2	-	30	**619**
Other activities	1	-	5	155	-	-	195	**356**
Banking and insurance	50	-	5 594	902	783	3,777	-	**11,106**
Professional, scientific and technical activities	42	589	241	1,830	283	117	565	**3,667**
Construction industry	33	-	80	3,003	81	137	1,317	**4,651**
Mining and quarrying	-	1	3	-	-	-	81	**85**
Hotels and restaurants	15	207	10	2,502	3	-	309	**3,046**
Wholesale and retail trade; repair and maintenance of motor vehicles	60	134	563	5,227	1,238	881	2,576	**10,679**
Public administration and defence; compulsory social security	-	-	-	7	-	-	7	**14**
Electricity, gas, water and air conditioning supply	57	-	75	145	5	-	1,130	**1,412**
Education	6	-	4	98	-	-	134	**242**
Water supply, sewerage, waste management and remediation activities	-	-	18	340	32	18	245	**653**
Health and social work	1	306	23	839	-	5	275	**1,449**
Agriculture, forestry and fishing	23	67	101	1,447	12	52	419	**2,121**
Manufacturing	165	481	653	5,886	1,233	1,008	2,463	**11,889**
Total	**6,846**	**2,089**	**8,015**	**218,743**	**4,910**	**7,159**	**17,201**	**264,963**

For the purposes of reporting loans and advances to customers by sector and type of collateral, the Group uses the collateral in discounted value decreased to the current balance of the collateralised exposure.

2022	Cash collateral	State guarantees	Bank guarantees	Real estate	Company guarantee	Other collateral	Movable assets	Total collateral
Administrative and support activities	-	-	66	585	519	308	1,050	**2,528**
Activities of households	5,846	-	-	166,311	-	-	-	**172,157**
Real estate	310	391	133	30,210	69	259	916	**32,288**
Transport and storage	-	-	243	2,414	80	1,058	4,633	**8,428**
Information and communication activities	1	-	301	293	32	216	238	**1,081**
Arts, entertainment and recreation	37	-	19	40	-	10	39	**145**
Other activities	-	-	37	112	-	2	223	**374**
Banking and insurance	-	-	5,062	1,494	621	855	-	**8,032**
Professional, scientific and technical activities	67	751	307	2,060	10	1,070	533	**4,798**
Construction industry	25	-	418	1,793	32	295	1,296	**3,859**
Mining and quarrying	-	57	11	-	-	-	88	**156**
Hotels and restaurants	5	-	136	2,729	37	-	297	**3,204**
Wholesale and retail trade; repair and maintenance of motor vehicles	56	121	1,250	5,636	679	3,689	3,242	**14,673**
Public administration and defence; compulsory social security	-	-	-	8	-	-	5	**13**
Electricity, gas, water and air conditioning supply	82	-	1	116	-	332	1,173	**1,704**
Education	-	-	17	93	-	-	134	**244**
Water supply, sewerage, waste management and remediation activities	-	-	21	85	-	108	248	**462**
Health and social work	-	414	58	321	-	10	277	**1,080**
Agriculture, forestry and fishing	3	-	238	518	-	418	466	**1,643**
Manufacturing	161	657	982	4,857	1,539	3,914	2,358	**14,468**
Total	**6,593**	**2,391**	**9,300**	**219,675**	**3,618**	**12,544**	**17,216**	**271,337**

For the purposes of reporting loans and advances to customers by sector and type of collateral, the Group uses the collateral in discounted value decreased to the current balance of the collateralised exposure.

n) Analysis of loans and advances to customers and finance lease receivables by default categories

MCZK 2023	Before due date	Less than 1 month	1 to 3 months	3 to 6 months	6 months to 1 year	Over 1 year	Total
Loans and advances to customers and finance lease receivables							
Stage 1	323,117	3,348	34	15	6	2	**326,522**
Stage 2	106,113	3,570	711	115	4	3	**110,516**
Stage 3	1,805	227	299	859	732	1,861	**5,783**
POCI	432	45	32	29	21	99	**658**
Gross	**431,467**	**7,190**	**1,076**	**1,018**	**763**	**1,965**	**443,479**
Loss allowances	(2,824)	(329)	(229)	(503)	(392)	(1,437)	**(5,714)**
Net	**428,643**	**6,861**	**847**	**515**	**371**	**528**	**437,765**

MCZK 2022	Before due date	Less than 1 month	1 to 3 months	3 to 6 months	6 months to 1 year	Over 1 year	Total
Loans and advances to customers and finance lease receivables							
Stage 1	313,050	2,787	41	1	3	3	**315,885**
Stage 2	102,533	1,382	381	94	4	2	**104,396**
Stage 3	2,214	327	485	315	426	1,454	**5,221**
POCI	398	65	27	12	66	106	**674**
Gross	**418,195**	**4,561**	**934**	**422**	**499**	**1,565**	**426,176**
Loss allowances	(3,101)	(315)	(177)	(207)	(291)	(1,252)	**(5,343)**
Net	**415,094**	**4,246**	**757**	**215**	**208**	**313**	**420,833**

The proportion of loans and advances with default increased year-on-year to 1.45% from 1.4% of the total loan portfolio. The coverage by individual loss allowances for loans with default rose to 41.6% at the end of 2023 from 40.4% in 2022.

o) Forbearance and non-performing exposures

In compliance with the EBA's Implementing Technical Standard (ITS) on supervisory reporting (forbearance and non-performing exposures), the Group applies a new definition of *forbearance* and *non-performing exposures* that does not necessarily represent default under the CNB's regulation.

The key criterion in treating an exposure as forborne is a customer's financial health as of the date on which contractual conditions are adjusted. Receivables are defined as forborne if a customer has financial difficulties at the time of a change in contractual conditions (taking into account the client's internal rating or other circumstances known at that time) and if the adjustment of the contractual conditions is considered a payment relief provided in order to divert the client's unfavourable financial situation. If such an adjustment of contractual conditions results in subsequent forbearance or default exceeding 30 days, the exposure is considered non-performing irrespective of the conditions of the CNB's regulation being met or not.

If a forborne exposure is classified as non-performing (after the forbearance is provided) it remains in this category for a period of at least 12 months. After the lapse of this period, the exposure is reclassified as performing forbearance provided the predefined conditions are met. Subsequently, the exposure is monitored on a regular basis during a probation period of at least 24 months. If the predefined conditions are met after the expiry of the probation period, the exposure ceases to be classified as forborne.

Within the defined processes, the Group's customers having financial difficulties and being provided with forbearance are assessed, rated and monitored according to specific algorithms in line with the relevant regulations. In practice, this means that all customers with financial difficulties who were provided with forbearance, or for whom forbearance is considered, are at least subject to the early warning system, or in case of default, they are treated by the workout or collection teams. The algorithms applied are in compliance with the parent group's requirements for individual segments of the Group. The above-specified processes have an impact on the classification of receivables under individual stages according to IFRS 9 and, consequently, on the assessment of the amount of individual and portfolio allowances.

Credit risk analysis of loans and advances to forborne customers under IFRS 7

MCZK	Loans and advances to forborne customers			Loss allowances	Collateral
31 December 2023	Performing exposure	Non-performing exposure	Total with forbearance		
Other financial institutions	-	-	**-**	-	**-**
Non-financial enterprises	1,086	297	**1,383**	(195)	**1,023**
Households	518	881	**1 399**	(237)	**672**
Total	**1,604**	**1,178**	**2,782**	**(432)**	**1,695**

MCZK	Loans and advances to forborne customers			Loss allowances	Collateral
31 December 2022	Performing exposure	Non-performing exposure	Total with forbearance		
Other financial institutions	-	-	**-**	-	**-**
Non-financial enterprises	1,538	381	**1,919**	(243)	**46**
Households	1,003	944	**1,947**	(280)	**789**
Total	**2,541**	**1,325**	**3,866**	**(523)**	**835**

The Group recognises no forborne loans and advances to banks.

The Group's interest income includes interest on loans and advances to forborne customers of MCZK 80 (2022: MCZK 101).

Development of loans and advances to forborne customers

MCZK 2023	Other financial institutions	Non-financial enterprises	Households	Total
Balance at 1 January	**-**	**1,919**	**1,947**	**3,866**
Additions (+)	-	122	595	**717**
Disposals (-)	-	(564)	(1,065)	**(1,629)**
Movements in exposures (+/-)	-	(94)	(78)	**(172)**
At 31 December	**-**	**1,383**	**1,399**	**2,782**

MCZK 2022	Other financial institutions	Non-financial enterprises	Households	Total
Balance at 1 January	**3**	**5,243**	**2,297**	**7,543**
Additions (+)	-	715	544	**1,259**
Disposals (-)	(3)	(3,847)	(789)	**(4,639)**
Movements in exposures (+/-)	-	(192)	(105)	**(297)**
At 31 December	**-**	**1,919**	**1,947**	**3,866**

Carrying amount of loans and advances to forborne customers compared to the total loans and advances to customers

MCZK 2023	Loans and advances to customers	Finance lease receivables	Total loans and advances	Loans and advances with forbearance	Percentage of loans and advances with forbearance
Government institutions	363	4	367	-	**0.0%**
Other financial institutions	24,219	11	24,230	-	**0.0%**
Non-financial enterprises	160,550	7,951	168,501	1,383	**0.8%**
Households	250,086	295	250,381	1,399	**0.6%**
Total	**435,218**	**8,261**	**443,479**	**2,782**	**0.6%**

MCZK 2022	Loans and advances to customers	Finance lease receivables	Total loans and advances	Loans and advances with forbearance	Percentage of loans and advances with forbearance
Government institutions	502	3	505	-	**0.0%**
Other financial institutions	23,047	8	23,055	-	**0.0%**
Non-financial enterprises	149,441	7,900	157,341	1,919	**1.2%**
Households	244,990	285	245,275	1,947	**0.8%**
Total	**417,980**	**8,196**	**426,176**	**3,866**	**0.9%**

p) Maximum exposure to credit risk

2023 MCZK	On-balance sheet exposure (carrying amount)	Off-balance sheet exposure (carrying amount)	Aggregate exposure (carrying amount)	Allocated collateral - balance sheet	Allocated collateral - off balance sheet	Aggregate allocated collateral
Cash and cash equivalents	14,939	-	14,939	-	-	-
Loans and advances to banks*	152,950	5,060	158,010	146,068	1,270	147,338
Loans and advances to customers and finance lease receivables*	429,589	145,027	574,616	264,963	18,284	283,247
Debt securities*	99,065	-	99,065	-	-	-
Positive fair value of financial derivatives	10,070	-	10,070	186		186
Securities held for trading	446	-	446	-	-	-
Financial assets other than held for trading mandatorily measured at fair value through profit or loss	208	-	208	-	-	-
Financial assets at FVOCI	132	-	132	-	-	-
Income tax asset	24	-	24	-	-	-
Other assets	14,874	-	14,874	-	-	-

*including loss allowances and provisions

2022 MCZK	On-balance sheet exposure (carrying amount)	Off-balance sheet exposure (carrying amount)	Aggregate exposure (carrying amount)	Allocated collateral - balance sheet	Allocated collateral - off balance sheet	Aggregate allocated collateral
Cash and cash equivalents	13,902	-	13,902	-	-	-
Loans and advances to banks*	160,048	4,015	164,063	157,350	-	157,350
Loans and advances to customers and finance lease receivables*	412,736	150,388	563,124	271,337	24,650	295,987
Debt securities*	43,612	-	43,612	-	-	-
Positive fair value of financial derivatives	14,895	-	14,895	339	-	339
Securities held for trading	162	-	162	-	-	-
Financial assets other than held for trading mandatorily measured at fair value through profit or loss	194	-	194	-	-	-
Financial assets at FVOCI	101	-	101	-	-	-
Income tax asset	27	-	27	-	-	-
Other assets	8,632	-	8,632	-	-	-

*including loss allowances and provisions

q) Offsetting financial assets and financial liabilities

The following table shows the impact of master netting agreements on assets and liabilities that are not offset in the consolidated statement of financial position.

2023			Related amount not offset in the consolidated statement of financial position			
MCZK	Amount of an asset/liability in the consolidated statement of financial position	Amount of an asset/liability offset in the consolidated statement of financial position	Net amount presented in the consolidated statement of financial position	Financial instrument *	Cash collateral received	Total
Assets						
Positive fair values of financial derivatives	9,858	-	9,858	9,231	186	**441**
Reverse repurchase	152,281	-	152,281	147,507	-	**4,774**
Total assets	**162,139**	**-**	**162,139**	**156,738**	**186**	**5,215**
Liabilities						
Negative fair values of financial derivatives	16,588	-	16,588	8,991	6,798	**799**
Repurchase transactions	32,922	-	32,922	32,873	-	**49**
Loans received collateralised by own securities	2,540	-	2,540	2,540	-	**-**
Total liabilities	**52,050**	**-**	**52,050**	**44,404**	**6,798**	**848**

*The value of the financial instrument is reduced to the current balance of the loan granted/received.

2022			Related amount not offset in the consolidated statement of financial position			
MCZK	Amount of an asset/liability in the consolidated statement of financial position	Amount of an asset/liability offset in the consolidated statement of financial position	Net amount presented in the consolidated statement of financial position	Financial instrument *	Cash collateral received	Total
Assets						
Positive fair values of financial derivatives	14,758	-	14,758	14,410	339	**9**
Reverse repurchase	160,282	-	160,282	158,494	-	**1,788**
Total assets	**175,040**	**-**	**175,040**	**172,904**	**339**	**1,797**
Liabilities						
Negative fair values of financial derivatives	22,540	-	22,540	14,410	8,076	**54**
Repurchase transactions	4,972	-	4,972	4,952	-	**20**
Loans received collateralised by own securities	3,880	-	3,880	3,880	-	**-**
Total liabilities	**31,392**	**-**	**31,392**	**23,242**	**8,076**	**74**

*The value of the financial instrument is reduced to the current balance of the loan granted/received.

46. FINANCIAL INSTRUMENTS – MARKET RISK AND OTHER RISKS

The Group is exposed to market risks arising from the open positions of transactions with interest rate, equity and currency instruments that are sensitive to changes in financial market conditions.

a) Trading

The Group holds trading positions in certain financial instruments including financial derivatives.

These positions are also held for the purpose of speculation on the expected future development of financial markets and thus represent speculation on this development. The majority of the Group's trading activities are conducted based on the requirements of the Group's customers.

The Group maintains the admission to financial markets through the quoting of bid and ask prices and by trading with other market makers. The Group's business strategy is thus affected by the speculative expectation and market making and its goal is to maximise net income from trading.

The Group manages risks associated with its trading activities on the level of individual risks and types of financial instruments. The key risk management tools are the limits for individual transaction volumes and individual position volumes, stop loss limits and value at risk (VaR) limits. The quantitative methods applied to market risk management are described in "*Risk management methods*" in note 44 (d).

b) Risk management

The selected risks exposures resulting from the Group's activities, management of positions arising from these activities and its risk management approach are described below. More detailed policies applied in measuring and managing these risks are included in "*Risk management methods*" in note 46 (d).

Liquidity risk

Liquidity risk is the risk of losing the Group's ability to meet its financial obligations as they fall due, or the risk of losing the Group's ability to finance an increase in assets. Liquidity risk arises from the time mismatch between cash inflows and outflows. It includes both the risk of inability to raise funds to cover the Group's assets using instruments with appropriate maturity and the Group's ability to sell assets at a reasonable price within a reasonable time frame. The liquidity position of the Group is regularly monitored by the Czech National Bank.

The Group has access to diversified sources of funding, which comprise deposits and other savings, issued securities, loans accepted including subordinated loans, and also the Group's equity. This diversification makes the Group flexible and reduces its dependency on one source of funding. The Group regularly evaluates its liquidity exposures, in particular by monitoring the changes in the structure of financing and comparing these changes with the Group's liquidity risk management strategy, which has been approved by the Group's board of directors. According to the liquidity risk management strategy, the Group has set limits for basic liquidity indicators LCR, NSFR, liquidity position calculated from cumulative cash inflows and outflows for stress scenarios so as to correspond to the Group's appetite risk and safely comply with regulatory regulations. The Group also monitors LCR and NSFR indicators for all major currencies, i.e. CZK, EUR and USD.

As part of its liquidity risk management strategy, the Group also holds a portion of its assets in highly liquid funds, such as Czech government bonds and deposits with the Czech National Bank (repo transactions/deposit facilities). The Group uses internal statistical models for modelling from deposits without a contractual maturity. These models are reassessed on a regular basis. In order to manage liquidity in extraordinary circumstances, the Group has prepared a contingency plan, which contains measures to restore liquidity. The ALM department performs regular reviews of the contingency plan and submits it to the Assets and Liabilities Committee (ALCO) for approval.

Financing management

The liquidity Coverage Ratio (LCR) measures the volume of liquid assets against the expected net cash outflows over the next 30 days. Liquidity risk is the risk of losing the ability to meet its financial obligations as they fall due, or the risk of losing the ability to finance an increase in assets under severe crisis conditions. The LCR indicator developed as follows in 2023 and 2022:

LCR (%)	2023	2022
31.3.	239.5	189.1
30.6.	216.8	201.4
30.9.	214.9	186.2
31.12.	230.1	204.9

Strategic liquidity management

The NSFR (Net Stable Funding Ratio) indicators is defined as the ratio of available stable funding and required stable funding. The NSFR indicator developed as follows in 2022 and 2021:

NSFR (%)	2023	2022
31.3.	152.0	139.6
30.6.	151.7	143.2
30.9.	150.2	140.0
31.12.	149.5	145.6

Both LCR and NSFR indicators are monitored on a daily basis and are reported to the Group's management daily.

The following table shows the remaining maturity of contractual cash flows arising from financial liabilities. Analysis of remaining maturity of derivatives is disclosed in the tables in notes 42 (b) and 42 (d).

Analysis of financial liabilities according to remaining maturity (undiscounted cash flows)

2023 (MCZK)	**Net book value**	**Total contractual liability**	**0 – 1 months**	**1 - 3 months**	**3 - 12 months**	**1 - 5 years**	**Over 5 years**
Financial liabilities held for trading – Derivatives held for trading	**4,678**	**4,845**	258	491	1 526	2 228	342
Deposits from banks	**23,719**	**24,779**	6,672	25	8,878	9,204	-
Deposits from customers	**593,995**	**594,212**	497,236	45,681	22,992	24,538	3,765
Debt securities issued	**36,312**	**40,922**	893	4,253	539	35,237	-
Subordinated liabilities and bonds	**5,232**	**7,302**	-	34	349	4,270	2,649
Other financial liabilities	**6,924**	**7,001**	6,027	57	263	578	76
Negative fair value of hedging derivatives	**12,725**	**13,833**	302	828	2,289	8,450	1,964
Off-balance sheet items	**150,676**	**150,676**	150,676	-	-	-	-
Total	**834,261**	**843,570**	**662,064**	**51,369**	**36,836**	**84,505**	**8,796**

2022 (MCZK)	**Net book value**	**Total contractual liability**	**0 – 1 months**	**0 - 3 months**	**3 - 12 months**	**1 - 5 years**	**Over 5 years**
Financial liabilities held for trading – Derivatives held for trading	**7,968**	**7,968**	862	1,170	954	2,647	2,335
Deposits from banks	**10,669**	**10,895**	2,914	-	5,460	2,521	-
Deposits from customers	**550,061**	**550,890**	457,299	39,922	26,892	21,889	4,888
Debt securities issued	**24,553**	**27,774**	-	3,181	500	15,567	8,526
Subordinated liabilities and bonds	**5,162**	**7,090**	-	14	265	1,166	5,645
Other financial liabilities	**6,144**	**6,240**	5,086	59	263	695	137
Negative fair value of hedging derivatives	**17,658**	**17,658**	934	698	58	7,229	8,739
Off-balance sheet items	**154,915**	**154,915**	154,915	-	-	-	-
Total	**777,130**	**783,430**	**622,010**	**45,044**	**34,392**	**51,714**	**30,270**

Off-balance sheet items include credit commitments provided to the Group's customers, guarantee commitments, and guarantees and letters of credit provided to customers.

Foreign currency risk

The foreign currency risk is the risk arising from currency markets. The source of this risk is the Group's foreign currency position which arises from the mismatch of the Group's assets and liabilities, including the currency-sensitive off-balance sheet items. The majority of foreign currency gains or losses is due to changes in foreign currency rates in currency positions of the Group denominated in EUR and USD. The foreign currency risk is managed by setting trading limits. More detailed policies applied in managing this risk are included in "Risk management methods" in note 44 (d).

Interest rate risk

The Group is exposed to interest rate risk since the interest-bearing assets and liabilities have different maturity dates, periods of interest rate changes/adjustments and volumes during these periods. In the case of variable interest rates, the Group is exposed to a basis risk arising from the difference in the mechanism of adjusting individual types of interest rates, such as PRIBOR, announced interest on deposits, etc. The interest rate risk of the Group is primarily impacted by the development in interbank interest rates. The Group's interest rate risk management activities are aimed at optimising the Group's net interest income in accordance with its strategy approved by the board of directors. In managing the interest rate risk, the Group uses (as in the case of liquidity management) statistical models for distribution of those items where it is unable to determine the exact moment of repricing of interest rates or liquidity maturity (for example on current accounts).

The Group mostly uses interest rate derivatives to manage the mismatch between the rate-sensitivity of assets and liabilities. These derivative transactions are entered into in accordance with the asset and liability management strategy as approved by the Group's board of directors.

Part of the Group's income is generated through a targeted mismatch between rate-sensitive assets and rate-sensitive liabilities. In managing the interest rate risk, the carrying amounts of these assets and liabilities and the nominal (notional) values of interest rate derivatives are recorded either in the year in which they are due or in which the interest rate changes, whichever occurs first. Due to the anticipated prepayment or undefined maturity dates, certain assets or liabilities are allocated to individual periods based on an expert estimate.

Equity risk

Equity risk is the risk of fluctuations of the prices of equity instruments held in the Group's portfolio and financial derivatives related to these instruments. As the Group does not trade shares on its own account, it is exposed to indirect equity risk arising from the shares held by the Group as collateral for customer loans. Equity risk is managed by trading limits. The equity risk management methods are described in "*Risk management methods*" in note 46 (d).

c) Fair values of financial assets and liabilities

The Group used the following methods and estimates in determining the fair values of financial assets and liabilities.

i) Cash and balances with central banks
The reported amounts of cash and short-term instruments are essentially equivalent to their fair value.

ii) Loans and advances to banks
The reported amounts of loans and advances to banks due within one year are essentially equivalent to their fair values. The fair values of other loans and advances to financial institutions are estimated based on cash flows discounted at standard rates for similar types of investments (market rates adjusted for credit risk). The fair values of delinquent loans to financial institutions are estimated based on discounted cash flows; for loss loans, fair values are equivalent to the to the expected amount when the respective collateral is realised.

iii) Loans and advances to customers
For variable-rate loans that are often remeasured or loans with the final maturity within one year, and for which credit risk changes are immaterial, the fair values are essentially equivalent to the reported amounts. The fair values of fixed-rate loans are estimated based on discounted cash flows using the interest rate that is standard for loans with similar conditions and maturity dates and provided to borrowers with a similar risk profile, including the impact of collateral (the discounted rate technique according to IFRS 13). The fair values of loans and receivables from clients and banks were calculated as discounted future cash flows, taking into account the effect of interest and credit spreads, including the possible realization of collateral. Interest rates are affected by movements in market interest rates, while changes in the credit spread are derived from the probabilities of default (PD) and LGD used, which are used to calculate credit risk. To calculate fair value, loans and receivables were grouped into homogeneous portfolios based on the rating method, rating grade, maturity and country where they were provided.

iv) Securities at amortised cost
The fair values of securities held to maturity in the portfolio are estimated based on discounted cash flows using the interest rate common as of the reporting date, unless they are traded on an active market.

v) Deposits from banks and customers
The fair values of deposits repayable on demand at the reporting date are equal to the amounts repayable on demand (i.e. their carrying amounts). The carrying amounts of variable-rate term deposits are essentially equivalent to their fair values at the reporting date. The fair values of fixed-rate deposits are estimated based on discounted cash flows using market interest rates and taking into account the Group's liquidity costs. The fair value of deposits at amortized cost is calculated taking into account the current interest rate environment and own credit risk.

vi) Bonds issued
The fair values of bonds issued by the Group are determined based on current market prices. If market prices are not available, the fair values are the Group's estimates where the fair value is estimated based on discounted cash flows using market interest rates and taking into account the Group's liquidity costs.

vii) Subordinated liabilities and bonds
The fair values of subordinated loans are estimated based on discounted cash flows using market interest rates and taking into account the Group's liquidity costs. The fair values of subordinated bonds issued by the Group are determined based on current market prices.

The following table summarises the estimated amounts and fair values of financial assets and liabilities that are not recognised at fair value in the consolidated statement of financial position:

2023	Level 1	Level 2	Level 3	Fair value	Net book value	Difference
Assets						
Cash and cash equivalents	14,939	-	-	14,939	14,939	-
Loans and advances to banks*	-	-	152,950	152,950	152,950	-
Loans and advances to customers*	-	-	421,844	421,844	429,589	(7,745)
Debt securities at amortised cost*	97,573	1,277	752	99,602	99,065	537
Liabilities						
Deposits from banks	-	-	23,842	23,842	23,719	123
Deposits from customers	-	-	594,070	594,070	593,994	76
Debt securities issued	-	-	35,312	35,312	36,312	(1,000)
Subordinated liabilities and bonds	-	-	4,856	4,856	5,232	(376)
Other financial liabilities**	-	-	5,944	5,944	5,944	-

*including loss allowances
**excluding lease liabilities

2022	Level 1	Level 2	Level 3	Fair value	Net book value	Difference
Assets						
Cash and cash equivalents	13,902	-	-	13,902	13,902	-
Loans and advances to banks*	-	-	160,048	160,048	160,048	-
Loans and advances to customers*	-	-	397,898	397,898	412,736	(14,838)
Debt securities at amortised cost*	33,409	3,902	593	37,905	43,612	(5,707)
Liabilities						
Deposits from banks	-	-	10,402	10,402	10,669	(267)
Deposits from customers	-	-	550,214	550,214	550,061	153
Debt securities issued	-	-	22,240	22,240	24,553	(2,313)
Subordinated liabilities and bonds	-	-	4,758	4,758	5,162	(404)
Other financial liabilities**	-	-	5,000	5,000	5,000	-

*including loss allowances
**excluding lease liabilities

Financial instruments at fair value

MCZK	Fair value at 31 December 2023			Fair value at 31 December 2022		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Positive fair value of trading derivatives	-	4,918	-	-	7,548	-
Securities held for trading	411	-	35	162	-	-
Positive fair value of hedging derivatives	-	5,152	-	-	7,347	-
Financial assets other than held for trading mandatorily measured at fair value through profit or loss	-	208	-	-	74	120
Financial assets at FVOCI	94	-	38	76	-	25
Total	**505**	**10,278**	**73**	**238**	**14,969**	**145**

MCZK	Fair value at 31 December 2023			Fair value at 31 December 2022		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Negative fair value of trading derivatives	-	4,678	-	-	7,968	-
Negative fair value of hedging derivatives	-	12,725	-	-	17,658	-
Total	**-**	**17,403**	**-**	**-**	**25,626**	**-**

Level 1 category is the category of financial instruments measured at fair value determined based on the price quoted on an active market.

Level 2 category is the category of financial instruments measured at fair value determined based on prices derived from market data. For financial derivatives, the fair values are determined based on discounted future cash flows that are estimated according to market interest rate and currency forward curves and contractual interest rates and currency rates according to individual contracts. The discount factor is derived from market rates. For securities at FVTPL, the fair value is calculated on the basis of discounted future cash flows. The discount factor is derived from market rates.

Level 3 category is the category of financial instruments measured at fair value determined using the techniques based on input information not based on data observable on the market.

The reconciliation of financial instruments measured at fair value determined using the techniques based on the input information, not built upon the data observable on the market (Level 3 instruments).

2023

MCZK	Financial assets held for trading (debt securities)	Financial assets other than held for trading mandatorily measured at fair value through profit or loss	Financial assets at FVOCI	Total
Balance at the beginning of the year	**-**	**120**	**25**	**145**
Transfer to Level 3	41	-	-	**41**
Purchases	-	-	13	**13**
Comprehensive income/(loss)	-	-	-	**-**
– in the income statement	-	-	-	**-**
– in equity (note 40)	-	-	-	**-**
Sales/settlement/transfer	(6)	-	-	**(6)**
Transfer from Level 3	-	(120)	-	**(120)**
Balance at the end of the year	**35**	**-**	**38**	**73**

In 2023, the Group reclassified a debt instrument in the amount of MCZK 120 in the category *"Financial assets other than held for trading mandatorily measured at fair value through profit or loss"* from Level 3 due to the absence of quotations for this instrument in an active market at the end of the reporting period.

2022

MCZK	Financial assets held for trading (debt securities)	Financial assets other than held for trading mandatorily measured at fair value through profit or loss	Financial assets at FVOCI	Total
Balance at the beginning of the year	**-**	**242**	**20**	**262**
Transfer to Level 3	**-**	120	**-**	**120**
Purchases	-	-	1	**1**
Comprehensive income/(loss)	**-**	-	**-**	**-**
– in the income statement	**-**	(17)	**-**	**(17)**
– in equity (note 36)	**-**	-	4	**4**
Sales/settlement/transfer	**-**	(225)	**-**	**(225)**
Transfer from Level 3	-	-	**-**	**-**
Balance at the end of the year	**-**	**120**	**25**	**145**

In 2022, the Group reclassified a debt instrument in the amount of MCZK 120 in the category *"Financial assets other than held for trading mandatorily measured at fair value through profit or loss"* to Level 3 due to the absence of quotations for this instrument in an active market.

The Group measures financial assets held for trading and financial assets measured at FVOCI using the technique of discounted future cash flows. This valuation method adjusts future amounts (i.e. cash flows, income and expense) to the present (discounted) value. The fair value is determined based on the value acquired from the current market expectation of the future value. In respect of securities that fall into the Level 3 category, the Group uses the discount factor for the calculation that is derived from the internal price for liquidity determined by the Group and concurrently reflects the credit risk of the security issuer. The price of the Group for liquidity and credit risk of the security issuer are inputs that are not observable from the data available on the market. The price of the Group for liquidity determined in the calculation is based on the resolution of the Group's ALCO Committee and reflects the level of available sources of the Group's financing and their price. In the event of a negative development of the Group's liquidity position or changes in the interbank market, the price for liquidity may increase and consequently the price of the financial instrument may decline. The credit risk of the issuer is determined based on the rating of the securities issuer in the Group's rating scale. If the issuer was attributed a worse rating, the price of the financial instrument could decline by 0-10%.

The amount in Level 3, item "Financial assets at FVOCI" primarily comprises an investment in Bankovní identita a.s. of MCZK 36 (2022: MCZK 23), and SWIFT of MCZK 1 (2022: MCZK: 1).

d) Risk management methods

The Group uses a set of limits for individual positions and portfolios as part of the appropriate methodologies to facilitate effective market risk management. The set of limits is based on limits determined by appropriate regulators which are complemented by the limits set by the parent company in a standardised way for the entire CEE region. In some cases, the set of limits is complemented by other internal limits and methods that reflect the specifications of local markets that the Group is exposed to.

The Group monitors both aggregate and individual market risks using the value at risk method. Value at risk represents the potential loss arising from an adverse movement of market rates within a certain time period with a certain confidence level. The value at risk for the whole Bank and the banking book has been measured based on a twenty-day holding period with a 99% confidence level. A one-day holding period is retained for the trading book (including currency positions). The calculation reflects mutual correlations of individual risk factors (currency rates, interest rates, market spreads and equity market prices).

MCZK	At 31 December 2023	Average 2023	At 31 December 2022	Average 2022
Total market risk VaR	**2,018**	**1,717**	**1,496**	**1,047**

Interest rate risk

The Group manages interest rate risk of the banking book and the trading book separately, on the level of individual currencies. The interest rate position is monitored based on the sensitivity of the position to the shift in the interest rate curve (BPV). The BPV (basis point value) method involves determining the change in the present value (both in total and individual time periods) of the portfolio when interest rates shift by one basis point (0.01%). This method is complemented by monitoring the interest rate risk using Value at Risk. The year-on-year change in the indicator results primarily from the increase in the strategic interest rate position established to stabilise net interest income.

MCZK	At 31 December 2023	Average 2023	At 31 December 2022	Average 2022
Total interest rate position VaR	**1,665**	**1,623**	**1,515**	**1,064**
Interest rate position VaR - banking book	1,647	1,620	1,517	1,082
Interest rate position VaR - trading book	2	4	6	10

Interest rate sensitivity of assets and liabilities

MCZK	31 Dec 2023					
	Less than 3 months	3 months to 1 year	1 year to 5 years	Over 5 years	Unspecified	Total
Assets						
Cash and cash equivalents	2,762	-	-	-	12,177	**14,939**
Financial assets held for trading	36	34	66	310	4,918	**5,364**
Trading derivatives	-	-	-	-	4 918	**4 918**
Securities held for trading	36	34	66	310	-	**446**
Financial assets other than held for trading mandatorily measured at fair value through profit or loss	-	-	124	-	84	**208**
Financial assets at FVOCI	-	-	-	-	132	**132**
Financial assets at amortised cost	260,068	54,972	226,124	113,132	27,308	**681,604**
Loans and advances to banks	152,950	-	-	-	-	**152,950**
Loans and advances to customers	103,541	47,862	192,099	58,779	27,308	**429,589**
Debt securities	3,577	7,110	34,025	54,353	-	**99,065**
Finance leases	726	1,689	5,058	703	-	**8,176**
Fair value remeasurement of portfolio-remeasured items	-	-	-	-	50	**50**
Hedging derivatives with positive fair value	-	-	-	-	5,152	**5,152**
Income tax asset	-	-	-	-	49	**49**
Deferred tax asset	-	-	-	-	24	**24**
Equity investments in subsidiaries and associated companies	-	-	-	-	125	**125**
Intangible assets	-	-	-	-	5,715	**5,715**
Property, plant and equipment	-	-	-	-	3,291	**3,291**
Investment property	-	-	-	-	47	**47**
Other assets	-	-	-	-	14,874	**14,874**
Total assets	**263,592**	**56,695**	**231,372**	**114,145**	**73,946**	**739,750**
Liabilities						
Financial liabilities held for trading	-	-	-	-	4 678	**4 678**
Trading derivatives	-	-	-	-	4 678	**4 678**
Financial liabilities at amortised cost	529,182	31,286	70,632	14,533	20,549	**666,182**
Deposits from banks	5,832	7,550	8,174	1,236	927	**23,719**
Deposits from customers	513,437	20,945	33,920	12,995	12,698	**593,995**
Debt securities issued	8,076	-	28,236	-	-	**36,312**
Subordinated liabilities and bonds	1,837	2,791	302	302	-	**5,232**
Other financial liabilities	-	-	-	-	6,924	**6,924**
Fair value remeasurement of portfolio-remeasured items	-	-	-	-	(6,467)	**(6,467)**
Hedging derivatives with negative fair value	-	-	-	-	12,725	**12,725**
Provisions	-	8	65	4	1,262	**1,339**
Current tax liability	-	-	-	-	155	**155**
Deferred tax liability	-	-	-	-	695	**695**
Other liabilities	-	-	-	-	1,749	**1,749**
Total liabilities	**529,182**	**31,294**	**70,697**	**14,537**	**35,346**	**681,056**
Net interest rate risk of the statement of financial position at 31 December 2023	**(265,590)**	**25,401**	**160,675**	**99,608**	**38 600**	**58,694**
Nominal value of derivatives - assets*	231,912	74,610	136,337	64,242	-	**507,101**
Nominal value of derivatives - liabilities*	252,180	67,413	136,805	50,703	-	**507,101**
Net interest rate risk of the off-balance sheet at 31 December 2023	(20,268)	7,197	(468)	13 539	-	-
Cumulative interest rate risk at 31 December 2023	**(285,858)**	**(253,260)**	**(93,053)**	**20,094**	**58,694**	**-**

* Nominal value of derivatives - assets/liabilities includes interest rate swaps and interest rate forwards.

MCZK	31 Dec 2022					
	Less than 3 months	3 months to 1 year	1 year to 5 years	Over 5 years	Unspecified	Total
Assets						
Cash and cash equivalents	745	-	-	-	13,157	**13,902**
Financial assets held for trading	42	73	21	26	7,548	**7,710**
Trading derivatives	-	-	-	-	7,548	**7,548**
Securities held for trading	42	73	21	26	-	**162**
Financial assets other than held for trading mandatorily measured at fair value through profit or loss	-	-	120	-	74	**194**
Financial assets at FVOCI	-	-	-	-	101	**101**
Financial assets at amortised cost	258,353	50,828	196,474	85,800	24,941	**616,396**
Loans and advances to banks	158,507	218	1,323	-	-	**160,048**
Loans and advances to customers	99,077	43,619	178,464	66,635	24,941	**412,736**
Debt securities	769	6,991	16,687	19,165		**43,612**
Finance leases	700	1,774	4,773	850	-	**8,097**
Fair value remeasurement of portfolio-remeasured items	-	-	-	-	(5,755)	**(5,755)**
Hedging derivatives with positive fair value	-	-	-	-	7,347	**7,347**
Income tax asset	-	-	-	-	29	**29**
Deferred tax asset	-	-	-	-	27	**27**
Equity investments in subsidiaries and associated companies	-	-	-	-	113	**113**
Intangible assets	-	-	-	-	5,868	**5,868**
Property, plant and equipment	-	-	-	-	3,464	**3,464**
Investment property	-	-	-	-	257	**257**
Other assets	-	-	-	-	8,632	**8,632**
Total assets	**259,840**	**52,675**	**201,388**	**86,676**	**65,803**	**666,382**
Liabilities and equity						
Financial liabilities held for trading	-	-	-	-	7,968	**7,968**
Trading derivatives	-	-	-	-	7,968	**7,968**
Financial liabilities at amortised cost	476,930	32,168	51,274	18,853	17,364	**596,589**
Deposits from banks	2,455	5,339	2,422	-	453	**10,669**
Deposits from customers	465,984	24,060	30,699	18,551	10,767	**550,061**
Debt securities issued	6,702	0	17,851	-	-	**24,553**
Subordinated liabilities and bonds	1,789	2,769	302	302	-	**5,162**
Other financial liabilities					6,144	**6,144**
Fair value remeasurement of portfolio-remeasured items	-	-	-	-	(14,354)	**(14,354)**
Hedging derivatives with negative fair value	-	-	-	-	17,658	**17,658**
Provisions	4	47	17	4	1,312	**1,384**
Current tax liability	-	-	-	-	1,166	**1,166**
Deferred tax liability	-	-	-	-	354	**354**
Other liabilities	-	-	-	-	1,472	**1,472**
Total liabilities and equity	**476,934**	**32,215**	**51,291**	**18,857**	**32,940**	**612,237**
Net interest rate risk of the statement of financial position at 31 December 2022	**(217,094)**	**20,460**	**150,097**	**67,819**	**32,863**	**54,145**
Nominal value of derivatives - assets*	202,813	87,007	117,455	72,772	-	**480,047**
Nominal value of derivatives - liabilities*	251,643	83,412	109,668	35,324	-	**480,047**
Net interest rate risk of the off-balance sheet at 31 December 2022	**(48,830)**	**3,595**	**7,787**	**37,448**	**-**	**-**
Cumulative interest rate risk at 31 December 2022	**(265,924)**	**(241,869)**	**(83,985)**	**21,282**	**54,145**	**-**

* Nominal value of derivatives - assets/liabilities includes interest rate swaps and interest rate forwards.

Foreign currency Risk

The Group uses a set of limits established based on the standards of the Group. The limits are set for individual currencies and for the overall currency position. Internal currency position limits fully respect the limits set by the local regulator. Moreover, these limits are complemented by monitoring foreign currency risk using Value at Risk.

MCZK	**At 31 December 2023**	**Average 2023**	**At 31 December 2022**	**Average 2022**
Foreign currency position VaR	1	1	1	1

Foreign exchange position

The table below shows the Group's currency position in the most important currencies, while the rest of the currencies are listed under Other currencies.

MCZK	31 Dec 2023				
	CZK	EUR	USD	Other currencies	Total
Assets					
Cash and cash equivalents	9,925	3,416	1,256	342	**14,939**
Financial assets held for trading	5,225	114	25	-	**5,364**
Trading derivatives	4,815	78	25	-	**4,918**
Securities held for trading	410	36	-	-	**446**
Financial assets other than held for trading mandatorily measured at fair value through profit or loss	124	-	84	-	**208**
Financial assets at FVOCI	37	1	94	-	**132**
Financial assets at amortised cost	566,747	110,997	3,095	765	**681,604**
Loans and advances to banks	151,713	1,237	-	-	**152,950**
Loans and advances to customers	328,265	98,190	2,369	765	**429,589**
Debt securities	86,769	11,570	726	-	**99,065**
Finance leases	2,730	5,371	74	1	**8,176**
Fair value remeasurement of portfolio-remeasured items	50	-	-	-	**50**
Hedging derivatives with positive fair value	4,748	404	-	-	**5,152**
Income tax asset	49	-	-	-	**49**
Deferred tax asset	24	-	-	-	**24**
Equity investments in associated companies	125	-	-	-	**125**
Intangible assets	5,715	-	-	-	**5,715**
Property, plant and equipment	3,291	-	-	-	**3,291**
Investment property	47	-	-	-	**47**
Other assets	14,296	550	26	2	**14,874**
Total assets	**613,133**	**120,853**	**4,654**	**1,110**	**739,750**
Liabilities and equity					
Financial liabilities held for trading	4,560	118	-	-	**4,678**
Trading derivatives	4,560	118	-	-	**4,678**
Financial liabilities at amortised cost	514,111	125,931	21,686	4,454	**666,182**
Deposits from banks	2,874	20,736	105	4	**23,719**
Deposits from customers	495,344	73,127	21,165	4,359	**593,995**
Debt securities issued	10,485	25,827	-	-	**36,312**
Subordinated liabilities and bonds	914	4,318	-	-	**5,232**
Other financial liabilities	4,494	1,923	416	91	**6,924**
Fair value remeasurement of portfolio-remeasured items	(6,467)	-	-	-	**(6,467)**
Hedging derivatives with negative fair value	12,572	124	29	-	**12,725**
Provisions	1,151	172	7	9	**1,339**
Current tax liability	155	-	-	-	**155**
Deferred tax liability	695	-	-	-	**695**
Other liabilities	1,520	225	-	4	**1,749**
Equity	58,694	-	-	-	**58,694**
Total liabilities and equity	**586,991**	**126,570**	**21,722**	**4,467**	**739,750**
Net foreign currency position at 31 Dec 2023	**26,142**	**(5,717)**	**(17,068)**	**(3,357)**	**-**
Off-balance sheet assets*	403,537	209,561	40,373	16,308	**669,779**
Off-balance sheet liabilities*	429,554	203,981	23,367	13,032	**669,934**
Net foreign currency position of the off-balance sheet at 31 Dec 2023	**(26,017)**	**5,580**	**17,006**	**3,276**	**(155)**
Total net foreign currency position at 31 Dec 2023	**125**	**(137)**	**(62)**	**(81)**	**(155)**

* Off-balance sheet assets and liabilities include receivables and payables from spot transactions and the nominal values of all derivative contracts.

MCZK	31 Dec 2022				
	CZK	EUR	USD	Other currencies	Total
Assets					
Cash and cash equivalents	3,240	9,684	726	252	**13,902**
Financial assets held for trading	7,668	41	1	-	**7,710**
Trading derivatives	7,547		1	-	**7,548**
Securities held for trading	121	41	-	-	**162**
Financial assets other than held for trading mandatorily measured at fair value through profit or loss	120	-	74	-	**194**
Financial assets at FVOCI	24	1	76	-	**101**
Financial assets at amortised cost	521,881	89,150	4,248	1,117	**616,396**
Loans and advances to banks	160,041	7	-	-	**160,048**
Loans and advances to customers	324,537	83,574	3,508	1,117	**412,736**
Debt securities	37,303	5,569	740	-	**43,612**
Finance leases	3,006	5,064	26	1	**8,097**
Fair value remeasurement of portfolio-remeasured items	(5,755)	-	-	-	**(5,755)**
Hedging derivatives with positive fair value	7,346	-	1	-	**7,347**
Income tax asset	29	-	-	-	**29**
Deferred tax asset	27	-	-	-	**27**
Equity investments in associated companies	113	-	-	-	**113**
Intangible assets	5868	-	-	-	**5,868**
Property, plant and equipment	3464	-	-	-	**3,464**
Investment property	257	-	-	-	**257**
Other assets	7,832	434	346	20	**8,632**
Total assets	**555,120**	**104,374**	**5,498**	**1,390**	**666,382**
Liabilities and equity					
Financial liabilities held for trading	7,967	-	1	-	**7,968**
Trading derivatives	7,967	-	1	-	**7,968**
Financial liabilities at amortised cost	476,431	93,677	21,469	5,012	**596,589**
Deposits from banks	2,757	7,894	12	6	**10,669**
Deposits from customers	460,283	64,401	20,848	4,529	**550,061**
Debt securities issued	9,289	15,264	-	-	**24,553**
Subordinated liabilities and bonds	954	4,208	-	-	**5,162**
Other financial liabilities	3,148	1,910	609	477	**6,144**
Fair value remeasurement of portfolio-remeasured items	(14,354)	-	-	-	**(14,354)**
Hedging derivatives with negative fair value	17,623	35	-	-	**17,658**
Provisions	1,239	137	4	4	**1,384**
Current tax liability	1,166	-	-	-	**1,166**
Deferred tax liability	354	-	-	-	**354**
Other liabilities	1,346	122	1	3	**1,472**
Equity	54,145	-	-	-	**54,145**
Total liabilities and equity	**545,917**	**93,971**	**21,475**	**5,019**	**666,382**
Net foreign currency position at 31 Dec 2022	**9,203**	**10,403**	**(15,977)**	**(3,629)**	**-**
Off-balance sheet assets*	391,305	160,577	38,762	6,776	**597,420**
Off-balance sheet liabilities*	401,304	171,186	22,775	3,127	**598,392**
Net foreign currency position of the off-balance sheet at 31 Dec 2022	**(9,999)**	**(10,609)**	**15,987**	**3,649**	**(972)**
Total net foreign currency position at 31 Dec 2022	**(796)**	**(206)**	**10**	**20**	**(972)**

* Off-balance sheet assets and liabilities include receivables and payables from spot transactions and the nominal values of all derivative contracts.

Market spread risk

To determine the risk of change in market spreads for forward exchange contracts (in the trading portfolio) and for its own positions in debt instruments (state and corporate), the Group also uses the Value at Risk method. The year-on-year change in the indicator is mainly due to an increase in the volume of Czech government bonds in the Group's investment portfolio.

MCZK	At 31 December 2023	Average 2023	At 31 December 2022	Average 2022
Total market spread VaR	**1,750**	**1,220**	**829**	**809**
Market spread VaR - debt instruments	1,751	1,222	830	811
Market spread VaR - currency positions	2	2	2	5

Equity risk

Market risks arising from the Group's equity trading activities are managed using the limits of maximum open positions in equity instruments. At the end of 2013, the Group suspended trading with equity instruments in the banking book.

Stress testing

The Group performs regular stress testing of interest rate risk inherent in the banking and trading portfolios, the foreign currency risk, option risk, market spread risk and liquidity risk. The results of stress tests are submitted to the Assets and Liabilities Committee (ALCO) on a regular basis.

e) Operational risk

In accordance with the applicable legislation, operational risk is defined as the risk of the Group's loss arising from the inappropriateness or failure of internal processes, human errors or failures of systems or the risk of the Group's loss arising from external events. The Group monitors, tracks and assesses these risks on a regular basis and undertakes measures aimed at minimising losses. In respect of the operational risk, the Group applies the standardised approach to calculating capital adequacy.

The basic principle is the responsibility of each employee for the identification and escalation of the operational risk and for timely and accurate reporting of incidents. The Group has a central operational risk management function in place, which is responsible for the setting of the methodology, measurements or analyses and which provides methodical support to managers.

Operational risk management primarily draws upon the following:

- event data collection;
- general ledger analysis;
- risk assessment;
- scenario analysis;
- early warning indicators (EWI);
- mitigation plans.

The objective of collecting data on the losses arising from operational risk events is not only to accumulate information but predominantly to analyse them. More serious cases are presented to and discussed by the Operational Risk Management & Controls Committee (ORMCC). Through the Operational Risk Management Committee, the Bank also presents, discusses and approves measures aimed at minimising or fully eliminating further occurrence of similar events. In the event that the Committee finds that the implementation of measures will not be effective, such a risk or incident is formally accepted. Specific responsibilities are determined for the implementation of proposed changes and their fulfilment is reviewed by the Operational Risk Management Committee. Other cases are dealt with by the relevant departments.

The general ledger analysis provides reconciliation between the reported incidents and losses and its recognition in the books.
The risk assessment is used to raise awareness of operational risks, clarify individual processes and mitigate the operational risks identified. The risk assessment determines the risk of individual processes, organisational units or activities. The risk level is a relevant value for taking measures within qualitative risk management.

The scenario analysis is a process used by the Group to consider the impact of extreme but low-probability events on its activities, assess the probability of occurrence and estimate significance of the impact on a scale of possible results. The scenario analysis aims at: (i) providing a potential method to record a specific event in a specific organisation; (ii) increasing awareness and educating management by providing insight into various types of risks and managing the plan of remedies and investments.

EWIs are used for the ongoing monitoring and reporting of the risk exposure to operational risk. They provide early warning to take possible steps or make changes in the risk profile, which may initiate management measures. The monitored EWIs include for example the number of dismissed employees, deposit outflows in the retail portfolio, the number of litigations of the same type against the Bank or the unavailability of key IT services.

The Group defines and reviews the Risk Appetite on a regular basis. In using the above-specified instruments, the Group compares the identified risks with the appetite and prepares mitigation plans for the risks that exceed the appetite.

All instruments are used in a regular annual cycle.

f) Equity management

In the EU, banking regulation requirements are stipulated by the Basel III regulatory framework through Regulation EU No. 575/2013/EU on prudential requirements for credit institutions and investment firms (CRR – Capital Requirements Regulation), as amended, and Directive EU No. 2013/36/EU on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms (CRD IV – Capital Requirements Directive). CRD IV was transposed to the Czech legal system by means of an amendment to the Act on Banks and by adopting the Czech National Bank's Decree No. 163/2014 Coll. The new regulation primarily governs capital indicators, imposing stricter requirements namely in respect of regulatory capital, liquidity and risk-weighted exposure.

Since 2014, CRD IV has made it possible for member states to require that banks create and maintain three types of buffers: capital conservation buffer, systemic risk buffer and countercyclical capital buffer. As for the capital conservation buffer, the CNB has decided to apply it from the very beginning to all institutions in the full amount of 2.5% of the Tier 1 capital. As of October 2021, the Czech National Bank abolished the risk premium for systemic risk and replaced it with Other Systemically Important Institution (O-SII) premium, which amounts to 0.5% for the Group. In respect of the countercyclical capital buffer, the CNB decided to set the initial buffer amount to zero at the end of 2014 and banks applied it over the two subsequent years. The CNB continuously increased the buffer to 1.75% in January 2020. As part of the measures adopted due to the COVID-19 outbreak, the Czech National Bank decreased this buffer to 0.5% from 1 July 2021. During 2022, the countercyclical buffer increased by 0.5% from March 2022 and by additional 0.5% from July 2022 to a total level of 1.5%.

From 1 January 2023, the countercyclical buffer has increased by 0.5% to 2%, and by additional 0.5% to 2.5% from April 2023. From July and from October 2023, the rate fell by 0.25% each time to a final 2.0%.

The Group manages its capital adequacy with a view to ensuring its sufficient level after the natural growth in the volume of sales has been accounted for, taking into account the potential macroeconomic development and the environment of changing regulatory requirements. The Group monitors changes in regulatory requirements on an ongoing basis, assessing their impact as part of the capital planning process.

As a local supervisory authority, the CNB monitors whether the Group complies with capital adequacy on a separate as well as consolidated basis. In 2023, the Group met all regulatory requirements.

Internal capital adequacy assessment process

In line with Pillar 2 of Basel II, the Group creates its own internal capital system (hereinafter the "ICS"). The process ensures that the Group is able to:

- identify, quantify, manage and monitor all risks to a sufficient degree;
- secure and maintain the necessary amount of capital to cover all material risks; and
- set up reliable management of the risks, and develop and perfect it on an ongoing basis.

As part of the ICS, the Group proceeds in line with the applicable methodology, which is updated on an annual basis following developments in the ICS. The methodology is based on key parameters defined in line with the Group's general nature, size and risk profile. The key parameters are based on the Group's target rating[i], according to which the applied reliability level (99.9%), the time frame for calculating economic capital (1 year) and the planning time frame (3 years) are determined.

The Group determines the risk appetite, which represents the acceptable level of risk and is one of the basic starting points for the Group's strategic management. The Group's risk appetite is defined through internal and regulatory capital adequacy limits and serves as an instrument for ensuring sufficiently high values of the capital adequacy and Tier 1 and CET1 capital ratios under both expected and stress conditions.

On a monthly basis, the Group monitors internal capital adequacy, which is defined as a ratio of aggregated economic capital (EC) and internal capital, whose structure is based on regulatory capital (Pillar 1). In calculating EC for risks defined under Pillar 1, the Group applies methods derived from those used in determining capital regulatory requirements. For other risks, the economic capital is calculated using internal methods based on risk significance. In addition, the Group recognises a "*capital mark-up*" on total EC.

The risk limit for the risk undertaken (i.e. the amount of economic capital) is determined as 75% of the internal capital. The unallocated portion of internal capital serves as a buffer. If limits defined under the risk appetite are exceeded, the Group's ALCO committee and board of directors is immediately notified and corrective measures are taken.

As part of the ICS process, all relevant risks to which the Group is or may be exposed in the future are assessed and mapped. Based on the resulting assessment, it determines the risks for which it defines the management system, calculates economic capital and performs stress testing as part of Pillar 2 with the aim of verifying the Group's ability to overcome even highly adverse future developments.

The ICS forms part of financial planning (in the form of risk appetite). The creation of the financial plan is reflected in regular monthly stress tests in the form of capital prediction and development planning.

The Group's ALCO committee receives a report on ISC every month. The Group applies the ICS both on a local (monthly) and a consolidated basis (quarterly).

[i]In 2017, the Bank received public rating from the Moody's rating agency. However, as part of the ICS methodology, the Bank uses target rating as the key parameter, which corresponds to the public rating.

47. RECONCILIATION OF LIABILITIES ARISING FROM FUNDING, INCLUDING CHANGES ARISING FROM CASH FLOWS AND NON-CASH CHANGES

	At 1 Jan 2023	Cash flows		Non-cash changes		At 31 Dec 2023
		Inflow	Outflow	Remeasurement of foreign currency positions	Other non-cash changes	
Debt securities issued	24,553	13,232	(2,894)	616	805	**36,312**
Subordinated liabilities and bonds	5,162	-	(41)	107	4	**5,232**
Lease liabilities	1,144	-	(355)	12	176	**977**

	At 1 Jan 2022	Cash flows		Non-cash changes		At 31 Dec 2022
		Inflow	Outflow	Remeasurement of foreign currency positions	Other non-cash changes	
Debt securities issued	19,984	4,971	-	(472)	70	**24,553**
Subordinated liabilities and bonds	5,526	-	(249)	(130)	15	**5,162**
Lease liabilities	1,475	-	(370)	(15)	54	**1,144**

48. LEASES

a) Right-of-use assets

Right-of-use assets relate to the lease of immovable and movable assets which are part of property and equipment – see note 33.

MCZK	Real estate	Machinery and equipment	Total
At 1 January 2022	**2,346**	**20**	**2,366**
Changes to the consolidation group			
Additions	320	-	**320**
Disposals	(461)	-	**(461)**
At 31 December 2022	**2,205**	**20**	**2,225**
Additions	239	-	**239**
Disposals	(229)	-	**(229)**
At 31 December 2023	**2,215**	**20**	**2,235**
Accumulated depreciation			
At 1 January 2022	**(889)**	**(4)**	**(893)**
Additions – annual depreciation charges	(384)	(10)	**(394)**
Disposals	197	-	**197**
At 31 December 2022	**(1,076)**	**(14)**	**(1,090)**
Additions – annual depreciation charges	(373)	(4)	**(377)**
Disposals	172	-	**172**
At 31 December 2023	**(1,277)**	**(18)**	**(1,295)**
Net book value			
At 31 December 2022	**1,128**	**6**	**1,134**
At 31 December 2023	**938**	**2**	**940**

b) Analysis of financial liabilities from leases according to remaining maturity (undiscounted cash flows)

2023 (MCZK)	Net book value	Total contractual liability	0 – 1 months	0 - 3 months	3 - 12 months	1 - 5 years	Over 5 years
Lease liabilities	977	1,017	41	57	263	579	76

2022 (MCZK)	Net book value	Total contractual liability	0 – 1 months	0 - 3 months	3 - 12 months	1 - 5 years	Over 5 years
Lease liabilities	1,144	1,196	43	59	263	694	137

c) Values recognised in the consolidated statement of comprehensive income

MCZK	2023	2022
Interest expense from lease liabilities	(24)	(24)
Depreciation of right-of-use assets	(377)	(394)
Cost of short-term leases	(5)	(5)
Cost of short-term leases of low-value assets	-	-

49. CHANGES IN THE CONSOLIDATION GROUP

a) Newly consolidated entities in 2023

In 2023, the Group did not make any acquisitions of companies that would be included in the consolidation using the full consolidation method or the equity method.

b) Newly consolidated entities in 2022

In 2022, the Group did not make any acquisitions of companies that would be included in the consolidation using the full consolidation method or the equity method.

c) Disposals for the year ended 31 December 2023

In 2023, no company was sold outside the Group.

d) Disposals for the year ended 31 December 2022

In 2022, Konevova, s.r.o. was sold.

MCZK	Book value as of the disposal date
Value of investment as of the disposal date	264
Selling price of the equity investment	453
Profit/(loss) arising from the disposal	188
Cash inflow arising from the disposal	**453**

50. INTERESTS IN UNCONSOLIDATED STRUCTURED ENTITIES

Asset value and maximum exposure loss

MCZK	2023	
	Net book value	Maximum loss
Loans and advances to customers	6,012	6,012
Interests in unconsolidated structured entities	20	21
Other assets	30	-
Total	**6,062**	**6,033**

MCZK	2022	
	Net book value	Maximum loss
Loans and advances to customers	5,774	5,774
Interests in unconsolidated structured entities	21	21
Other assets	29	-
Total	**5,824**	**5,795**

Liability value

MCZK	2023	2022
Current accounts / One-day deposits	425	171
Term deposits	-	65
Total	**425**	**236**

51. TRANSACTIONS WITH RELATED PARTIES

At 31 December 2023

For related party transaction reporting purposes, the Group considers Raiffeisen CEE Region Holding GmbH (direct parent company) and Raiffeisen Bank International AG (entity with controlling influence on the Group exercised indirectly) to be its parent companies. Transactions with related parties are concluded under standard business terms and arm's length prices.

MCZK	Parent companies	Companies with significant influence over the Group	Associated companies	Board of directors, supervisory board and other managers*	Other related parties	Total
Receivables	8,398	783	9	210	998	**10,398**
Positive fair values of financial derivatives	8,796	-	49	-	-	**8,845**
Liabilities	602	22	881	356	5,904	**7,765**
Negative fair values of financial derivatives	15,395	-	54	-	-	**15,449**
Other equity instruments	4,107	-	-	-	724	**4,831**
Subordinated liabilities and bonds	3,238	-	-	-	1,382	**4,620**
Guarantees issued	2,499	-	-	-	329	**2,828**
Guarantees received	112	-	-	-	1,685	**1,797**
Nominal values of financial derivatives (off-balance sheet receivables)	550,792	-	4,040	-	-	**554,832**
Nominal values of financial derivatives (off-balance sheet liabilities)	550,314	-	4,077	-	-	**554,391**
Irrevocable credit commitments provided	-	-	-	14	-	**14**
Interest income	6,728	21	-	5	18	**6,772**
Interest expense	(8,797)	-	(12)	(6)	(270)	**(9,085)**
Fee and commission income	48	-	-	-	25	**73**
Fee and commission expense	(33)	-	-	-	(193)	**(226)**
Net gain or loss from financial operations	(292)	-	(80)	-	29	**(343)**
Net gain or loss from hedge accounting	1,911	-	-	-	-	**1,911**
General operating expenses	(308)	-	-	(281)	(25)	**(614)**
Other operating income, net	10	-	-	-	2	**12**

*Other members of the management are level B-1 managers of the Bank

The **receivables** are principally composed of the following:

Credit balances on the current account maintained at:
- Raiffeisen Bank International AG (parent company) of MCZK 8,398
- Raiffeisen Bank Zrt. (fellow subsidiary) of MCZK 3
- Raiffeisenbank AO (Russia) (fellow subsidiary) of MCZK 27
- Raiffeisen Bank S.A. (Romania) of MCZK 1

Provided loan:
- AKCENTA CZ a.s. (associated company) of MCZK 9
- Tatra-Leasing, s.r.o. (fellow subsidiary) of MCZK 354

Nominal values of financial derivatives – off-balance sheet receivables:
- Raiffeisen Bank International AG (parent company) of MCZK 550,792
- AKCENTA CZ a.s. (associated company) of MCZK 4,040

The **liabilities** are principally composed of the following:

Credit balances on the current account of the Group from:
- Raiffeisen Bank International AG (parent company) of MCZK 428
- AKCENTA CZ a.s. (associated company) of MCZK 881
- Tatra Banka, a.s. (fellow subsidiary) of MCZK 6
- Raiffeisenbank Hungary (fellow subsidiary) of MCZK 16

Term deposits:
- Raiffeisen Bank International AG (parent company) of MCZK 14
- UNIQA pojišťovna, a.s. (associated company of the parent company Raiffeisen Bank International AG) of MCZK 105
- Raiffeisenbank Hungary (fellow subsidiary) of MCZK 2,780
- Tatra Banka, a.s. (fellow subsidiary) of MCZK 345

Repo transactions:
- Tatra Banka, a.s. (fellow subsidiary) of MCZK 1,302
- Raiffeisen Bank International AG (parent company) of MCZK 160
- Raiffeisenbank Hungary (fellow subsidiary) of MCZK 1,252

Nominal values of financial derivatives – off-balance sheet liabilities:
- Raiffeisen Bank International AG (parent company) of MCZK 550,314
- AKCENTA CZ a.s. (associated company) of MCZK 4,077

Subordinated debt from:
- Raiffeisen Bank International AG (parent company) of MCZK 3,238
- Raiffeisenlandesbank Oberösterreich AG of MCZK 1,080
- Raiffeisen Bausparkassen Holding GmbH of MCZK 302

Other equity instruments – subordinated unsecured AT1 capital investment certificates purchased from:
- Raiffeisen Bank International AG (parent company) of MCZK 4,107
- RLB OÖ Sektorholding GmbH of MCZK 724

At 31 December 2022

For related party transaction reporting purposes, the Group considers Raiffeisen CEE Region Holding GmbH (direct parent company) and Raiffeisen Bank International AG (entity with controlling influence on the Group exercised indirectly) to be its parent companies. Transactions with related parties are concluded under standard business terms and arm's length prices.

MCZK	Parent companies	Companies with significant influence over the Group	Associated companies	Board of directors, supervisory board and other managers*	Other related parties	Total
Receivables	9,568	-	127	191	839	**10,725**
Positive fair values of financial derivatives	13,366	-	5	-	-	**13,371**
Liabilities	1,318	1	691	305	4,878	**7,193**
Negative fair values of financial derivatives	21,146	-	134	-	-	**21,280**
Other equity instruments	4,107	-	-	-	724	**4,831**
Subordinated liabilities and bonds	3,156	-	-	-	1,354	**4,510**
Guarantees issued	577	-	-	-	111	**688**
Guarantees received	137	-	-	-	1,957	**2,094**
Nominal values of financial derivatives (off-balance sheet receivables)	498,888	-	2,893	-	33	**501,814**
Nominal values of financial derivatives (off-balance sheet liabilities)	497,432	-	3,108	-	33	**500,573**
Irrevocable credit commitments provided	0	-	-	33	-	**33**
Interest income	4,625	2	-	3	44	**4,674**
Interest expense	(6,640)	-	-	(3)	(194)	**(6,837)**
Fee and commission income	44	-	-	-	22	**66**
Fee and commission expense	(24)	-	-	-	(139)	**(163)**
Net gain or loss from financial operations	3,633	-	(207)	-	52	**3,478**
Net gain or loss from hedge accounting	(3,759)	-	-	-	-	**(3,759)**
General operating expenses	(281)	-	-	(269)	(24)	**(574)**
Other operating income, net	27	-	-	-	2	**29**

*Other members of the management are level B-1 managers of the Bank

The **receivables** are principally composed of the following:

Credit balances on the current account maintained at:
- Raiffeisen Bank International AG (parent company) of MCZK 9,568
- Raiffeisen Bank Zrt. (fellow subsidiary) of MCZK 124
- Raiffeisenbank AO (Russia) (fellow subsidiary) of MCZK 38

Provided loan:
- AKCENTA CZ a.s. (associated company) of MCZK 127
- Tatra-Leasing, s.r.o. (fellow subsidiary) of MCZK 460

Nominal values of financial derivatives – off-balance sheet receivables:
- Raiffeisen Bank International AG (parent company) of MCZK 498,888
- AKCENTA CZ a.s. (associated company) of MCZK 2,893

The **liabilities** are principally composed of the following:

Credit balances on the current account of the Group from:
- Raiffeisen Bank International AG (parent company) of MCZK 94
- AKCENTA CZ a.s. (associated company) of MCZK 691

Term deposits:
- UNIQA pojišťovna, a.s. (associated company of the parent company Raiffeisen Bank International AG) of MCZK 154

Repo transactions:
- Tatra Banka, a.s. (fellow subsidiary) of MCZK 1,091

Debt securities of the Group issued:
- Raiffeisenbank Hungary (fellow subsidiary) of MCZK 486
- Raiffeisen Bank International AG (parent company) of MCZK 1,224

Nominal values of financial derivatives – off-balance sheet liabilities:
- Raiffeisen Bank International AG (parent company) of MCZK 497,432
- AKCENTA CZ a.s. (associated company) of MCZK 3,108

Subordinated debt from:
- Raiffeisen Bank International AG (parent company) of MCZK 3,156
- Raiffeisenlandesbank Oberösterreich AG of MCZK 1,052
- Raiffeisen Bausparkassen Holding GmbH of MCZK 302

Other equity instruments – subordinated unsecured AT1 capital investment certificates purchased from:
- Raiffeisen Bank International AG (parent company) of MCZK 4,107
- RLB OÖ Sektorholding GmbH of MCZK 72

52. SUBSEQUENT EVENTS

In January 2024, the Group accepted a subordinated debt of MEUR 100 from Raiffeisen Bank International AG. This subordinated debt bears interest at 3M EURIBOR plus 4.875% and has a one-time 10-year maturity with an option for the Group for early repayment after 5 years. This transaction had no impact on the consolidated financial statements at 31 December 2023.

No other events occurred subsequent to the reporting date that would have a material impact on the consolidated financial statements as of 31 December 2023.

Raiffeisenbank a.s.

Separate financial statements
Prepared in accordance with IFRS Accounting Standards as adopted by the European Union for the year ended 31 December 2023

<u>**Components of the Financial Statements**</u>

Statement of Comprehensive Income

Statement of Financial Position

Statement of Changes in Equity

Cash Flow Statement

Notes to the Financial Statements

These financial statements have been prepared by the Bank and approved by the Board of Directors of the Bank on 27 February 2024.

Statutory body of the entity	Signature
Igor Vida Chairman of the Board of Directors	
Kamila Makhmudova Member of the Board of Directors	

Statement of Comprehensive Income

For the Year Ended 31 December 2023

MCZK	Note	2023	2022
Interest income and similar income calculated using the effective interest rate method	6	37,752	27,615
Other interest income	6	2,727	2,530
Interest expense and similar expense	6	(27,144)	(15,969)
Net interest income		**13,335**	**14,176**
Fee and commission income	7	5,755	5,513
Fee and commission expense	7	(1,583)	(981)
Net fee and commission income		**4,172**	**4,532**
Net gain/(loss) on financial operations	8	(330)	(602)
Net gain/(loss) on financial assets other than held for trading mandatorily measured at fair value through profit or loss	9	16	(7)
Net gain/(loss) from hedge accounting	10	(90)	(104)
Dividend income	11	118	8
Impairment gains/(losses) on credit and off-balance sheet exposures	12	(1,351)	127
Gain/(loss) from derecognition of financial assets and financial liabilities measured at amortised cost	13	7	5
Personnel expenses	14	(4,018)	(3,943)
General operating expenses	15	(2,783)	(3,038)
Depreciation and amortisation	16	(1,786)	(2,034)
Other operating income	17	384	377
Other operating expenses	18	(71)	(95)
Impairment losses on equity investments	28	(206)	-
Profit before tax		**7,397**	**9,402**
Income tax	19	(1,899)	(1,861)
Net profit for the year attributable to the Bank's shareholders		**5,498**	**7,541**
Earnings per share/ Diluted earnings per share (in CZK)	20	**3,356**	**4,674**

Other comprehensive income			
Items that will not be reclassified to profit or loss in future:			
Net gain/(loss) from remeasurement of equity securities at FVOCI	37	23	(9)
Deferred tax relating to items that will not be reclassified to profit or loss in following periods	37	(4)	1
Items that will be reclassified to profit or loss in future:			
Revaluation of cash flow hedges	37	**729**	**(427)**
Deferred tax relating to items that will be reclassified to profit or loss in following periods	37	(200)	148
Total other comprehensive income		**548**	**(287)**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**6,046**	**7,254**

The accompanying notes on pages 202–308 are an integral part of these financial statements.

Statement of Financial Position
As of 31 December 2023

MCZK	Note	31 Dec 2023	31 Dec 2022
ASSETS			
Cash and cash equivalents	21	14,912	13,879
Financial assets held for trading	22	5,364	7,710
Trading derivatives	22,39	4,918	7,548
Securities held for trading	22	446	162
Financial assets other than held for trading mandatorily measured at fair value through profit or loss	23	208	194
Financial assets at FVOCI	24	132	101
Financial assets at amortised cost	25	620,311	556,322
Loans and advances to banks	25	160,669	166,807
Loans and advances to customers	25	366,259	349,753
Debt securities	25	93,383	39,762
Fair value remeasurement of portfolio-remeasured items	39	50	(5,755)
Hedging derivatives with positive fair value	26	5,152	7,347
Equity investments in subsidiaries and associated companies	29	10,931	7,209
Intangible assets	30	5,316	5,507
Property, plant and equipment	31	1,643	2,006
Other assets	28	12,998	6,805
TOTAL ASSETS		**677,017**	**601,325**

MCZK	Note	31 Dec 2023	31 Dec 2022
LIABILITIES AND EQUITY			
Financial liabilities held for trading	32	4,678	7,968
Trading derivatives	32	4,678	7,968
Financial liabilities at amortised cost	33	609,237	535,169
Deposits from banks	33	22,788	10,674
Deposits from customers	33	538,857	489,634
Debt securities issued	33	36,312	24,553
Subordinated liabilities and bonds	33	4,930	4,860
Other financial liabilities	33	6,350	5,448
Fair value remeasurement of portfolio-remeasured items	39	(6,467)	(14,354)
Hedging derivatives with negative fair value	34	12,725	17,658
Provisions	35	1,224	1,258
Current tax liability	19	50	1,088
Deferred tax liability	27	295	128
Other liabilities	36	1,417	1,105
TOTAL LIABILITIES		**623,159**	**550,020**
EQUITY			
Share capital	37	15,461	15,461
Reserve fund		694	694
Fair value reserve	37	(117)	(665)
Retained earnings		27,491	23,443
Other equity instruments	37	4,831	4,831
Profit for the year		5,498	7,541
Total equity		**53,858**	**51,305**
TOTAL LIABILITIES AND EQUITY		**677,017**	**601,325**

The accompanying notes on pages 202–308 are an integral part of these financial statements.

Statement of Changes in Equity

For the Year Ended 31 December 2023

(MCZK)	Share capital	Reserve fund	Fair value reserve	Retained earnings	Other equity instruments	Net profit for the year	Total equity
At 31 December 2021	**15,461**	**694**	**(378)**	**19,128**	**4,831**	**4,687**	**44,423**
Impact of the merger	-	-	-	(76)	-	-	**(76)**
At 1 Jan 2022	**15,461**	**694**	**(378)**	**19,052**	**4,831**	**4,687**	**44,347**
Increase in share capital	-	-	-	-	-	-	-
Increase in other equity instruments	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-
Payment of coupon on other equity instruments	-	-	-	(296)	-	-	**(296)**
Allocation to retained earnings	-	-	-	4,687	-	(4,687)	-
Net profit for the year	-	-	-	-	-	7,541	**7,541**
Other comprehensive income, net	-	-	(287)	-	-	-	**(287)**
Total comprehensive income for the year	**-**	**-**	**(287)**	**-**	**-**	**7,541**	**7,254**
At 31 December 2022	**15,461**	**694**	**(665)**	**23,443**	**4,831**	**7,541**	**51,305**
Increase in share capital	-	-	-	-	-	-	-
Increase in other equity instruments	-	-	-	-	-	-	-
Dividends	-	-	-	(3 185)	-	-	**(3 185)**
Payment of coupon on other equity instruments	-	-	-	(308)	-	-	**(308)**
Allocation to retained earnings	-	-	-	7,541	-	(7,541)	-
Net profit for the year	-	-	-	-	-	5,498	**5,498**
Other comprehensive income, net	-	-	548	-	-	-	**548**
Total comprehensive income for the year	**-**	**-**	**548**	**-**	**-**	**5,498**	**6,046**
At 31 December 2023	**15,461**	**694**	**(117)**	**27,491**	**4,831**	**5,498**	**53,858**

The accompanying notes on pages 202–308 are an integral part of these financial statements.

Cash Flow Statement
For the Year Ended 31 December 2023

(MCZK)	Note	2023	2022
Profit before tax		**7,397**	**9,402**
Adjustments for non-cash transactions			
Impairment gains/(losses) on credit and off-balance sheet exposures	12	1,351	(127)
Depreciation/amortisation expense	16	1,786	2,034
Impairment loss on equity investments	29	206	-
Creation/(release) of other provisions	35	(130)	-
Change in fair value of derivatives	22,26,34,32	(3,398)	4,946
Unrealised losses/(gains) on remeasurement of securities	22	(29)	5
Gain/(loss) on sale of property and equipment and intangible assets	17,18	9	(32)
Change in the remeasurement of hedged items upon fair value hedge	13	2,082	(3,767)
Foreign exchange gains/losses	12	601	453
Change in accruals and amortisation of financial assets and liabilities		(489)	290
(Release)/creation of initial loss on financial assets and assignment of receivables		(549)	(77)
Other non-cash changes		(109)	(348)
Operating profit before changes in operating assets and liabilities		***8,728***	***12,779***
Operating cash flow			
(Increase)/decrease in operating assets			
Mandatory minimum reserves with the Czech National Bank (CNB)	28	(6,148)	2,014
Loans and advances to banks	25	6,661	25,829
Loans and advances to customers	25	(14,371)	(37,389)
Debt securities held at amortised cost	25	(52,291)	(7,867)
Securities held for trading	22	(279)	(2)
Financial assets other than those held for trading mandatorily at fair value through profit or loss	23	(13)	303
Financial assets at fair value through other comprehensive income	24	(31)	(81)
Other assets	28	(45)	1,035
(Increase)/decrease in operating assets			
Deposits from banks	33	11,385	(2,240)
Deposits from customers	33	47,093	6,162
Other financial liabilities	33	1,033	2,135
Other liabilities	36	313	(6)
Net operating cash flow before tax		**2,035**	**2,672**
Income tax paid	19	(2,953)	(996)
Net operating cash flow		***(918)***	***1,676***
Cash flows from investing activities			
Increase in equity investments	29	(4,100)	-
Decrease in equity investments		172	-
Acquisition of property and equipment and intangible assets	30,31	(898)	(1,041)
Proceeds from sale of non-current assets	17	-	39
Dividends received	11	118	8
Net cash flow from investing activities		***(4,708)***	***(994)***
Cash flows from financing activities			
Dividends paid and paid coupons on other equity instruments	37	(3,494)	(296)
Debt securities issued	33	13,232	4,971
Repayment of debt securities issued	33	(2,894)	-
Repayment of subordinated deposits	33	(41)	(249)
Lease liabilities	33	(377)	(393)
Net cash flow from financing activities		**6,426**	***4,033***
Net (decrease)/increase in cash and cash equivalents		**800**	**4,715**
Cash and cash equivalents at the beginning of the year (Note 21)		13,879	8,920
Impact of the merger (Note 5)		-	428
Foreign exchange gains/losses on cash and cash equivalents at the beginning of the year		233	(184)
Cash and cash equivalents at the end of the year (Note 21)		**14,912**	**13,879**
Interest received		38,755	29,641
Interest paid		(28,650)	(16,891)

The accompanying notes on pages 202–308 are an integral part of these financial statements.

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1. INFORMATION ABOUT THE COMPANY

Raiffeisenbank a.s. ("the Bank"), with its registered office at Hvězdova 1716/2b, Praha 4, post code 140 78, identification number 49240901, was founded as a joint stock company in the Czech Republic. The Bank was recorded in the Commercial Register maintained by the Municipal Court in Prague on 25 June 1993, Section B, File 2051.

Principal activities of the Bank according to the banking licence granted by the Czech National Bank (CNB):

- acceptance of deposits from the public;
- provision of loans;
- investing in securities on its own account;
- finance leases - at present, the Bank does not carry out this activity directly;
- payments and clearing;
- issuance and maintenance of payment facilities;
- provision of guarantees;
- opening of letters of credit;
- direct debit services;
- provision of investment services;
  - principal investment services under Section 4 (2) (a), (b), (c), (d), (e), (g), and (h) of Act No. 256/2004 Coll., as amended;
  - additional investment services under Section 4 (3) (a) – (f) of Act No. 256/2004 Coll., as amended;
- issuance of mortgage bonds;
- financial brokerage;
- depositary activities;
- foreign exchange services (foreign currency purchases);
- provision of banking information;
- proprietary or client-oriented trading with foreign currency assets;
- rental of safe-deposit boxes;
- activities directly relating to the activities listed in the banking licence; and
- mediation of supplementary pension schemes.

In addition to the licence to pursue bank operations, the Bank:

- was granted a securities broker licence; and
- has been listed by the Ministry of Finance of the Czech Republic as a limited insurance provider.

During the year ended 31 December 2023, the performance or provision of the Bank's activities and services were not restricted or suspended by the Czech National Bank.

2. BASIS OF PREPARATION

These statutory financial statements have been prepared in compliance with IFRS Accounting Standards as adopted by the European Union and interpretations approved by the International Accounting Standards Board (IASB).

The financial statements include a statement of financial position, a statement of comprehensive income, a statement of changes in equity, a cash flow statement and notes to the financial statements containing accounting policies and explanatory notes.

The financial statements are prepared on the accrual basis of accounting whereby the effects of transactions and other events are recognised when they occur and reported in the financial statements for the periods to which they relate in terms of substance and time, and further on the going concern basis.

These financial statements have been prepared under the historical cost convention (including any impairment), except for financial assets and financial liabilities measured at fair value through profit or loss (FVTPL) (including all non-hedging derivatives and hedging derivatives in a fair value hedge), financial assets measured at fair value through other comprehensive income (FVOCI), and hedging derivatives upon a cash flow hedge remeasured at fair value through other comprehensive income. Recognised financial assets and financial liabilities designated as hedged items in qualifying fair value hedging relationships, which if not included in the hedging relationship, would be measured at amortised cost, are adjusted for changes in fair value that arise from the hedged risk under hedging relationship.

These financial statements and notes thereto are non-consolidated and do not include the accounts and results of those companies over which the Bank has control or significant influence and joint ventures. The policies of accounting for equity investments are disclosed in Note 3 (i).

The Bank prepares the separate financial statements in accordance with Act No. 563/1991 Coll., on Accounting, as amended.

The Bank also prepares consolidated financial statements in accordance with IFRS and interpretations approved by the IASB as adopted by the European Union which present the results of the Bank's financial group.

The Bank does not prepare an annual report as of the date of these separate financial statements, as all information will be included in the consolidated annual financial report.

These separate financial statements are prepared on a going concern basis as the Bank's management believes that the Bank has sufficient resources to maintain its business operations in the foreseeable future. This belief is based on a wide range of information and analyses regarding the current and future economic environment, including possible scenarios and their impact on the Bank's profitability, liquidity and capital adequacy; there is no material uncertainty related to events or circumstances that would cast significant doubt on the Bank's ability to continue as a going concern.

Unless otherwise indicated, all amounts are shown in millions of Czech crowns (MCZK). Numbers in brackets represent negative amounts.

Use of estimates

The presentation of separate financial statements in compliance with IFRS EU requires the Bank's management to make estimates and assumptions that affect the amounts of assets and liabilities reported as of the reporting date, disclosure of contingent assets and liabilities and the amounts of revenues and expenses for the accounting period. These estimates, which primarily relate to the determination of fair values of financial instruments (derivatives and securities, where no active market exists), measurement of intangible assets, impairment of financial assets and provisions, deferred tax assets and liabilities, are based on the information available at the date of issue of the separate financial statements. The actual future results may differ from these estimates.

As disclosed in Note 42, in calculating the expected credit losses the Bank uses estimates concerning the financial condition of the borrowers and their ability to repay the credit, the value and recoverability of the security, and future macroeconomic information.

The value of recognised provisions is based on the management's judgement and represents the best estimate of expenses required to settle liabilities of uncertain timing or amount. For additional information on provisions refer to Note 35.

As disclosed in Note 3 (f), classification of financial assets requires assessment of business model within which the assets are held and assessment of whether the financial meets the criteria of cash flows (so called "SPPI test").

As disclosed in Note 29 to the financial statements, the Bank uses estimates of future cash flows based on an approved financial plan covering the next five years to assess the impairment of its equity investments.

3. SIGNIFICANT ACCOUNTING POLICIES AND PROCEDURES

a) Interest income and expense

Interest income and expense are recognised in the statement of comprehensive income lines "*Interest income and similar income calculated using the effective interest rate method*", "*Other interest income*" and *"Interest expense and similar expense"* when earned or incurred, on an accrual basis. The Bank accounts for the accruals of interest using the effective interest rate method. The effective interest rate method is an approach to calculating the amortised cost of a financial asset or financial liability using the effective interest rate. The effective interest rate is used to discount estimated future cash payments or receipts as of the maturity date to the present value. Interest income (expense) also includes interest income (expense) arising from negative interest rates carried by the relevant assets (liabilities) of the Bank.

b) Fees and commissions

Fee and commission income arising from customer contracts is measured based on the consideration specified in the contract. Income is recorded when the Bank provides the service to customers.

The following is a description of the principles for reporting fee and commission income. The Bank provides retail and corporate customers with banking and credit services such as account management, overdraft facilities, foreign currency transactions, credit cards, loans, and operational financing. Fees and commissions paid or received that are directly attributable to the issuance or acquisition of a financial asset or financial liability are an integral part of the effective interest rate of the financial asset or financial liability and are included in the calculation of the effective interest rate. These include, for example, fees for the origination of loans, loan application processing, paid commissions, etc. Fee income/expense that is part of the effective interest rate is recognised under "*Interest income and similar income calculated using the effective interest rate method"* or "*Interest expense and similar expense"*, respectively.

Fees for services provided over a certain period of time are accrued over such a period of time and are recognised under "*Total fee and commission income*" and "*Total fee and commission expense*". These fees include, for example, fees for guarantees and letters of credit, internal and external commissions and fees for transactions with securities. Income from fees and commissions received for concluding a transaction for a third party or for participating in such a transaction, such as payment transactions through bank accounts or ATMs, and fees relating to clients' foreign currency translations are recognised at the moment the transaction is completed.

Commission income arising from mediating third-party insurance and investment products is recognised when the contract is executed. The Bank concluded that it acts as an agent as it has no control over the services provided to clients. The bank does not associate these commissions with ancillary services nor does it have the ability to set the price. Therefore, the Bank accounts for income only at the net amount of the expected consideration. Commissions are generally based on the volume of negotiated contracts and their performance. The Bank accounts for performance-based fees when a third party confirms them.

Service fees and fees for the ongoing administration of deposit and credit accounts are periodically deducted from customers' accounts and are recognised when they use respective benefits. The Bank determines fees for different customer segments and service levels individually. Service fee income is recognised evenly over time. Contracts, with the exception of contracts concerning term deposits, do not have a minimum commitment period.

When providing services, the Bank does not apply incentives (such as temporary discounts) that would result in the recognition of a contractual asset. The Bank does not accept any non-refundable prepayments from customers that would lead to the recognition of a contractual liability or customer option or that would contain a material financing component.

Transaction fee income arises mainly from payment card settlement fees, currency conversion fees, and other payment transactions. Income is recognised when the transaction takes place. Fee income arising from impaired financial assets is recognised when the payment is received or the service is provided, whichever occurs later.

The Bank decided to apply a practical expedient under IFRS 15.121 and does not disclose information on the total amount of the residual transaction price for services and commission income because the period of enforceability of the respective contract is less than one year and the right to receive performance under service and commission contracts is directly related to the value provided to the customer.

c) Dividends

Income from dividends on securities and equity investments is recorded as declared and included as a receivable in the statement of financial position line "*Other assets*" and in "*Dividend income*" in the statement of comprehensive income. Upon receipt of the dividend, the receivable is offset against the collected cash.

Dividends and coupons on other equity instruments paid reduce retained earnings in the period in which their payment is approved by the annual General Meeting.

d) Other income and expenses reported in the statement of comprehensive income

Other income and expenses presented in the statement of comprehensive income are recognised under the accrual basis of accounting, i.e. in the period to which they relate in terms of substance and time irrespective of the moment of their payment or receipt.

Other operating expenses and income that do not directly relate to banking activities are presented in "*Other operating expenses*" or *"Other operating income*".

e) Taxation

The final amount of tax presented in the statement of comprehensive income comprises the current tax for the accounting period adjusted for changes in prior years' tax liabilities, if any, and deferred tax. Current tax for the year is calculated based on the taxable income, using the tax rate enacted and the tax legislation in force as of the reporting date.

Deferred tax is provided using the balance sheet liability method on all temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for tax purposes. The principal temporary differences arise from certain non-tax deductible provisions and loss allowances, differences between depreciation/amortisation expense for accounting and tax purposes, and remeasurement of financial assets at FVOCI.

Deferred tax assets are recognised only to the extent that it is probable that sufficient taxable profit will be available to allow the asset to be utilised.

Windfall tax came into effect on 1 January 2023 and is applied in the years 2023 to 2025 to i.a. banks with net income exceeding CZK 6 billion in 2021; therefore, the Bank is subject to the tax. The windfall tax is set at 60% and the tax base is the difference between the current year's corporate income tax base and the average corporate income tax base between 2018 and 2021 plus 20%. The Bank has taken into account the windfall tax in the calculation of the income tax provision. The income tax rate used in the calculation of the provision takes into account both the standard corporate income tax rate of 19% and the windfall tax rate of 60%.

The impact of the windfall tax is also reflected in the calculation of the Bank's deferred tax and has therefore been reflected in the deferred tax balance as of 31 December 2023. Deferred tax is calculated using the expected tax rate in the period when the tax asset is recovered or the tax liability is settled. Deferred tax is calculated on all temporary differences using the liability method using the basic income tax rate of 21% and also taking into account the effect of the windfall tax that will apply for the years 2024 to 2025.

The effect of changes in tax rates on deferred tax is recognised directly in the statement of comprehensive income except where such changes relate to items charged directly to equity.

In December 2023, Act No. 416/2023, on top-up taxes for large multinational groups and large domestic groups came into force. With effect from 31 December 2023, it introduced two entirely new taxes on profits - the Czech top-up tax and the assigned top-up tax ("top-up tax"). The aim of the introduction of the top-up tax is to ensure that large multinational/national groups pay a profit tax for each country (where they operate through subsidiaries or permanent establishments) such that their effective tax rate is at least 15%.

This law only applies to large groups which in two of the four tax years preceding the period under review reported consolidated income of at least EUR 750 million in the consolidated financial statements of the ultimate parent company. The Raiffeisen Bank International Group (RBI) qualifies as a large group, so the law on top-up taxes also applies to the Bank.

For the years 2024-2026, the Country-by-Country Reporting (safe harbour rules) can be used as a simplification to verify the application of the minimum taxation. Based on the data from this report for 2022 and the expected results of 2023 and 2024, the RBI Group has realised / expects to realise, in 2024, an effective taxation of more than 15% in the country. Consequently, the Bank does not expect to pay any top-up tax in 2024.

f) Financial assets and liabilities

Date of recognition and derecognition of financial instruments in/from the statement of financial position

Financial assets with regular delivery terms, except for financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income, are recognised using settlement date accounting.

The settlement (collection) date is the day on which the financial instrument is delivered (on which cash is paid). When settlement date accounting is applied, the financial asset is recognised on the day of receipt of a financial instrument (remittance of cash) and derecognised on the day of its provision (collection of cash).

All loans and receivables are recognised when funds are provided to customers. Loans and receivables are derecognised when repaid by the borrower. Assigned receivables are derecognised when payment is collected from the assignee, and receivables which the Bank decided to write off are derecognised as of the write-off date.

For financial assets and liabilities at fair value through profit or loss, the Bank uses the trade date accounting where the trade date is the date when the entity undertakes to buy or sell the financial asset.

The substance of trade date accounting is as follows:

- recognition of an asset that the entity shall receive as of the trade date; and
- derecognition of a sold asset and recognition of the gain or loss upon disposal and recognition of a receivable from the buyer as of the trade date.

The interest on the asset and the relating liability is accrued from the settlement date when the ownership rights are transferred. The premium/discount is amortised from the purchase settlement date to the sale settlement date.

The Bank remeasures derivative instruments at fair value from the trade date to the settlement date, that is, delivery of the last related cash flow.

The Bank derecognises a financial liability when its contractual obligations are discharged, or cancelled, or expire.

Day one gain/loss

In the event that the transaction price differs from the fair value of a financial asset or financial liability measured at fair value, the difference between these values (gain or loss) is reported in the statement of comprehensive income, either as a one-off amount or accrued over the duration of the contract based on an individual assessment of the financial instrument. The Bank typically does not conduct this type of transaction.

Fair value measurement principles

The fair value of financial assets and financial liabilities is based on their listed market price as of the reporting date without any deduction for transaction costs. If a listed market price is not available, the fair value of the instrument is determined using the appropriate measurement models or discounted cash flow method.

Where the discounted cash flow method is used, estimated future cash flows are based on the management's best estimates and the discount rate is derived from the market rate as of the reporting date for instruments with similar terms and conditions. Where measurement models are used, inputs are based on market values as of the reporting date.

The fair value of derivatives that are not exchange-traded is determined as the amount that the Bank would receive upon the sale of the asset or would have to pay transfer the liability, taking into account current market conditions and the current creditworthiness of the counterparties.

The remeasurement of debt securities in the Bank's portfolio is carried out on a daily basis, using available market rates listed by the market participants by means of Bloomberg services. A group of contributors who provide reliable and regular debt security measurement is selected for each debt security. The credit spread of the debt security is calculated from individual contributions and discount curves.

If there are sufficient current market contributions available in respect of a given debt security, the remeasurement is calculated as their average value. To prevent possible errors of particular contributions, a comparison of daily changes is made at the same time.

If there is no market price available as a source of remeasurement or the number of actual contributions is not sufficient, the Bank will carry out the remeasurement based on a risk-free interest rate swap rate, to which the last verified credit spread is applied. The Bank continues to apply this method until:

- market quotations are again available;
- the credit spread of a particular debt security is adjusted based on a comparison of credit spreads of similar debt securities;
- the Bank obtains another signal to change the credit spread applied;
- the issuer's credit rating changes (change in internal and/or external rating, signals from the market that creditworthiness is worsening); and
- the liquidity of the specific security has deteriorated significantly.

Subsequently, the Bank will carry out the remeasurement comprising new aspects of the market price, including an assessment of possible impairment losses.

The Bank's management believes that the fair value of the assets and liabilities presented in these financial statements can be measured reliably.

Classification and measurement

The classification of financial assets under IFRS 9 reflects the cash flow characteristics ("SPPI test") and business model in which assets are managed. Based on these criteria, the Bank classifies financial instruments into the following categories:

- financial assets measured at amortised cost ("AC");
- financial assets measured at fair value through other comprehensive income ("FVOCI");
- financial assets measured at fair value through profit or loss ("FVTPL").

Financial assets measured at amortised cost (AC)

A financial asset is measured at amortised cost if it is held in a business model whose objective is to hold financial assets to collect contractual cash flows, and cash flows meet the conditions of the SPPI test.

In the statement of financial position, financial assets at amortised cost are recognised in "*Financial assets at amortised cost*" and include loans and advances to banks and customers and debt securities not held for trading.

The amortised cost is the cost minus repayments of principal, plus accrued interest, increased or decreased by amortisation of discount or premium, if any, and decreased by expected credit losses using a loss allowance. The amortised cost is calculated using the effective interest rate method. An integral part of the effective interest rate are fees and the related transaction costs. All loans and advances are recognised when cash is advanced to borrowers (or banks). Interest income from financial assets at amortised cost is reported in the statement of comprehensive income in *"Interest income and similar income calculated using the effective interest rate method"*. Impairment losses are reported in the statement of comprehensive income in *"Impairment losses on financial instruments"*.

Financial assets measured at fair value through other comprehensive income ("FVOCI")

Debt instruments can be measured at fair value through other comprehensive income if they are held in a business model whose objective is achieved by collecting contractual cash flows and selling financial assets; simultaneously, the contractual terms of financial assets meet the SPPI criteria. Unrealised gains and losses from changes in fair values are recognised in other comprehensive income until they are derecognised or reclassified (until their sale). Upon sale, cumulated gains and losses are reclassified from other comprehensive income to profit or loss. Interest income is recognised in "*Interest income and similar income calculated using the effective interest rate method*". Currently, the Bank does not measure any debt instrument at fair value through other comprehensive income.

On initial recognition of an equity security not held for trading, the Bank can elect to present subsequent changes in fair value in equity. This classification is irrevocable. The Bank uses this option in respect of equity investments if the Bank's holding does not exceed 20% share in the share capital. In the statement of financial position, these equity securities are recognised in *"Financial assets measured at FVOCI"*. Gains or losses from a change in their fair value are reported in the statement of comprehensive income in "*Gains/(losses) from remeasurement of equity securities at FVOCI"*. Gain or loss accumulated in equity cannot be reclassified to profit or loss when the security is sold. Dividends received from these equity instruments are reported in the statement of comprehensive income in *"Dividend income"*.

Financial assets measured at fair value through profit or loss ("FVTPL")

Financial assets are measured at fair value through profit or loss if the cash flows do not meet the conditions of the contractual cash flow characteristics test or present a part of the business model whose objective is to hold financial assets to realise their value through sale.

In addition, the Bank may, on initial recognition, irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise. The Bank currently does not use this option.

Debt financial instruments measured at fair value through profit or loss are reported in the statement of financial position in *”Securities held for trading”* which is a part of ”*Financial assets held for trading”.*

Equity instruments which are classified by the Bank as held for trading or for which it does not apply the option to recognise fair value movements in other comprehensive income are measured at fair value through profit or loss.

Changes in net fair value of financial assets at FVTPL are reported in the statement of comprehensive income in *”Net gain on financial operations”*. The interest income and interest expense is reported in the statement of comprehensive income in ”*Other interest income“ or “Interest expense and similar expense”.*

Financial assets where the cash flows do not meet the conditions of the contractual cash flow characteristics test or present a part of the “Held for trading” business model are reported in the statement of financial position in *“Financial assets other than held for trading mandatorily reported at fair value through profit or loss”*.

Changes in net fair value of financial assets other than held for trading measured mandatorily at FVTPL are reported in the statement of comprehensive income in *”Net gain on financial assets other than held for trading”*. The interest income and interest expense are reported in the statement of comprehensive income in *”Interest income and similar income calculated using the effective interest rate method“ or “Interest expense and similar expense”.*

Analysis of contractual cash flow characteristics

As part of the analysis of contractual cash flow characteristics, the Bank assesses whether the contractual cash flows from loans and debt securities represent solely payments of principal and interest (SPPI) on the principal amount outstanding. Principal is defined as the fair value of the financial asset on initial recognition. Interest is defined as consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic and lending risks and costs, as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Bank will consider the contractual terms of the instrument. This will include assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Bank will consider:
- contingent events that would change the amount and timing of contractual cash flows;
- leverage features;
- prepayment and extension terms;
- terms that limit the entity's claim to cash flows from specified assets; and
- features that modify consideration for the time value of money.

Business model

The definition of the Bank’s business models reflects how groups of financial assets are managed together to achieve a particular business objective. In assessing the objective of a business model, the Bank primarily considers the following information:
- the stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, the Bank considers whether the management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realising cash flows through the sale of the assets;
- how the performance of the business model is evaluated and reported to the Bank’s key management personnel;

- the risks that affect the performance of the business model and financial assets held within this business model, and how those risks are managed;
- how managers of the entity are compensated - e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the entity's stated objective for managing the financial assets is achieved and how cash flows are realised.

The Bank classifies financial assets into the following business model categories:
(i) "Held for trading",
(ii) "Hold, collect contractual cash flows and sell";
(iii) "Hold and collect contractual cash flows";
(iv) "Held for strategic reasons"; or
(v) "Derivatives held for risk management purposes"

(i) "Held for trading"
Debt securities and loans classified by the Bank as "held for trading" are held to generate cash flows through their sale. The Bank makes decisions based on the assets' fair values and manages their trading based on revenues from the realisation of these fair values. The "held for trading" business model category includes all debt securities and loans that are not included in the "hold and collect contractual cash flows" and "hold, collect contractual cash flows and sell" categories. The Bank classifies as "held for trading" all derivative transactions that do not fall into the "derivatives held for risk management purposes" category.

(ii) "Hold, collect contractual cash flows and sell"
Loans and debt securities in the "hold, collect contractual cash flows and sell" category are held for the purpose of acquiring contractual cash flows and selling financial assets. To acquire contractual cash flows and sell financial assets form an essential part of the model's business objective, which is to manage the Bank's liquidity needs. The Bank expects that, upon the structural deficit of assets, it will sell these loans and securities to cover the deficit of liquid assets.

Within the "hold, collect contractual cash flows and sell" business model, the Bank categorises all denominated government bonds that are part of a liquidity provision and, potentially, all other debt securities that are held and could be sold before their maturity if market conditions are favourable.

(iii) "Hold and collect contractual cash flows"
In the "hold and collect contractual cash flows" category the Bank holds all loans and debt securities for the purpose of acquiring contractual cash flows over the entire useful lives of instruments. The Bank expects and has intention and ability to hold these loans and debt securities to maturity. When determining whether cash flows will be generated by collecting financial assets' contractual cash flows, the Bank assesses the frequency, value and timeline of sales in previous periods as well as reasons why these sales were carried out and expectations regarding the future selling activities within the given portfolio.

The Bank considers the following sales to be consistent with the "hold and collect contractual cash flows" business model:
- a sale as a result of an increase in the credit risk associated with a financial instrument, irrespective of the frequency and value;
- a sale carried out to manage credit risk concentration if this sale is unique (even if material in terms of its value) or immaterial in terms of value but frequent.

(iv) "Held for strategic reasons"
Equity securities falling into the "held for strategic reasons" category are held to acquire cash flows – dividends on a long-term basis. The Bank classifies its ownership interests in non-consolidated companies as "held for strategic reasons".

(v) "Derivatives held for risk management purposes"
Derivative transactions categorised as falling in the "derivatives held for risk management purposes" category represent hedging derivatives intended to manage the Bank's interest rate and currency risks. Hedging derivatives are used according to the type of hedging relationship, i.e. fair value hedges or cash flow hedges.

Impairment of financial assets

The Bank determines impairment of financial assets using the ECL model in respect of the following financial assets:

- Financial assets at amortised cost;
- Debt financial instruments measured at FVOCI;

For the purpose of calculating loss allowances, IFRS 9 requires using a three-stage model that evaluates changes in portfolio quality since initial recognition as of the reporting date.

Stage 1 includes financial assets the credit risk of which has not increased significantly since initial recognition and assets with low credit risk as of the reporting date. The 12-month expected credit losses are recognised for all assets in this category. Interest income is calculated on the basis of the gross carrying amount of financial assets.

Stage 2 includes financial assets the credit risk of which has increased significantly since initial recognition but for which there is no objective evidence of impairment. Expected credit losses are recognised for these assets over their lifetime. Interest income is calculated on the basis of the gross carrying amount of financial assets.

Stage 3 includes financial assets for which there is objective evidence of impairment. Expected credit losses are recognised for these assets over their entire lifetime. Interest income is calculated on the basis of the net carrying amount of the assets.

Purchased or originated credit-impaired financial assets ("POCI")

These assets include expected cash flows used in calculating the effective interest rate upon the initial recognition of the expected credit loss over the entire lifetime of the asset. Changes in expected credit losses are recognised as loss allowances along with the related gain or loss through the Bank's profit or loss.

The calculation of expected credit losses and the methodology for classifying financial assets into individual stages of the ECL model is described in detail in Note 42 (e).

Modification of financial assets

Financial assets are modified when there are new or else modified contractual terms related to cash flows from financial asset agreed between the date of origination and the maturity date.

To determine whether there is a significant or insignificant modification to the contractual terms, the Bank assesses changes in contractual cash flows from financial assets based on qualitative measures such as change in currency or type of the instrument, and quantitative criteria such as change in net present value. In case of significant modification, the original financial asset is derecognised and a new financial asset is recognised (including new classification and new impairment stage determination) in fair value as of the date of modification. Insignificant modifications of contractual terms do not result in derecognition, but to change in gross carrying amount of the financial asset calculated using original effective interest rate. The modification gain or loss is reported in "*Other operating income*" or "*Other operating expenses*", respectively.

In assessing the significance of a change in quantitative criteria, the Bank calculates the change in the net present value (NPV) of past and present cash flows. If the change in NPV is significant (greater than 10 %), a so-called substantial modification occurs. The existing financial asset is derecognised and new financial assets is recognised. The difference in carrying amount between newly recognised and derecognised financial asset is recognised as a gain or loss on derecognition. The new financial asset (including the new classification and stage of impairment) is carried at fair value at the date of modification and with new effective interest rate. The date of modification is treated as the origination date of this financial asset, in particular to determine whether there has been a significant increase in credit risk. Insignificant modifications to the terms of contract (change in NPV less than 10 %) do not lead to derecognition of financial asset, but to adjustment of the gross carrying amount calculated on the basis of the original effective interest rate and the new discounted cash flows. The assessment of the significance of the modification does not depend on the portfolio to which financial assets belongs, it is only affected by the change in financial flows.

In case of each modification of contractual terms there is an assessment whether forbearance criteria are met for classification of financial assets as forborne. Financial asset is considered to be forborne if the customer was in financial difficulties as of the moment of decision about change of contractual terms. The Bank considers financial difficulties as the situation, when customer or any of his exposures is in default, when in last three months the customer was 30 days past due, when at least 20% of customer`s exposure has rating 4.0 or worse, or when financial difficulties of the customer are implied from collection discussions or request to change contractual terms. After classification of financial assets with forbearance there is assessment, whether criteria for change indication as forced restructuring are met, following rules of definition of default. Defaulted financial assets are classified as Stage 3 based on IFRS 9 approach, financial assets with forbearance to Stage 2 based on IFRS 9 approach.

Restructuring of loans and advances to customers

Restructuring of loans and advances means providing the customer with a relief because the Bank concluded that it would likely incur a loss if it did not do so. For economic or legal reasons associated with the borrower's financial position the Bank therefore provided the borrower with a relief which would not have been available otherwise. For example, the relief may include rescheduling repayments, reducing the interest rate or waiving default interest. A restructured loan or advance (receivable) is not a loan or advance which originated as a result of the renewal of a short-term loan for current assets if the borrower fulfilled all of his payment and non-payment obligations arising from the loan agreement. If the restructuring does not result in derecognition of the original asset, then it constitutes a modification of an existing financial asset. If the restructuring results in derecognition of the original asset, a new financial asset is created whose fair value is considered to be the ultimate cash flows of the existing financial asset at the time of derecognition.

Furthermore, a change in the repayment schedule or in the form of the loan is not considered to be restructuring if these changes have been made for commercial reasons or on the grounds of changed financial needs of the borrower, and the anticipated development in the borrower's financial and economic situation does not give rise to doubt as to the full repayment of the receivable even without the change.

Financial liabilities

The Bank classifies financial liabilities into two categories:
- financial liabilities at amortised cost;
- financial liabilities held for trading.

The Bank classifies financial liabilities whose performance management is based on trading as measured subsequently at FVTPL upon initial recognition. Such financial liabilities are liabilities arising from securities sold and derivatives held for trading with a negative value. They are recognised in the statement of financial position under *"Financial liabilities held for trading at FVTPL."*
After initial recognition, all other financial liabilities are measured subsequently at amortised cost using the effective interest rate method.

The Bank derecognises a financial liability where related contractual obligations are fulfilled or cancelled or they cease to exist.

Repurchase transactions

Where debt or equity securities are sold under a concurrent commitment to repurchase them at a predetermined price, they remain at fair value or amortised cost within the relevant portfolio in the statement of financial position and the consideration received is recorded in *"Financial liabilities at amortised cost"* - *"Deposits from banks"* or *"Financial liabilities at amortised cost"* - *"Deposits from customers"*. Conversely, debt or equity securities purchased under a concurrent commitment to resell are recorded off balance sheet where they are remeasured at fair value. The corresponding receivable from the provided loan is recorded in *"Financial assets at amortised cost – Loans and advances to banks"* or in *"Financial assets at amortised cost – Loans and advances to customers"*.

Securities borrowed are not reported in the financial statements unless they are assigned to third parties, in which case ("short sales") the purchase and sale are recognised as a liability with the gain or loss included in *"Net gain on financial operations"*.

The obligation to return them is recorded at fair value as a trading liability and presented in the statement of financial position line *"Other liabilities"*.

Interest on debt securities transferred under repo transactions (repurchase transactions) is accrued while interest on debt securities received under reverse repurchase transactions is not accrued. Income or expenses arising from repo transactions or reverse repo transactions (reverse repurchase transactions) as the difference between the selling and purchase price are accrued over the term of the transaction and presented in the statement of comprehensive income as *"Interest income and similar income calculated using the effective interest rate method"* or *"Interest expense and similar expense"*.

Issued bonds

Debt securities issued by the Bank are stated at amortised cost using the effective interest rate method. Interest expense arising on the issue of the Bank's own debt securities is reported in the statement of comprehensive income line *"Interest expense and similar expense"*. These instruments include mortgage bonds and senior non-preferred bonds. Senior non-preferred bonds are subordinated to other preferred bonds and are also MREL eligible. MREL eligible bonds are issued under the ICMA Green Bond Principles and ICMA Social Bond Principles. With the funds raised from the issuance, the Bank finances the environmental and social issues as defined in their terms of issue. This bond format enables the Bank to support the Czech economy in its transition to a long-term sustainable, prosperous and competitive one.

Interest expense on the issuance of the Bank's own bonds is recognised in the statement of comprehensive income under *"Interest expense and similar expense"*.

The Bank's own debt securities repurchased by the Bank are presented as a reduction of liabilities arising from securities issued. Upon initial recognition, the Bank's own debt securities are stated at fair value. The difference between the cost of repurchased own debt securities and the amortised cost of issued securities is included in the statement of comprehensive income line *"Net gain on financial operations"* in the period of acquisition. Interest expense on issued debt securities are reduced to reflect the gradual increase in the value of the Bank's own debt securities.

Subordinated loan

A subordinated loan is a loan where it has been contractually agreed that, in the event of liquidation, bankruptcy, forced settlement or settlement with the borrower, the loan will be repaid only after the full satisfaction of all other liabilities to the other creditors, the only exception being liabilities that carry the same or similar subordination condition.

The principal of the subordinated loan and relevant interest are recognised from the draw-down date to the maturity date of the subordinated loan. The subordinated loan including the accrued and not yet paid portion of the interest is reported in "*Financial liabilities at amortised cost"* - *"Subordinated liabilities* *and bonds"* in the statement of financial position. Interest expense on subordinated loan is reported in the statement of comprehensive income in *"Interest expense and similar expense"*.

Subordinated debt securities issued

Subordinated debt securities issued are debt securities where it has been agreed that they will be settled only after the settlement of all other liabilities if the issuer is placed into liquidation or a resolution on the bankruptcy of the issuer is passed, except for liabilities that carry the same or similar subordination condition.

Subordinated debt securities issued are reported by the Bank at amortised cost using the effective interest rate and are included in *"Financial liabilities at amortised cost – Subordinated liabilities and bonds"* in the statement of financial position. Interest expense arising on the issue of the Bank's own debt securities is reported in the statement of comprehensive income line *"Interest expense and similar expense"*.

Financial derivative instruments

In the normal course of business, the Bank enters into contracts for derivative financial instruments. Financial derivatives include foreign currency and interest rate swaps, cross currency swaps, currency forwards, forward rate agreements, foreign currency and interest rate options (both purchased and sold), and other derivative financial instruments. The Bank uses various types of derivative instruments in respect of both its trading and hedging activities of currency and interest rate positions. The Bank internally includes all types of derivatives in the banking or trading portfolios. The banking portfolio additionally includes financial derivatives used as hedging instruments in fair value and cash flow hedging.

All financial derivative instruments are initially recognised at fair value in the statement of financial position and are subsequently remeasured and stated at fair value. The fair values of financial derivatives held for trading are reported in "*Financial assets held for trading – derivatives held for trading"* and "*Financial liabilities held for trading – derivatives held for trading"* in the statement of financial position. The fair values of hedging financial derivatives are reported in "*Hedging derivatives with positive fair value"* and *"Hedging derivatives with negative fair value"* in the statement of financial position. Interest income and expense associated with financial derivatives used as hedging instruments when hedging fair values or cash flows is reported depending on whether the hedged item generates interest income or interest expense. Net interest income/(expense) of hedged derivatives used for hedging financial assets at amortised cost is presented in "*Interest income and similar income calculated using the effective interest rate method" – "Hedging interest rate derivatives"*, net interest income/(expense) of hedging derivatives used for hedging financial liabilities at amortised cost is recognised in *"Interest expense" – "Hedging interest rate derivatives"*. Interest income and expense relating to financial derivatives in the trading portfolio is reported in "*Other interest income"* or "*Interest expense and similar expense"*.

Realised and unrealised gains and losses are recognised in the statement of comprehensive income line *"Net profit on financial operations"*. Fair values of derivatives are based upon quoted market prices or pricing models which take into account current market and contractual prices of the underlying instruments, as well as the time value and yield curve or volatility factors underlying the positions. The fair value of derivative instruments also includes credit and debit adjustments resulting from a derivative transaction counterparty's credit risk.

Embedded derivatives

In some instances, a derivative may be part of a compound financial instrument, which includes both the host instrument and the derivative (embedded derivative) that influences the cash flow or otherwise modifies the characteristics of the host instrument.

Derivatives embedded in other financial instruments are treated as separate derivatives when:

- the host instrument is not a financial asset in compliance with IFRS 9;

- a separate host instrument is not remeasured at fair value through profit or loss (FVTPL);
- the terms of the embedded derivative would meet the definition of a derivative if these were part of a separate contract;
- the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host instrument.

Separate embedded derivatives are stated at fair value and changes in fair values are recognised in profit or loss if they are not part of hedging relationships within cash flow hedging or hedging of a net investment in a foreign operation.

Hedge accounting

The Bank applies hedge accounting in accordance with IAS 39, and not in compliance with the current amendment to IFRS 9. Hedging derivatives are derivatives that the Bank can use to hedge against its interest rate and currency risks. A hedging relationship qualifies for hedge accounting if, and only if, all of the following conditions are met:

a) At the inception of the hedge there is formal designation and documentation of the hedging relationship and the entity's risk management objective and strategy for undertaking the hedge;
b) The hedge is expected to be highly effective in achieving offsetting changes in fair value or cash flows attributable to the hedged risk, consistently with the originally documented risk management strategy for that particular hedging relationship;
c) For cash flow hedges, a forecast transaction that is the subject of the hedge must be highly probable and must present an exposure to variations in cash flows that could ultimately affect profit or loss;
d) The effectiveness of the hedge can be reliably measured, i.e. the fair value or cash flows of the hedged item that are attributable to the hedged risk and the fair value of the hedging instrument can be reliably measured; and
e) The hedge is assessed on an ongoing basis and determined actually to have been highly effective throughout the financial reporting periods for which the hedge was designated.
f) Current changes in hedged and hedging instruments' fair values or cash flows are almost equal (between 80% and 125%).

Hedging financial derivatives are accounted for according to the type of the hedging relationships which are as follows:

a) Fair value hedge: a hedge of the exposure to changes in fair value of a recognised asset or liability or an unrecognised firm commitment, or an identified portion of such an asset, liability or firm commitment, that is attributable to a particular risk and could affect profit or loss;

b) Cash flow hedge: a hedge of the exposure to variability in cash flows that:
   i. Is attributable to a particular risk associated with a recognised asset or liability (such as all or some future interest payments on variable rate debt) or a highly probable forecast transaction; and,
   ii. Could affect profit or loss.
c) Hedge of a net investment in a foreign operation.

The Bank applies fair value hedging to manage its market risks. Changes in the fair value of hedging derivatives classified as a fair value hedge are reported in the statement of comprehensive income line "*Net gain from hedge accounting*", interest income and expense on these derivatives (i.e. both realised and accrued) are reported in the statement of comprehensive income line "*Interest income and similar income calculated using the effective interest rate method*" or "*Interest expense and similar expense*". A change in the fair value of the hedged item in relation to the fair value hedge of individual hedged items is recognised as part of the carrying amount of the hedged item in the statement of financial position and in line "*Net gain from hedge accounting*" in the statement of comprehensive income. In respect of the fair value hedge of the hedged items portfolio, the change in the fair value of hedged items is reported in the statement of financial position as "*Fair value remeasurement of portfolio-remeasured items*" in relevant items and in line "*Net gain from hedge accounting*" in the statement of comprehensive income.

The cash flow hedging is aimed at the elimination of uncertainty in future cash flows and the stabilisation of the net interest income. The effective part of the change in the fair value of hedging derivatives treated as cash flow hedges is reported in *"Revaluation of cash flow hedges"* in the statement of comprehensive income and cumulatively in *"Fair value reserve"* in the statement of financial position. The ineffective part of the change in the fair value of hedging derivatives treated as cash flow hedges is immediately presented in *"Net gain from hedge accounting"* in the statement of comprehensive income. The values that were reported in other comprehensive income are reallocated in gain or loss in the period in which the hedged item affects gains or losses in "*Net gain from hedge accounting"* in the statement of comprehensive income.

The effectiveness of the hedge is regularly tested on a monthly basis, prospectively and retrospectively. Where the hedge ceases to meet the criteria for hedge accounting, the maturity of the hedging instrument expires, the hedging instrument is sold, terminated or exercised, the Bank discontinues the hedging relationship and writes off the adjustments of the carrying amount of the hedged interest-bearing financial instruments through statement of comprehensive income over the period to the maturity of the hedged item in respect of the fair value hedge, or the accumulated profit or loss from the hedging instrument, originally presented in other comprehensive income, remain in the statement of financial position in *"Fair value reserve"* until the hedged item affects gains or losses in respect of cash flow hedges.

g) Offsetting

Financial assets and liabilities may be offset if the Bank has a legally enforceable right to do so and plans to offset them on a net basis or apply the assets and liabilities simultaneously. The transactions are intended to be reported in the statement of financial position on a net basis. The Bank does not offset any financial assets and financial liabilities.

h) Other equity instruments

Other equity instruments principally include AT1 capital investment certificates that combine the elements of equity and debt securities and meet the criteria for inclusion in the Bank's auxiliary Tier 1 capital. These instruments are reported at their nominal value in the statement of financial position line *"Other equity instruments"*. The payment of interest income attributable to the certificate holders is governed by the relevant terms and conditions set out in the prospectus for the certificates and is made from the Bank's retained earnings following the approval of the profit distribution by the Bank's General Meeting of shareholders. Coupons paid on other equity instruments reduce retained earnings in the reporting period in which their payout is approved by the annual General Meeting. AT1 certificates include no contractual obligation to deliver cash or another financial asset and obligation to exchange financial liabilities with another entity under conditions that are potentially unfavourable to the issuer. Certificates are not redeemable at the option of the holders and they will not otherwise be called or repurchased except at the option of the issuer. Issuer at its sole and full discretion, can at any time elect to cancel, in whole or in part, any payment of distributions. Based on these reasons, AT1 certificates are classified as equity instruments.

i) Equity investments

Equity investments in subsidiaries and associated companies and joint ventures are recognised at acquisition cost including transaction costs, less loss allowances for any temporary impairment, or less write-downs due to permanent impairment of their value.

At the reporting date, the Bank assesses equity investments in subsidiaries and associated companies and joint ventures for impairment. The impairment of an equity investment is identified as the difference between the carrying amount and recoverable amount. The recoverable amount is the higher of an asset's fair value less cost of disposal and its value in use determined as a sum of discounted expected cash flows. Impairment of equity investments in subsidiaries and associated companies is reported in the statement of comprehensive income in *"Impairment losses on equity investments"*.

Equity investments where the Bank holds a share in registered capital lower than 20 percent are reported as *"Financial assets measured at FVOCI"*.

j) Property and equipment and intangible assets

Property and equipment comprise assets with a physical substance and with an estimated useful life exceeding one year and acquisition cost of more than CZK 80,000. Until 2023, laptops and desktop computers with a purchase price of up to CZK 80,000 were also part of property and equipment. They were removed from the accounting records in September 2023. The net book value of the assets removed was MCZK 60. The Bank does not consider this change to be material and therefore no adjustment has been made to the 2022 financial statements.

Intangible assets include assets without physical substance with an estimated useful life exceeding one year and acquisition cost of more than CZK 60,000.

Property and equipment and intangible assets are stated at acquisition cost less accumulated depreciation, amortisation and loss allowances and are depreciated or amortised when ready for use through the statement of comprehensive income line *"Depreciation and amortisation of property and equipment and intangible assets"* on a straight line basis over their estimated useful lives.

Depreciation periods and depreciation rates for individual categories of property and equipment and intangible assets are as follows:

	Depreciation period	**Depreciation rate**
Software	4 years	25%
Other intangible assets	3 – 9 years	11.1 – 33.3%
Buildings	30 years	3.33%
Fixtures and fittings	5 – 10 years	10 – 20 %
Machinery and equipment	5 – 10 years	10 – 20%

Leasehold improvements are depreciated on a straight-line basis over the lease term, or if appropriate the depreciation period is extended by the term arising from an option arrangement if the Bank assumes that the option will be exercised. Leasehold improvements under lease arrangements with no fixed expiry date are depreciated over 15 years, which is the average period for lease arrangements with no fixed expiry date.

Land and works of art (irrespective of their cost) and assets under construction are not depreciated.

The cost of internally generated intangible assets comprise all costs that can be allocated directly or by reference to a reasonable and consistent basis for generating and preparing an asset for its intended use.

Core deposits intangibles

Core deposits intangibles (CDI), which arose in connection with the acquisition of Equa bank a.s., represent the present value of the expected cost savings arising as the difference between the cost of alternative sources of financing and the cost of CDI. The value of the intangible asset results from the more favourable cost of CDI compared to alternative sources of financing. On initial recognition, CDI were measured at fair value using the discounted cash flow method, whereby the expected cost savings were discounted by the cost of capital. The Bank amortises CDI on a straight-line basis over 10 years.

Customer tribe

The Bank recognises a purchased customer tribe as an intangible asset provided that the Group (the Bank) controls the asset and is able to control the future expected cash flows arising from the customer relationship. On initial recognition, the Bank recognised the customer tribe at fair value using the multi-period excess earnings method (MPEE). The Group (the Bank) amortises the ING customer tribe on a straight-line basis over 3 years and the Equa bank customer tribe on a straight-line basis over 8 years.

Trademark

The Bank recognises the Equa bank trademark as an intangible asset to strengthen its position in the Czech banking and financial market. On initial recognition, the Bank recognised this intangible asset at fair value using the royalty savings method. The Bank amortises this intangible asset over 4.5 years.

The Bank reviews the utilisation of its assets once a year and adjusts the policy on their depreciation/amortisation as and when needed. A change in the depreciation period is not considered a change in accounting policies but a change in accounting estimates.

The Bank's acquired assets are tested for impairment once a year. Classified assets are tested if there is an indication of impairment. Impairment of assets, if any, is reported in the statement of comprehensive income in *"General operating expenses"*. The Bank regularly reviews the anticipated future benefit from intangible assets; if no benefit can be expected, the relevant intangible assets are derecognised from the statement of financial position. The loss resulting from the derecognition is included in the statement of comprehensive income line *"Other operating expenses"*.

Repairs and maintenance are charged directly to line *"General operating expenses"* in the year in which the expenses were incurred.

Goodwill

Goodwill represents the difference between the acquisition cost and the fair value of the Bank's share of the net assets of the merged Equa bank a.s. at the acquisition date of 1 July 2021. Goodwill is accounted for in the statement of financial position and consolidated statement of financial position, respectively, within assets under *"Intangible assets"*. Goodwill is not amortised and is tested annually for impairment.

The individual cash-generating units to which goodwill has been allocated are tested. A cash-generating unit represents the smallest identifiable group of assets generating cash income. The carrying amount of the relevant cash-generating unit is compared with its recoverable amount. Recoverable amount is defined as either fair value less selling costs or value in use, if higher.

The Bank determines the recoverable amount of a cash-generating unit as the value in use, which is equal to the present value of future cash flows discounted at an appropriate risk-adjusted rate. The cash flows represent the after-tax profits of the cash-generating unit that can be distributed to owners.

The estimated cash flows are based on a five-year financial plan adjusted for the relevant capital requirements. The discount rate is equal to the cost of capital required by the Bank's shareholder. The estimate of future cash flows for the period following the five-year financial plan is calculated as perpetuity based on constant cash flows in the form of net operating profit after tax and incorporating a stable growth rate.
The financial plan is approved by the Bank's management and is based on the following key assumptions:

- macroeconomic assumptions (interest rates, FX rates, unemployment, inflation);
- banking market development assumptions (development of aggregate volumes of client loans and liabilities);
- development of the Bank's client balance in product and segment detail;
- development of the Bank's non-client balance;
- assumptions regarding external regulatory developments (e.g. development of prescribed capital targets);
- other specific assumptions – e.g. acquisitions, significant one-off events with an impact on the Bank's financial position).

Goodwill impairment is determined by comparing the recoverable amount of the individual cash-generating units to which the goodwill has been allocated with their carrying amount. If the recoverable amount of a cash-generating unit is lower than its carrying amount, the difference is recognised as an impairment loss and recognised in *"General operating expenses".* This loss is first offset against the goodwill allocated to the cash-generating unit. Impairment losses offset against goodwill cannot be reversed in subsequent reporting periods.

Negative goodwill represents the negative difference between the acquisition cost and the fair value of the Group's share of the net assets of the acquired company at the acquisition date. Negative goodwill that exceeds the reliably measurable future losses and costs of the acquired entity (which are not reflected in its identifiable assets and liabilities) and the fair values of its non-cash assets is charged immediately to income.

k) Leases

Under IFRS 16, in assessing whether the contract contains a lease. The contract is, or contains a lease if the contract conveys the right to control and to use an identified asset for a period of time in exchange for consideration.

A lessee recognises a right-of-use asset and a lease liability. A right-of-use asset is initially measured at cost and is subsequently depreciated until the end of its useful life or until the end of the lease contract term. Right-of-use assets are reported by the Bank in the statement of financial position line *"Property and equipment"*.

The lease liability is initially measured at the present value of the lease payments which have not been paid as of the commencement date of the lease contract, discounted at the rate implicit in the lease if that can be readily determined. If that rate cannot be readily determined, the lessee shall use their incremental borrowing rate. Lease payments entering into the calculation of the lease liability measurement include fixed lease payments, variable lease payments that depend on an index or a rate, amounts expected to be payable by the lessee under residual value guarantees, the exercise price of a purchase option that the lessee is reasonably certain to exercise and payments for terminating the lease if the lease term reflects early termination.

Subsequently, the lease liability is measured at carrying amount plus the relevant interest and less lease payments made, and remeasured to take into account a modification or reassessment of the lease.

Lease liabilities are reported in the statement of financial position line *"Other financial liabilities"*, which is included in the line *"Financial liabilities at amortised cost"*. Interest is reported in the statement of comprehensive income in *"Interest expense and similar expense"*.

In applying IFRS 16, the Bank applies exemptions for lease terms of 12 months or less and not containing a purchase option (short-term leases) and exemptions for leases when the underlying asset has a low value when new. The Bank set the low-value limit to TCZK 100. In such cases, the right-of-use asset or the relating liability is not reported and the relevant payments are reported in the statement of comprehensive income in *"General operating expenses*".

In applying IFRS 16, the Bank is the lessee. Cases where the Bank would be the lessor are currently not expected. The exception is a sublease where the Bank acts as an intermediate lessor. In this case, the Bank accounts for a leases and a sublease as about two separate contracts. All subleases are classified as operating leases.

l) Assets and disposal groups held for sale

Assets held for sale and assets that are part of a disposal group held for sale are reported in the statement of financial position line *"Assets held for sale"*. If the disposal group held for sale also includes liabilities, they are reported in the statement of financial position line *"Liabilities attributable to assets held for sale"*. Non-current assets and disposal groups classified as held for sale are measured at the lower of the carrying amount and fair value less the sale-related costs.

m) Provisions

A provision represents a probable cash outflow of uncertain timing or amount. The Bank recognises a provision when, and only when:

- it has a present obligation (legal or constructive) as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- the amount of the obligation can be estimated reliably.

Provisions for guarantees and other off balance sheet items

The Bank recognises potential commitments arising from issued guarantees, irrevocable credit commitments (undrawn portion), confirmed open letters of credit, etc. as part of off-balance sheet assets. Provisions for estimated losses on these commitments are made under the same principles as the loss allowances to financial assets. Changes in these provisions are recognised in "*Impairment losses on financial instruments*".

Provisions for payroll bonuses

The Bank accounts for provisions for payroll bonuses (quarterly and annual bonuses). Creation, utilisation and release of the provisions for payroll bonuses are reported in the statement of comprehensive income in *"Personnel expenses"*.

Provision for restructuring

The Bank recognises a provision for restructuring if a formal detailed restructuring plan has been approved and the restructuring has commenced before the end of the reporting period. The restructuring provision includes only direct costs that are necessarily incurred as a result of the restructuring and are not associated with the Bank's ordinary activities.

Other provisions

Creation, utilisation and release of the other provisions relating to banking activities (legal disputes, etc.) are reported in *"General operating expenses"*. If a provision does not relate to banking activities, the creation, utilisation and release of the other provisions are reported in *"Other operating income/Other operating expenses"*. Other provisions also include the provision for fines and penalties.

n) Current tax liability

Current tax liability represents the tax liabilities for the current period less current income tax prepayments, adjusted for changes in prior year's tax liability, if any. Tax liabilities are stated at the amount that is expected to be paid to the tax authority. In calculating the tax liabilities for the current period, the tax rates and tax legislation in force as of the reporting date will apply.

o) Transactions with securities undertaken on behalf of customers

Securities taken by the Bank into custody, administration or to be managed are kept off balance sheet at their market or nominal values if the market value is not available. *"Other liabilities"* in the statement of financial position comprise the Bank's payables to customers (Deposits from customers) arising from cash received to purchase securities or advance payments to be refunded to customers.

p) Contingent assets, contingent liabilities and off-balance sheet items

A contingent asset/liability is a potential asset/liability that arises from past events and whose existence will be only confirmed by the occurrence or non-occurrence of one or more uncertain future events not fully under the entity's control. Contingent assets/liabilities are recorded off balance sheet, with the Bank regularly reviewing their development to specify whether an inflow/outflow of resources embodying economic benefits has become probable. Where the likelihood of an outflow of economic benefits is higher than 50%, the Bank will recognise a provision. Where the likelihood of an inflow of economic benefits is virtually certain, the Bank will recognise an asset and income.

Contingent liabilities also include existing liabilities if their settlement is unlikely to require an outflow of resources embodying economic benefits or if the amount of the liability cannot be reliably quantified.

Contingent liabilities include for example: irrevocable credit commitments and commitments arising from bank guarantees and letters of credit.

Besides contingent assets and contingent liabilities, assets arising from activities consisting in management, administration and custody of valuables and securities are also recorded off balance sheet, including the related liabilities to return the relevant assets to customers.

Off-balance sheet items also include the nominal values of interest rate and foreign currency instruments, including forwards, swaps and options.

q) Segment reporting

The Bank reports information about segments in accordance with IFRS 8 Operating Segments. IFRS 8 requires that operating segments be identified based on internal reports regularly reviewed by the Bank's chief operating decision maker. Pursuant to these internal reports including the overview of the performance of the particular operating segment, it is possible to assess the performance of the segment, or if appropriate decide on the strategic development of the operating segment.

The basis for determining reportable segments is a report that the Bank prepares for the Board of Directors which is considered to be the 'chief operating decision maker', i.e. a person/group of persons that allocates resources and assesses the performance of individual operating segments of the Bank.

Information on reportable operating segments of the Bank is disclosed in Note 41.

r) Foreign currency translation

Transactions denominated in foreign currencies are initially measured at the official exchange rate announced by CNB on the transaction date. Assets and liabilities denominated in foreign currencies are translated into the local currency at CNB's exchange rate prevailing as of the reporting date. Realised and unrealised gains and losses on foreign currency translation are recognised in the statement of comprehensive income in *"Net gain on financial operations"*. Non-cash items measured at fair value denominated in a foreign currency are translated using the exchange rate at the date the fair value is determined. Non-cash items measured at historical cost denominated in a foreign currency are not translated.

s) Cash and cash equivalents

The Bank considers cash in hand, deposits with central banks, and deposits with other banks with one-day maturity to be cash equivalents.

t) Mandatory minimum reserves

Mandatory minimum reserves include mandatory deposits with the Czech National Bank, the drawing of which is limited for the Bank. The Bank may draw an amount from mandatory minimum reserves which exceeds the actual average amount of the mandatory minimum reserves for the given period calculated according to the Czech National Bank's regulation. The deposit is mandatory for all commercial banks in the Czech Republic. Mandatory minimum reserves are not included in "Cash and cash equivalents" due to their limited applicability for the Bank's liquidity management and possible sanctions by the Czech National Bank in the event of non-compliance with their required average amount for the given period.

u) Employee benefits

Every employee of the Bank has access to a 'benefit purse' into which they receive a one-off annual contribution at the beginning of the year depending on the number of years worked. In drawing it, the employees have many options to choose from, including leisure, travel, sports, education, relaxation and beauty, experiences, healthcare, culture, transport, supplementary pension insurance and life assurance contributions, and meal contributions. The costs incurred in connection with the benefit purse contributions are reported on an accruals basis in *"Personnel expenses"* in the statement of comprehensive income. Employees receive bonuses on significant personal and work anniversaries. The costs incurred in connection with these benefits are reported in *"Personnel expenses"* in the statement of comprehensive income.

The amount of the bonuses depends on the fulfilment of the performance criteria. The bankers from the branch network, or mortgage network, receive monthly and quarterly bonuses; branch managers and mortgage office managers receive quarterly bonuses. Call centre employees receive monthly bonuses. Employees from the Operations division with short-term goals receive monthly bonuses. Employees from Risk department with short-term goals receive monthly or quarterly bonuses. Other employees receive annual bonuses. Bonuses are reported on an accruals basis. At year-end, the liability is reported in *"Provisions for payroll bonuses"*. Creation, utilisation and release of the provisions for payroll bonuses are reported in the statement of comprehensive income in *"Personnel expenses"*.

Members of the Board of Directors receive bonuses tied to their performance, depending on the fulfilment of financial and non-financial criteria approved by the Supervisory Board. 50% of the variable wage component of a member of the Board of Directors is calculated and paid out on the methodology Value in Use ("ViU"). This method is based on Dividend Discount Model (DDM) and is the sum of Net Present Value (NPV) of dividends in the following five years since the evaluation year and the ongoing value. This wage component is awarded based on this scheme: 60% is deferred by 18 months from the end of the financial year for which it is awarded; the remaining 40% is paid out over next five years, with one fifth being paid each year. The other half of the variable wage component is awarded under the following scheme: 60% non-delayed; the remaining 40% is paid out over next five years, with one fifth being paid each year. Deferred bonuses paid in cash, i.e. bonuses paid to members of the Board of Directors more than 12 months subsequent to the end of the reporting period during which they provided services to the Bank, are considered to be long-term employee benefits reported in "*Provision for payroll bonuses*" in the statement of financial position. Creation, utilisation and release of the provisions for payroll expenses are reported in the statement of comprehensive income in "*Personnel expenses*".

4. CHANGES IN ACCOUNTING POLICIES IN 2023

a) Newly applied standards and interpretations the application of which had a significant impact on the financial statements

In 2023, the Bank did not start using any standards and interpretations which would have a significant impact on the separate financial statements.

b) Newly applied standards and interpretations the application of which had no significant impact on the financial statements

The following amendments to the existing standards issued by the International Accounting Standards Board (IASB) and adopted by the EU are effective for the current reporting period:

- **IFRS 17 *Insurance Contracts*** New standard IFRS 17 Insurance Contracts including amendments from July 2020 and December 2021 (effective for annual periods beginning on or after 1 January 2023),

- **Amendments to IAS 1 *Presentation of Financial Statements*** – Disclosure of Accounting Policies (effective for annual periods beginning on or after 1 January 2023),

- **Amendments to IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*** – Definition of Accounting Estimates (effective for annual periods beginning on or after 1 January 2023),

- **Amendments to IAS 12 *Income Taxes*** – Deferred Tax related to Assets and Liabilities arising from a Single Transaction (effective for annual periods beginning on or after 1 January 2023),

- **Amendments to IAS 12 *Income Taxes* -** International Tax Reform - Pillar Two Model Rules (effective for annual periods beginning on or after 1 January 2023).

The adoption of these amendments to the existing standards has not resulted in any changes to the Bank's accounting policies.

c) Standards and interpretations issued by IASB and adopted by the EU that are not effective yet

- **Amendments to IFRS 16 *Leases*** – Lease Liability in a Sale and Leaseback (effective for annual periods beginning on or after 1 January 2024),

- **Amendments to IAS 1 *Presentation of Financial Statements*** – Classification of Liabilities as Current or Non-Current and Classification of Liabilities as Current or Non-current – Deferral of Effective Date (effective for annual periods beginning on or after 1 January 2024),

- **Amendments to IAS 1 *Presentation of Financial Statements*** – Non-Current Liabilities with Covenants (effective for annual periods beginning on or after 1 January 2024).

d) Standards and interpretation issued by IASB, but not yet adopted by the European Union

At present, IFRS as adopted by the EU do not significantly differ from regulations adopted by the International Accounting Standards Board (IASB), except for the following amendments to the existing standards, which were not adopted by the EU as of the date of publication of the financial statements (the effective dates stated below are for IFRS as issued by IASB):

- **Amendments to IFRS 10 *Consolidated Financial Statements* and IAS 28 *Investments in Associates and Joint Ventures*** – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (effective date deferred indefinitely until the research project on the equity method has been concluded),

- **Amendments to IAS 7 *Statement of Cash Flows* and IFRS 7 *Financial Instruments*** – Supplier Finance Arrangements (effective for annual periods beginning on or after 1 January 2024),

- **Amendments to IAS 21 *The Effects of Changes in Foreign Exchange Rates*** – Lack of Exchangeability (effective for annual periods beginning on or after 1 January 2025),

The Bank anticipates that the adoption of these amendments to the existing standards will have no material impact on the financial statements of the Bank in the period of initial application.

5. MERGER OF RAIFFEISENBANK A.S. AND EQUA BANK A.S.

As of 1 January 2022, a legal merger took place when Raiffeisenbank a.s. merged with its wholly owned subsidiary Equa bank a.s., with Raiffeisenbank a.s. becoming the successor company.

From an IFRS perspective, this is a transaction under common control and as such does not fall within the scope of IFRS 3 Business Combinations. The successor company has exercised the option to acquire the assets and assume the liabilities of Equa bank a.s. at the carrying amounts of the controlling entity, i.e. the at carrying amounts reported in the consolidated financial statements of Raiffeisenbank a.s. for the year ended 31 December 2021. These carrying amounts reflect the fair value measurement of the assets and liabilities of Equa bank a.s. made at the time Raiffeisenbank a.s. acquired the company from a third party.

MCZK	Raiffeisenbank a.s. 31 Dec 2021	Equa bank a.s. 31 Dec 2021	Methodological* changes	Adjustments**	Raiffeisenbank a.s. 1 Jan 2022
Cash and cash equivalents	8,920	15,616	(15,088)	(100)	**9,348**
Financial assets held for trading	4,105	-	-	(23)	**4,082**
Trading derivatives	3,940	-	-	(23)	**3,917**
Securities held for trading	165	-	-	-	**165**
Financial assets other than held for trading mandatorily measured at fair value through profit or loss	498	-	-	-	**498**
Financial assets at FVOCI	18	-	2	-	**20**
Financial assets at amortised cost	468,838	56,812	13,775	(341)	**539,084**
Loans and advances to banks	177,340	1,242	13,777	-	**192,359**
Loans and advances to customers	262,377	52,844	-	(297)	**314,924**
Debt securities	29,121	2,726	(2)	(44)	**31,801**
Fair value remeasurement of portfolio-remeasured items (loans and advances to customers and debt securities)	(4,453)	-	-	-	**(4,453)**
Hedging derivatives with positive fair value	5,062	-	-	-	**5,062**
Equity investments in subsidiaries and associated companies	14,905	-	-	(7,695)	**7,210**
Intangible assets	3,184	648	-	2,013	**5,845**
Property, plant and equipment	2,139	217		-	**2,356**
Other assets	8,176	366	1,311	-	**9,853**
TOTAL ASSETS	**511,392**	**73,659**	**-**	**(6,146)**	**578,905**

MCZK	Raiffeisenbank a.s. 31 Dec 2021	Equa bank a.s. 31 Dec 2021	Methodological changes*	Adjustments**	Raiffeisenbank a.s. 1 Jan 2022
Financial liabilities held for trading	4,604	23	-	(23)	**4,604**
Trading derivatives	4,604	23	-	(23)	**4,604**
Financial liabilities at amortised cost	459,342	66,762	236	(76)	**526,264**
Deposits from banks	13,017	203	-	(100)	**13,120**
Deposits from customers	420,163	64,162	(38)	-	**484,287**
Debt securities issued	18,455	1,516	-	14	**19,985**
Subordinated liabilities and bonds	4,333	881	-	10	**5,224**
Other financial liabilities	3,374	-	274	-	**3,648**
Fair value remeasurement of portfolio-remeasured items (deposits from customers)	(9,285)	-	-	-	**(9,285)**
Hedging derivatives with negative fair value	10,160	-	-	-	**10,160**
Provisions	1,089	155	62	-	**1,306**
Current tax liability	86	62	-	-	**148**
Deferred tax liability	15	17	-	229	**261**
Other liabilities	958	439	(298)	-	**1,099**
TOTAL LIABILITIES	**466,969**	**67,458**	**-**	**130**	**534,557**
Share capital	15,461	2,260	-	(2,260)	**15,461**
Other capital funds	-	2,302	-	(2,302)	**-**
Reserve fund	694	-	-	-	**694**
Fair value reserve	(378)	-	-	-	**(378)**
Retained earnings	19,128	1,086	-	3,526	**23,740**
Other equity instruments	4,831	-	-	-	**4,831**
Profit for the year	4,687	553	-	(5,240)	**-**
Total equity	**44,423**	**6,201**	**-**	**(6,276)**	**44,348**
TOTAL LIABILITIES AND EQUITY	**511,392**	**73,659**	**-**	**(6,146)**	**578,905**

* The column "*Methodological changes*" includes reclassifications of selected items of assets and liabilities of Equa bank a.s. so that the method of reporting is consistent with the Bank's accounting policies.

** The column "*Adjustments*" includes, in particular, the elimination of mutual relations between the Bank and Equa bank a.s, the elimination of equity items of Equa bank a.s. and the Bank's investment in Equa bank a.s. It also includes an adjustment to the carrying amounts of the assets and liabilities of Equa bank a.s. to reflect the fair value measurements of the assets acquired and liabilities assumed of Equa bank a.s. made as of the acquisition date, i.e. 1 July 2021, including the effect of the amortisation of the fair values at the merger date.

6. NET INTEREST INCOME

MCZK	2023	2022
Interest income and similar income calculated using the effective interest rate method		
Financial assets at amortised cost	**33,041**	**24,134**
from debt securities	2,516	740
from loans and advances to banks	12,585	10,171
from loans and advances to customers	17,940	13,223
Financial assets other than held for trading mandatorily reported at fair value through profit or loss	**7**	**7**
debt securities	7	7
Negative interest from financial liabilities measured at amortised cost	**-**	**31**
Other assets	**552**	**595**
Hedging interest rate derivatives	**4,152**	**2,848**
Interest income calculated using the effective interest rate	**37,752**	**27,615**
Other interest income		
Financial assets held for trading	**2,727**	**2,530**
trading derivatives	2,714	2,524
of which derivatives in the Bank's portfolio	*61*	*8*
debt securities	13	6
Other interest income	**2,727**	**2,530**
Interest expense		
Financial liabilities held for trading	**(2,987)**	**(2,438)**
trading derivatives	(2,987)	(2,438)
of which derivatives in the Bank's portfolio	*(79)*	*(3)*
Financial liabilities at amortised cost	**(17,336)**	**(8,712)**
from deposits from banks	(770)	(531)
from deposits from customers	(14,574)	(7,610)
from debt securities issued	(1,663)	(371)
From subordinated liabilities	(329)	(200)
From lease liabilities	**(25)**	**(25)**
From securitisation	**(6)**	**-**
Hedging interest rate derivatives	**(6,751)**	**(4,720)**
Negative interest from financial assets measured at amortised cost	**(39)**	**(74)**
Total interest expense and similar expense	**(27,144)**	**(15,969)**
Net interest income	**13,335**	**14,176**

The items *"Interest income and similar income calculated using the effective interest rate method"* – *"Hedging interest rate derivatives"* and *"Interest expense"* – *"Hedging interest rate derivatives"* comprise net interest expense from hedging financial derivatives upon a cash flow hedge of MCZK (368) (2022: net interest expense of MCZK (258)), net interest income from hedging financial derivatives upon a fair value hedge of the portfolio of mortgage loans and corporate loans of MCZK 3,523 (2022: net interest income of MCZK 2,547), net interest income from hedging financial derivatives upon a fair value hedge of the debt securities portfolio measured at amortised cost of MCZK 985 (2022: net interest income of MCZK 561), net interest expense from hedging financial derivatives upon a fair value of term deposits and hedge of the portfolio of current and savings accounts of MCZK (6,368) (2022: net interest expense of MCZK (4,709)), and net interest expense from hedging financial derivatives upon a fair value hedge of the portfolio of securities issued measured at amortised cost in the total amount of MCZK (371) (2022: net interest expense of MCZK (13)).

Interest income additionally includes interest on impaired assets (primarily loans and advances to customers) of MCZK 162 (2022: MCZK 159).

7. NET FEE AND COMMISSION INCOME

MCZK	2023	2022
Fee and commission income		
Securities transactions	379	367
Clearing and settlement	16	17
Asset management	41	54
Administration, custody and safekeeping of values	71	54
Payments	1,964	1,661
Product distribution for customers	507	432
Loan administration	104	123
Customer foreign currency operations	2,313	2,435
Other	96	157
Total fee from customers' accounts	**5,491**	**5,300**
Provided guarantees	264	213
Total fee and commission income	**5,755**	**5,513**
Fee and commission expense		
Clearing and settlement	(75)	(72)
Administration, custody and safekeeping of values	(8)	(6)
Payments	(1,136)	(721)
Guarantees received	(144)	(22)
Other	(220)	(160)
Total fee and commission expense	**(1,583)**	**(981)**
Net fee and commission income	**4,172**	**4,532**

8. NET GAIN / (LOSS) ON FINANCIAL OPERATIONS

MCZK	2023	2022
Interest rate and currency derivatives and FX spots	201	(303)
Profit/(loss) from revaluation of foreign currency position	(594)	(345)
Gain/(loss) from transactions with securities held for trading	15	15
Liabilities from short sales transactions	16	11
Equity instruments held for trading	32	20
Total	**(330)**	**(602)**

9. NET GAIN / (LOSS) ON FINANCIAL ASSETS OTHER THAN HELD FOR TRADING MANDATORILY REPORTED AT FAIR VALUE THROUGH PROFIT OR LOSS

MCZK	2023	2022
Debt securities	16	10
Loans and advances to customers	-	(17)
Total	**16**	**(7)**

10. NET PROFIT / (LOSS) FROM HEDGE ACCOUNTING

MCZK	2023	2022
Change in the fair value of hedging derivatives upon fair value hedge	1 992	(3 865)
Change in the fair value of hedged items upon fair value hedge	(2 082)	3 767
Gains/(losses) from cash flow hedges – ineffective part	-	(6)
Total	**(90)**	**(104)**

11. DIVIDEND INCOME

MCZK	2023	2022
Raiffeisen investiční společnost a.s.	99	-
Visa Inc.	1	1
Equa Sales & Distribution s.r.o. v likvidaci	18	7
Total	**118**	**8**

12. IMPAIRMENT GAINS / (LOSSES) ON CREDIT AND OFF-BALANCE SHEET EXPOSURES

MCZK	2023	2022
Changes in loss allowances		
Additions to loss allowances	(3,156)	(2,809)
Release of loss allowances	1,862	2,808
Use of loss allowances	681	321
Gross book value of assigned and written-off receivables	(681)	(321)
Income from written-off/sold receivables	34	95
Total changes in loss allowances	**(1,260)**	**94**
Provisions for off-balance sheet credit risks		
Establishment of provisions	(411)	(332)
Release of provisions	320	365
Total changes in provisions for off-balance sheet credit risks	**(91)**	**33**
Total impairment gains/(losses) on credit and off-balance sheet exposures	**(1,351)**	**127**

13. GAINS / (LOSSES) ARISING FROM DERECOGNITION OF FINANCIAL ASSETS MEASURED AT AMORTISED COST

MCZK	Net carrying amount		Gain arising from derecognition	
	2023	2022	2023	2022
Financial assets at amortised cost				
Loans and receivables	405	126	12	4
Debt securities	2,726	126	(8)	1
Financial liabilities at amortised cost				
Debt securities issued	11	-	3	-
Total	**3,142**	**252**	**7**	**5**

In 2023 and 2022, loans and receivables from clients were sold due to the deterioration in credit risk. Debt securities were sold shortly before maturity.

14. PERSONNEL EXPENSES

MCZK	2023	2022
Wages and salaries	(2,901)	(2,829)
Social and health insurance	(934)	(914)
Other personnel expenses	(183)	(200)
Total	**(4,018)**	**(3,943)**
of which wages, salaries and remuneration paid to:		
Members of the Board of Directors	(111)	(102)
Members of the Supervisory Board	(7)	(7)
Total	**(118)**	**(109)**

In 2023 and 2022, the recalculated average number of the Bank's employees was as follows:

	2023	**2022**
Employees	3,240	3,059
Members of the Bank's Board of Directors	8	8
Members of the Supervisory Board	12	12

The financial arrangements between the Bank and members of the Board of Directors and Supervisory Board are disclosed in Note 46.

15. GENERAL OPERATING EXPENSES

MCZK	**2023**	**2022**
Rent, repairs and other office management services	(275)	(257)
Marketing expenses	(537)	(571)
Costs of legal and advisory services	(360)	(620)
of which: *statutory audit of financial statements*	*(10)*	*(14)*
other services	*(4)*	*(8)*
other non-audit services	*(2)*	*(1)*
IT support costs	(837)	(849)
Deposit and transaction insurance	(167)	(111)
Telecommunication, postal and other services	(75)	(73)
Security costs	(58)	(57)
Cost of training	(35)	(26)
Office equipment	(18)	(23)
Travel expenses	(27)	(21)
Costs of company cars operation	(7)	(8)
Contribution to the crisis resolution fund	(339)	(385)
Other administrative expenses	(48)	(37)
Total	**(2,783)**	**(3,038)**

"Deposit and transaction insurance" includes the costs of the payment to the Deposit Insurance Fund (henceforth the "FPV").

Besides the statutory audit of the financial statements, the auditor and affiliated companies provided the Bank with the following services in 2023:
Other assurance services:

- Review of the Financial Information for consolidation purposes prepared in conformity with the accounting instructions issued by group management of Raiffeisen Bank International for the period from 1 January 2023 to 31 March 2023;
- Review of the Financial Information for consolidation purposes prepared in conformity with the accounting instructions issued by group management of Raiffeisen Bank International for the period from 1 January 2023 to 30 June 2023;
- Audit of the Financial Information for consolidation purposes prepared in conformity with the accounting instructions issued by group management of Raiffeisen Bank International for the year ended 31 December 2023;
- Review of the impairment of financial assets at amortised cost and net income attributable to the shareholders of the Bank and the Raiffeisenbank, a.s. group for the year ended 31 December 2023 for the purpose of using the interim profit or loss in the statement of equity and risk exposures;
- Other assurance services related to the prospectus of covered bonds containing data necessary to identify the monitor of the covered block ("asset monitor programme");
- Other assurance services related to the preparation of the ISAE3000 report on the use of green bond proceeds and the impact report;
- Other assurance services related to the issuance of a comfort letter in connection with the prospectus of a bond issue programme;

Other non-audit services:

- Preparation of a report on the adequacy of measures adopted for the purposes of protection of customer assets (MiFID II) based on Section 12(e)(3) of Act no. 256/2004, on Capital Market Business, as amended, and pursuant to the provisions of Section 116(a) of Decree No. 163/2014 Coll., on the Performance of the Activities of Banks, Credit Unions and Investment Firms, for the purposes of the Czech National Bank;
- Preparation of a report on the verification of the Bank's management and control system in the scope required by the Czech National Bank;
- Services related to the provision of professional services in the area of bank benchmarking of financial statements of the Bank and selected competitor banks;
- Services related to the preparation and filing of Form 1042-S for the U.S. Treasury Department;
- Professional seminars on the Accounting Act and IFRS accounting standards;
- Services related to the translation of the annual report.

16. DEPRECIATION AND AMORTISATION OF PROPERTY AND EQUIPMENT AND INTANGIBLE ASSETS

MCZK	2023	2022
Depreciation expense	(334)	(291)
Amortisation expense	(1,047)	(1,329)
Depreciation of right-of-use assets	(405)	(414)
Total	**(1,786)**	**(2,034)**

17. OTHER OPERATING INCOME

MCZK	2023	2022
Gain on sale of property and equipment and intangible assets	-	32
Income from reinvoicing of services to subsidiaries	219	251
Income related to banking products	4	30
Modification gain	2	2
Other	159	62
Total	**384**	**377**

18. OTHER OPERATING EXPENSES

MCZK	2023	2022
Change in loss allowances for operating receivables	(2)	(3)
Loss on sale of property and equipment and intangible assets	(9)	-
Impairment of right-of-use assets	(16)	-
Loss on derecognition of intangible assets	-	(20)
Other	(44)	(72)
Total	**(71)**	**(95)**

19. INCOME TAX

Income tax expense

MCZK	2023	2022
Current income tax	(1,871)	(1,837)
Tax refunds/(additional payments) for the prior reporting period	(65)	(45)
Income tax of prior years	-	39
(Expense)/income in respect of deferred tax	37	(18)
Total income tax	**(1,899)**	**(1,861)**

The tax balance differs from the theoretical tax balance that would have been determined had the basic tax rate been used as follows:

MCZK	2023	2022
Profit before tax	**7,397**	**9,402**
Tax calculated at the tax rate – 29%* (2022: 19%)	**(2,117)**	**(1,786)**
Non-taxable income (tax effect)	1,349	713
Non-tax deductible expenses (tax effect)	(1,103)	(764)
Tax relief and offsets	-	-
Deferred tax movements	37	(18)
Tax expense for the current period	**(1,834)**	**(1,855)**
Tax overpayment/(arrears) for prior reporting periods	(65)	(45)
Income tax of prior years	-	39
Total income tax	**(1,899)**	**(1,861)**
Effective tax rate	**25.68%**	**19.79%**

*The tax rate includes the basic income tax rate of 19% and the effect of windfall tax.

For additional details on the deferred tax, refer to Note 27.

20. PROFIT PER SHARE

Profit per share of CZK 3,356 (2022: CZK 4,674 per share) was calculated as the profit attributable to equity holders of the Bank of MCZK 5,498 (2022: MCZK 7,541) less the coupon paid on other equity instruments of MCZK 308 (2022: MCZK 296) and divided by the number of issued shares, i.e. 1,546,080 pieces (2022: 1,546,080 pieces).

21. CASH AND CASH EQUIVALENTS

MCZK	2023	2022
Cash and cash equivalents	2,828	2,645
Balances with central banks (including one-day deposits)	1,294	531
Other demand deposits	10,790	10,703
Total	**14,912**	**13,879**

22. FINANCIAL ASSETS HELD FOR TRADING

MCZK	2023	2022
Derivatives	**4,918**	**7,548**
Interest rate derivatives	3,643	5,962
Currency derivatives	1,275	1,586
Debt securities	**446**	**162**
Government institutions	410	121
Non-financial enterprises	36	41
Total	**5,364**	**7,710**

Securities pledged as collateral

As of 31 December 2023 and 2022, the Bank provided no pledge of the above securities as collateral as part of repurchase and similar transactions with other banks and customers.

23. FINANCIAL ASSETS OTHER THAN HELD FOR TRADING MANDATORILY REPORTED AT FAIR VALUE THROUGH PROFIT OR LOSS

MCZK	2023	2022
Debt securities	**208**	**194**
Other financial institutions	84	74
Non-financial enterprises	124	120
Total	**208**	**194**

24. FINANCIAL ASSETS MEASURED AT FVOCI

MCZK	2023	2022
Equity instruments	**132**	**101**
Shares	132	101
Total	**132**	**101**

"Financial assets measured at FVOCI" include the Bank's equity investment in SWIFT of MCZK 2 (2022: MCZK 2), Bankovní identita a.s. of MCZK 36 (2022: MCZK 23), and VISA of MCZK 94 (2022: MCZK 76).

25. FINANCIAL ASSETS AT AMORTISED COST

a) Financial assets at amortised cost by segment

MCZK	2023		
	Gross carrying amount	Loss allowances	Net carrying amount
Debt securities	**93,455**	**(72)**	**93,383**
Government institutions	85,302	(11)	85,291
Credit institutions	949	(1)	948
Other financial institutions	2,535	(17)	2,518
Non-financial enterprises	4,669	(43)	4,626
Loans and advances to banks	**160,672**	**(3)**	**160,669**
Central banks	147,102	-	147,102
Credit institutions	13,570	(3)	13,567
Loans and advances to customers	**371,123**	**(4,864)**	**366,259**
Government institutions	353	-	353
Other financial institutions	50,935	(269)	50,666
Non-financial enterprises	136,593	(1,832)	134,761
Households	183,242	(2,763)	180,479
Total	**625,250**	**(4,939)**	**620,311**

MCZK	2022		
	Gross carrying amount	Loss allowances	Net carrying amount
Debt securities	**39,807**	**(45)**	**39,762**
Government institutions	31,365	(1)	31,364
Credit institutions	962	-	962
Other financial institutions	2,448	(21)	2,427
Non-financial enterprises	5,032	(23)	5,009
Loans and advances to banks	**166,808**	**(1)**	**166,807**
Central banks	157,203	-	157,203
Credit institutions	9,605	(1)	9,604
Loans and advances to customers	**353,844**	**(4,091)**	**349,753**
Government institutions	490	-	490
Other financial institutions	47,155	(147)	47,008
Non-financial enterprises	128,887	(1,805)	127,082
Households	177,312	(2,139)	175,173
Total	**560,459**	**(4,137)**	**556,322**

b) Financial assets at amortised cost by category

MCZK	2023	2022
Debt securities		
Debt securities	93,455	39,807
Debt securities - gross	**93,455**	**39,807**
Loss allowances	(72)	(45)
Debt securities - net	**93,383**	**39,762**
Loans and advances to banks		
Term deposits	13,570	9,598
Factoring	-	7
Reverse repurchase transactions with Czech National Bank	147,102	157,203
Loans and advances to banks - gross	**160,672**	**166,808**
Loss allowances	(3)	(1)
Loans and advances to banks - net	**160,669**	**166,807**
Loans and advances to customers		
Current account overdrafts	2,506	2,333
Term loans	232,226	215,010
Mortgage loans	127,078	127,138
Reverse repurchase	571	1,777
Credit card receivables	3,500	3,295
Other	5,242	4,291
Loans and advances to customers - gross	**371,123**	**353,844**
Loss allowances	(4,864)	(4,091)
Loans and advances to customers - net	**366,259**	**349,753**
Total financial assets at amortised cost	**620,311**	**556,322**

The Bank has applied hedge accounting upon the fair value hedge of the portfolio of receivables from mortgage and corporate loans and debt securities at amortised cost. As of 31 December 2023, the remeasurement of the hedged items amounted to MCZK 50 (2022: MCZK (5,755)).

c) Reverse repurchase transactions

The Bank provided reverse repurchase transactions to the Czech National Bank in the amount of MCZK 147,102 (2022: MCZK 157,203). Reverse repo transactions with the Czech National Bank are collateralised by securities with the fair value of MCZK 142,328 (2022: MCZK 154,529).

The amount of reverse repurchase transaction provided to customers was MCZK 571 (2022: MCZK 1,777). Reverse repurchase transactions with customers are collateralised by securities with the fair value of MCZK 855 (2022: MCZK 2,663).

d) Securitisation

In June 2023, the Bank completed its third synthetic securitisation of Roof RBCZ 2023 for MEUR 960. In the synthetic securitisation, the Bank cedes part of the credit risk associated with the loan portfolio to institutional investors. However, the loans in the synthetic securitisation portfolio remain in the Bank's ownership and management. The synthetic securitisation therefore has no impact on the Bank's relationships with its customers. The securitised portfolio consists of corporate loans granted mainly to Czech companies and has been divided into three risk tranches: junior, mezzanine and senior. The credit risk related to the mezzanine tranche was transferred to institutional investors who provided the Bank with a portfolio guarantee to hedge the credit risk of the mezzanine tranche in the amount of MCZK 1,662 (2022: MCZK 0). This accepted portfolio guarantee to hedge the credit risk of the mezzanine tranche is linked to a cash deposit from institutional investors serving as cash collateral for this portfolio guarantee. This deposit is of the same amount as the portfolio guarantee received and bears interest. This deposit is shown in the statement of financial position under the line "Deposits from customers". The Bank retained the credit risk of the junior and senior tranche. The expected termination of this portfolio guarantee is in December 2026. The Bank allocates the cost of the portfolio guarantee received between the interest portion, which is reported under "*Interest expense and similar expense*", and the fee portion, which the

Bank reports under "*Fee and commission expense*". The transaction was carried out to reduce the Bank's risk-weighted assets.

e) Syndicated loans

Pursuant to concluded syndicated loan agreements as of 31 December 2023, the Bank acted as the arranger of syndicated loans in the original amount of aggregate credit limits of MCZK 6,090 (2022: MCZK 7,160), of which the proportion of the Bank amounted to MCZK 2,210 (2022: MCZK 2,490), and the proportion of other syndicate members amounted to MCZK 3,879 (2022: MCZK 4,669).

As of 31 December 2023, the aggregate amount of outstanding receivables under the syndicated loan facilities was MCZK 5,310 (2022: MCZK 4,648), of which the proportion of the Bank was MCZK 2,044 (2022: MCZK 1,546), and the proportion of other syndicate members was MCZK 3,266 (2022: MCZK 3,102).

The risks and interest arising from these syndicated loans are shared by all participating syndicate members in proportion to their aggregate exposure.

26. HEDGING DERIVATIVES WITH POSITIVE FAIR VALUE

MCZK	2023	2022
Portfolio hedge derivatives	**5,152**	**7,347**
Cash flow hedge	310	97
Fair value hedge	4,842	7,250
Total	**5,152**	**7,347**

27. DEFERRED TAX ASSET/LIABILITY

Deferred tax is calculated on all temporary differences under the liability method using the basic income tax rate of 21% taking into account the impact of the windfall tax which will apply for the years 2024 to 2025. In 2022, deferred tax was calculated on all temporary differences under the liability method using the basic income tax rate of 19% and the windfall tax rate of 60% applicable for years 2023 to 2025.

Deferred tax asset comprises the following items:

MCZK	Balance as of 1 Jan 2023	Movement for the year - (expense)/ income	Movement for the year against equity	Balance at 31 Dec 2023		
	Net deferred tax asset / (liability)			Deferred tax liability	Deferred tax asset	Net deferred tax asset / (liability)
Outstanding social and health insurance, bonuses	**217**	(92)	-	-	125	**125**
Other provisions	**166**	(28)	-	-	138	**138**
Outstanding vacation days	**5**	(3)	-	-	2	**2**
Fair value reserve - cash flow hedge	**237**	-	(200)	-	37	**37**
Differences between accounting and tax carrying amounts of property and equipment and intangible assets	**(834)**	163	-	(671)	-	**(671)**
Movement in fair value reserve in equity from remeasurement of financial assets at FVOCI	**1**	-	(4)	(3)	-	**(3)**
Fair value remeasurement of assumed assets and liabilities*	**80**	(3)	-	-	77	**77**
Deferred tax asset/(liability)	**(128)**	**37**	**(204)**	**(674)**	**379**	**(295)**

*Line *"Fair value remeasurement of assumed assets and liabilities"* represents the calculated deferred tax asset on the remeasurement of the carrying amounts of assets and liabilities of Equa bank a.s. at fair value as of the acquisition date, i.e. 1 July 2021, including the effect of fair value amortisation.

MCZK	Balance as of 1 Jan 2022	Impact of the merger	Movement for the year - (expense)/ income	Movement for the year against equity	Balance at 31 Dec 2022		
	Net deferred tax asset / (liability)				Deferred tax liability	Deferred tax asset	Net deferred tax asset / (liability)
Outstanding social and health insurance, bonuses	**98**	36	83	-	-	217	**217**
Other provisions	**107**	11	48	-	-	166	**166**
Outstanding vacation days	**2**	-	3	-	-	5	**5**
Fair value reserve - cash flow hedge	**89**	-	-	148	-	237	**237**
Differences between accounting and tax carrying amounts of property and equipment and intangible assets	**(311)**	(364)	(159)	-	(834)	-	**(834)**
Movement in fair value reserve in equity from remeasurement of financial assets at FVOCI	**-**	-	-	1	-	1	**1**
Fair value remeasurement of assumed assets and liabilities*	**-**	73	7	-	-	80	**80**
Deferred tax asset/(liability)	**(15)**	**(244)**	**(18)**	**149**	**(834)**	**706**	**(128)**

*Line *"Fair value remeasurement of assumed assets and liabilities"* represents the calculated deferred tax asset on the remeasurement of the carrying amounts of assets and liabilities of Equa bank a.s. at fair value as of the acquisition date, i.e. 1 July 2021, including the effect of fair value amortisation.

28. OTHER ASSETS

MCZK	2023	2022
Indirect tax receivables	16	11
Receivables arising from non-banking activities	387	780
Deferred expenses and accrued income	317	300
Receivables from securities trading	92	109
Settlement of cash transactions with other banks	894	409
Mandatory minimum reserves	11,049	4,901
Other	243	295
Total	**12,998**	**6,805**

Mandatory minimum reserves include deposits, the amount of which is determined based on the regulation declared by the Czech National Bank and the drawing of which is limited. Without being sanctioned, the Bank may draw an amount from mandatory minimum reserves which exceeds the actual average amount of the mandatory minimum reserves for the particular period calculated according to the Czech National Bank's regulation.

29. EQUITY INVESTMENTS IN SUBSIDIARIES AND ASSOCIATED COMPANIES

a) Equity investments

MCZK	2023	2022
Balance at 1 January	7,209	14,905
Acquisition/addition to equity investments	4,100	-
Derecognition of equity investments upon merger	(172)	(7,696)
Creation of an allowance for equity investments	(206)	-
At 31 December	**10,931**	**7,209**

The Bank performs periodic impairment testing of equity investments to determine whether the carrying amount of the investment in subsidiaries and associates is recoverable. If the recoverable amount of the investment (which is the higher value of its Fair Value less cost of sales and Value in Use) is less than its carrying amount, the carrying amount is reduced to its recoverable amount.

The impairment assessment for the investment in the subsidiary Raiffeisen stavební spořitelna a.s. in 2023 was performed with the following assumptions: both methods of determining the recoverable amount of the investment were determined using forecasts of future cash flows based on an approved financial plan covering the following five-year period. To discount these future cash flows, a risk discount rate of 12.5% was used, which corresponds to the expected return on capital. The assumptions include capital optimisation assuming compliance with regulatory capital limits, with capital in excess of these limits being paid out as a dividend. The estimate of future cash flows for the period subsequent to the five-year financial plan is calculated as perpetuity based on constant cash flows in the form of net operating profit after tax and incorporating a steady-state growth rate of 1%. To determine the Fair Value less cost of sales method, assumed cost synergies have also been determined. Cost of sales is set at all expected legal and consulting costs related to the sale and integration of the subsidiary on the buy-side counterparty. The impairment test results in a P/B (Price to Book Value) of less than 1 under both methods of determining the recoverable amount of the investment, with the higher P/B of the two methods being a Value in Use of 0.97. On the basis of this calculated Value in Use of MCZK 6,785, the Bank recognised an impairment of its equity investment in Raiffeisen stavební spořitelna a.s. of MCZK 206 in 2023.

This test included a sensitivity analysis of the underlying assumptions. Several parameters were tested in turn. Higher sensitivity was observed for the change in the business plans of Raiffeisen stavební spořitelna a.s., which is expressed in the sensitivity analysis by the cost/income ratio. The second parameter tested with a significant impact is the change in the risk discount rate.

The result of the sensitivity analysis is shown in the following table:

Impact on recoverable amount of the equity investment using the Value in Use method (MCZK)		Cost/income ratio		
	Change	**(5) pp**	**0 pp**	**5 pp**
Risk discount rate	**(1) pp**	758	198	(368)
	0 pp	519	-	(524)
	1 pp	315	(169)	(658)

In the case of the cost/income ratio, this would imply the following development. If this ratio were to improve by 5 percentage points, which would result from either higher revenues or lower costs, and the other assumptions of the models were to remain unchanged, the Bank would not be required to recognise any impairment in 2023. If, on the other hand, this ratio were to decline by only 5 percentage points compared to the original scenario, the impairment of the equity investment in Raiffeisen stavební spořitelna a.s. would amount to MCZK 730, i.e. MCZK 524 more than the reported value.

The risk discount rate was the second indicator that was tested for sensitivity. If this rate were to decrease by 1 percentage point to 11.5% and the other parameters of the model were to remain the same, the equity interest in Raiffeisen stavební spořitelna a.s. would be impaired by MCZK 8 under the Value in Use method. It should be noted that only in this particular scenario of the sensitivity scenarios tested would the second approach using the Fair Value less cost of sales method result in a P/B value greater than 1. If the risk discount rate were to increase by 1 percentage point, the impairment would increase by MCZK 169, resulting in a total impairment of this equity investment of MCZK 375.

The Bank did not identify any further impairment of equity investments in 2023.

The Bank did not identify any impairment of equity investments in 2022.

b) Subsidiaries (equity investments with controlling influence)

MCZK Corporate name	Registered office	Equity	Of which: Share capital	Share of the share capital	Share of voting power	Carrying amount
Raiffeisen-Leasing, s.r.o.	Praha 4, Hvězdova 1716/2b	6,116	450	100%	100%	3,956
Raiffeisen investiční společnost a.s.	Praha 4, Hvězdova 1716/2b	502	40	100%	100%	40
Raiffeisen stavební spořitelna a.s.	Praha 4, Hvězdova 1716/2b	8,310	650	100%	100%	6,785
Total at 31 December 2023						**10,781**
Raiffeisen-Leasing, s.r.o.	Praha 4, Hvězdova 1716/2b	2,949	450	100%	100%	1,456
Raiffeisen investiční společnost a.s.	Praha 4, Hvězdova 1716/2b	421	40	100%	100%	40
Raiffeisen stavební spořitelna a.s.	Praha 4, Hvězdova 1716/2b	5,883	650	100%	100%	5,392
Equa Sales & Distribution s.r.o. v likvidaci	Praha 8, Karolinská 661/4	194	100	100%	100%	171
Total at 31 December 2022						**7,059**

Raiffeisen-Leasing, s.r.o. – principal activities:

- lease of movable and immovable assets;
- valuation of immovable assets;
- agency activities related to trade and services;
- accounting advisory, bookkeeping, tax records; and
- provision of loans and credits from own resources.

Raiffeisen investiční společnost a.s. – principal activities:

- offer of investment products; and
- administration of investment and participation funds.

Raiffeisen stavební spořitelna a.s. – principal activities

- building society savings operation
- provision of loans to participants in building society savings
- accepting deposits in CZK from banks, foreign banks, foreign bank branches, financial institutions, foreign institutions, and branches of foreign financial institutions
- provision of guarantees for building society savings loans

Equa Sales & Distribution s.r.o. v likvidaci – principal activities

- mediation of sales of Equa bank a.s.' financial products

During 2022, the Bank transferred all activities and operations of Equa Sales & Distribution s.r.o. v likvidaci to the Bank. This company entered into liquidation in October 2022. The liquidation process was completed in May 2023.

c) Associated companies (equity investments with significant influence)

MCZK Corporate name	Registered office	Equity	Of which: Share capital	Share of the share capital	Share of voting power	Carrying amount
AKCENTA CZ a.s.	Praha 1, Salvátorská 931/8	416	100	30%	30%	147
AKCENTA LOGISTIC a.s. v likvidaci	Hradec Králové, Nerudova 1361/31	5	2	30%	30%	3
Total at 31 December 2023						**150**
AKCENTA CZ a.s.	Praha 1, Salvátorská 931/8	377	100	30%	30%	147
AKCENTA LOGISTIC a.s.	Hradec Králové, Nerudova 1361/31	5	2	30%	30%	3
Total at 31 December 2022						**150**

AKCENTA LOGISTIC a.s. v likvidaci entered liquidation in January 2023. The liquidation process is expected to be completed during the first quarter of 2024.

30. INTANGIBLE ASSETS

MCZK	Goodwill	Software	Other intangible assets	Core Deposit	Intangible assets under construction	Total
Acquisition cost						
At 1 January 2022	**-**	**7,807**	**509**	**-**	**493**	**8,809**
Impact of the merger	447	490	205	1,495	22	**2,659**
Additions	-	306	-	-	707	**1,013**
Disposals	-	-	-	-	(20)	**(20)**
Other changes (transfers)	-	323	-	-	(323)	**-**
At 31 December 2022	**447**	**8,926**	**714**	**1,495**	**879**	**12,461**
Additions	-	397	-	-	459	**856**
Disposals	-	-	-	-	-	**-**
Other changes (transfers)	-	535	-	-	(535)	**-**
At 31 December 2023	**447**	**9,858**	**714**	**1,495**	**803**	**13,317**
Accumulated amortisation						
At 1 January 2022	**-**	**(5,226)**	**(399)**	**-**	**-**	**(5,625)**
Additions – annual amortisation charges	-	(1,094)	(78)	(157)	-	**(1,329)**
Disposals	-	-	-	-	-	**-**
At 31 December 2022	**-**	**(6,320)**	**(477)**	**(157)**	**-**	**(6,954)**
Additions – annual amortisation charges	-	(813)	(77)	(157)	-	**(1,047)**
Disposals	-	-	-	-	-	**-**
At 31 December 2023	**-**	**(7,133)**	**(554)**	**(314)**	**-**	**(8,001)**
Net book value						
At 31 December 2022	**447**	**2,606**	**237**	**1,338**	**879**	**5,507**
At 31 December 2023	**447**	**2,725**	**160**	**1,181**	**803**	**5,316**

Additions to software predominantly represent the putting into use of technical improvements on data warehouses and other software used by the Bank. Internal costs (primarily personnel expenses and rental costs) which are required to generate these assets are capitalised. In 2023, internal costs totalling MCZK 136 (2022: MCZK 204) were capitalised.

Other additions to intangible assets under construction include purchases from external entities. In this category, the Bank does not report or record additions acquired through business combinations.

"Other changes (transfers)" includes capitalisation of completed investments.

The Bank tests goodwill for impairment once a year. For the purposes of goodwill testing, the cash-generating unit is the retail client portfolio to which the total amount of goodwill recognised has been allocated.

The projected cash flows are based on a five-year financial plan adjusted for the relevant capital requirements. The estimate of future cash flows for the period following the five-year financial plan is calculated as a perpetuity based on constant cash flows in the form of net operating profit after tax and incorporating a stable growth rate. A discount rate of 13% was used to calculate the value of future cash flows. A growth rate of 2% was used to calculate the terminal value, which corresponds to long-term inflation expectations.

The Bank performed a sensitivity analysis to examine the sensitivity of the value in use of goodwill to the following key indicators:

- change in interest rates: the sensitivity analysis is based on the results of a market risk calculation performed by the Bank on a regular basis, which shows the sensitivity of net interest income to a parallel decline in the interest rate curve over a two-year horizon. The Bank's net interest income is generally positively correlated with the level of interest rates due to the low elasticity of customer current account rates.

- discount factor – is directly derived from the cost of capital, which is determined by the shareholder's expected return on investment in the Bank. In the base scenario, the cost of capital is set at 13%. In the sensitivity analysis, the cost of capital is set at 15%.

- long-term growth rate – equal to 2% in the base scenario, which is in line with long-term inflation expectations. In the sensitivity analysis, the long-term growth rate is 1%.

Based on the test result, there is no indication of impairment of goodwill due to the fact that the value in use is significantly higher than the carrying amount of the cash-generating unit in both scenarios.

31. PROPERTY AND EQUIPMENT

a) Changes in tangible fixed assets

MCZK	Land, buildings and technical improvements on buildings	Fixtures and fittings	Machinery and equipment	Property and equipment under construction	Total
Acquisition cost					
At 31 December 2022	**3,458**	**191**	**1,082**	**93**	**4,824**
Impact of the merger	100	1	116	-	**217**
Additions	484	2	116	39	**641**
Disposals	(544)	(7)	(76)	-	**(627)**
Other changes (transfers)	4	2	84	(90)	**-**
At 31 December 2022	**3,502**	**189**	**1,322**	**42**	**5,055**
Additions	270	4	153	24	**451**
Disposals	(237)	(7)	(362)	-	**(606)**
Other changes (transfers)	10	5	26	(41)	**-**
At 31 December 2023	**3,545**	**191**	**1,140**	**25**	**4,901**
Accumulated depreciation					
At 1 January 2022	**(1,832)**	**(147)**	**(706)**	**-**	**(2,685)**
Additions	(495)	(9)	(201)	-	**(705)**
Disposals	273	7	61	-	**341**
At 31 December 2022	**(2,054)**	**(149)**	**(846)**	**-**	**(3,049)**
Additions	(475)	(9)	(255)	-	**(739)**
Disposals	179	6	345	-	**530**
At 31 December 2023	**(2,350)**	**(152)**	**(756)**	**-**	**(3,258)**
Net book value					
At 31 December 2022	**1,448**	**40**	**476**	**42**	**2,006**
At 31 December 2023	**1,195**	**39**	**384**	**25**	**1,643**

The figures presented under *"Other changes (transfers)"* represent the reclassification of assets from assets under construction to individual categories and a change in the classification of selected classes of assets.

As of 31 December 2023, the carrying amount of right-of-use assets was MCZK 1,039 (at 31 December 2022: MCZK 1,236) – see Note 45.

32. FINANCIAL LIABILITIES HELD FOR TRADING

MCZK	2023	2022
Derivatives	**4,678**	**7,968**
Interest rate derivatives	3,601	5,638
Currency derivatives	1,077	2,330
Total	**4,678**	**7,968**

33. FINANCIAL LIABILITIES AT AMORTISED COST

a) Deposits from banks

MCZK	2023	2022
Current accounts/One-day deposits	1,150	643
Term deposits of banks	3,748	5,059
Repurchase transactions	17,890	4,972
Total	**22,788**	**10,674**

Securities pledged as collateral for repurchase transactions are government bonds in the amount of MCZK 1,258 (31 December 2022: MCZK 1,071), which were received as collateral in reverse repurchase transactions with the Czech National Bank, and government bonds in the amount of MCZK 20,162 (31 December 2022: MCZK 5,566), which the Bank recognises in *"Financial assets at amortised cost – Debt securities"*.

The Bank has also taken interbank loans in the amount of MCZK 2,540 (31 December 2022: MCZK 3,880) collateralised by the Bank's own mortgage bonds of MCZK 3,256 (31 December 2022: MCZK 5,337).

b) Deposits from customers

Analysis of deposits from customers by type

MCZK	2023	2022
Current accounts/One-day deposits	396,131	381,790
Term deposits	127,654	107,138
Term deposits with maturity	40	706
Repurchase transactions	15,032	-
Total	**538,857**	**489,634**

The Bank has applied hedge accounting upon the fair value hedge of the portfolio of current and savings accounts and debt securities issued. As of 31 December 2023, the remeasurement of the hedged items amounted to MCZK (6,467) (2022: MCZK (14,354)).

The securities pledged as collateral in repurchase transactions are government bonds in the amount of MCZK 14,874 (as of 31 December 2022: MCZK 0), which were obtained as collateral in a reverse repurchase transaction with the ČNB.

Analysis of deposits from customers by sector

MCZK	2023	2022
Government institutions	27,661	10,604
Other financial institutions	23,734	20,267
Non-financial enterprises	153,804	144,673
Households	333,658	314,090
Total	**538,857**	**489,634**

c) Debt securities issued

Analysis of issued debt securities by type

MCZK	2023	2022
Mortgage bonds	5,519	8,361
Senior non-preferred bonds	30,793	16,192
Total	**36,312**	**24,553**

Analysis of mortgage bonds

MCZK							
Issue date	**Maturity date**	**ISIN**	**Currency**	**Nominal value**		**Carrying amount**	
				2023	**2022**	**2023**	**2022**
8/3/2017	8/3/2023	XS1574150857	EUR	-	7,235	-	2,918
8/3/2017	8/3/2024	XS1574151236	EUR	7,418	7,235	3,996	3,917
19/3/2020	19/3/2025	CZ0002006893	CZK	1,500	1,500	1,523	1,526
15/7/2020	15/7/2030	CZ0002007057	CZK	41,000	41,000	-	-
15/11/2021	15/11/2031	XS2406886973	EUR	12,363	12,058	-	-
TOTAL				**62,281**	**69,028**	**5,519**	**8,361**

ISIN	Interest rate
XS1574150857	0.88%
XS1574151236	1.13%
CZ0002006893	1.65%
CZ0002007057	1.00%
XS2406886973	0.70%

In 2023, mortgage bond XS1574150857 issued by the Bank reached its maturity.

Mortgage bonds XS2406886973 and CZ0002007057 remain completely in the Bank's own books.

As of 31 December 2023, the Bank held issued EUR-denominated mortgage bonds totalling MEUR 508.3 (as of 31 December 2022: MEUR 598.7), which can be used as collateral in repurchase transactions with the European Central Bank, and issued CZK-denominated mortgage bonds totalling MCZK 41,000, which can be used as collateral in repo transactions with the Czech National Bank.

Apart from this, the Bank used issued EUR-denominated mortgage bonds of MEUR 131.7 (as of 31 December 2022: MEUR 221.3) as collateral in repurchase transactions on the inter-banking market.

Analysis of senior non-preferred bonds

MCZK							
Issue date	**Maturity date**	**ISIN**	**Currency**	**Nominal value**		**Net carrying amount**	
				2023	**2022**	**2023**	**2022**
18/03/2021	22/03/2026	XS2321749355	CZK	2,689	2,680	2,740	2,740
09/06/2021	09/06/2028	XS2348241048	EUR	8,654	8,381	8,651	8,429
20/09/2022	20/09/2027	XS2534984120	CZK	2,200	1,303	2,228	1,326
20/09/2022	20/09/2027	XS2534985283	CZK	1,318	1,019	1,340	1,043
28/11/2022	28/11/2027	XS2559478693	CZK	2,635	2,634	2,654	2,654
19/1/2023	19/1/2026	XS2577033553	EUR	12,363	-	13,180	-
TOTAL				**29,859**	**16,017**	**30,793**	**16,192**

ISIN	Interest rate
XS2321749355	6M PRIBOR + 0.6 p.b. p.a.
XS2348241048	Fixed rate of 1% p.a.
XS2534984120	Fixed rate of 6.22 % p.a.
XS2534985283	6M PRIBOR + 1 p.b. p.a.
XS2559478693	Fixed rate of 8.27 % p.a.
XS2577033553	Fixed rate of 7.125% p.a.

In January 2023, the Bank issued an international issue of senior non-preferred bonds which are both subordinated to the other preferred bonds and MREL eligible.

Bond XS2577033553, admitted to trading on the Luxembourg Stock Exchange and denominated in EUR, may only be sold to eligible counterparties and was offered mainly to investors on the domestic market.

It has a maturity of three years and an embedded call option for the Bank for early repayment in nominal value after two years from the issue date. This bond has been assigned a *Baa2* rating by Moody's.

In 2022, the Bank issued three issues of senior non-preferred bonds that are subordinated to other preferred bonds and MREL eligible.

Bond XS2559478693, admitted to trading on the Luxembourg Stock Exchange and denominated in CZK, may only be sold to eligible counterparties and was offered mainly to investors on the domestic market. It has a maturity of five years and an embedded call option for the Bank for early repayment in nominal value after four years from the issue date. This bond has not been assigned any rating.

Bonds XS2534984120 and XS2534985283, admitted to trading on the Luxembourg Stock Exchange and denominated in CZK, can also be sold to retail clients and were offered mainly to investors on the domestic market. They have a maturity of five years and an embedded call option for the Bank for early repayment in nominal value after four years from the issue date. These bonds have not been assigned any rating.

In 2021, the Bank issued two issues of senior non-preferred bonds that are subordinated to other preferred bonds and MREL eligible.

International bond XS2348241048, admitted to trading on the Luxembourg Stock Exchange and denominated in EUR, was issued as a green bond in cooperation with Barclays Bank Ireland PLC, Crédit Agricole Corporate and Investment Bank, and Raiffeisen Bank International AG. It has a maturity of seven years and an embedded call option for the Bank for early repayment in nominal value after six years from the issue date. The bond has been assigned a *Baa3* rating by Moody's.

Bond XS2321749355, admitted to trading on the Luxembourg Stock Exchange and denominated in CZK, can be sold to non-professional customers and was offered mainly to investors on the domestic market. It has a maturity of five years and an embedded call option for the Bank for early repayment in nominal value after four years from the issue date. This bond has not been assigned any rating.

d) Subordinated liabilities and bonds

Subordinated loan

MCZK	2023	2022
Raiffeisen Bank International AG (parent company)	3,238	3,156
Raiffeisenlandesbank Oberösterreich AG	1,080	1,052
Total	**4,318**	**4,208**

Subordinated deposits

MCZK	2023	2022
Households	-	42
Total	**-**	**42**

Subordinated bonds

MCZK							
Issue date	Maturity date	ISIN	Currency	Nominal value		Net carrying amount	
				2023	2022	2023	2022
26./9/2017	26/9/2027	CZ0003704595	CZK	300	300	310	309
16./9/2019	18/9/2029	CZ0003704900	CZK	300	300	302	302
TOTAL				**600**	**600**	**612**	**611**

ISIN	Interest rate
CZ0003704595	8.365 %
CZ0003704900	4.06 %

e) Other financial liabilities

MCZK	2023	2022
Liabilities from trading with securities	37	62
Liabilities from non-banking activities	417	301
Settlement and suspense clearing accounts	4,834	3,856
Lease liabilities	1,062	1,229
Total	**6,350**	**5,448**

34. HEDGING DERIVATIVES WITH NEGATIVE FAIR VALUE

MCZK	2023	2022
Positive fair value of portfolio hedge derivatives	**12,725**	**17,658**
Cash flow hedge	483	930
Fair value hedge	12,242	16,728
Total	**12,725**	**17,658**

35. PROVISIONS

MCZK	2023	2022
Provisions for commitments and financial guarantees provided	**573**	**476**
Other provisions	**651**	**782**
Provisions for legal disputes	-	9
Provisions for payroll bonuses	596	656
Provision for restructuring	-	36
Other	55	81
Total	**1,224**	**1,258**

The Bank recognises provisions for credit risks arising from off-balance sheet items in respect of irrevocable credit commitments, guarantees and letters of credit provided to customers. The purpose of this provision is to cover credit risks associated with off-balance sheet receivables. Provisions are made for estimated credit losses on these potential receivables on the basis of the same principles as loss allowances for financial assets. The movement in provisions for commitments and financial guarantees provided is part of Note 42 Financial instruments – credit risk.

Overview of other provisions

MCZK	Provisions for legal disputes	Provisions for salary bonuses	Provision for restructuring	Other provisions	Total
1 January 2022	**9**	**515**	**6**	**63**	**593**
Impact of the merger	-	50	134	4	**188**
Additions	-	656	-	32	**688**
Utilisation	-	(541)	(83)	(13)	**(637)**
Release of redundant provisions	-	(24)	(21)	(5)	**(50)**
31 December 2022	**9**	**656**	**36**	**81**	**782**
Short-term	-	538	36	-	**574**
Long-term	9	118	-	81	**208**
Additions	-	596	-	24	**620**
Utilisation	-	(634)	(36)	(26)	**(696)**
Release of redundant provisions	(9)	(22)	-	(24)	**(55)**
31 December 2023	**-**	**596**	**-**	**55**	**651**
Short-term	-	439	-	14	**453**
Long-term	-	157	-	41	**198**

The Bank recognises provisions for legal disputes based on an internal expert assessment of the current legal disputes conducted against the Bank. If there is a risk of possible loss in the legal dispute, the internal division issues an instruction for a provision to be recognised. If the legal dispute discontinues or the likelihood of a loss is reduced, the provision is released due to redundancy.

As of 31 December 2022 *"Provision for restructuring"* included the balance of the provision for restructuring in relation to the legal merger of Raiffeisenbak a.s. and Equa bank a.s.

"Other provisions" includes provisions for bonuses for customers, contractual obligations related to the restoration of leased branches to their original condition, etc. For all types of other provisions, the Bank assesses the risk and probability of performance. This item includes the effect of changes in foreign currency rates on provisions denominated in foreign currencies.

Provisions are recognised when it is possible to estimate the amount of future performance. In most types of risk, the Bank established a provision equal to 100% of the anticipated repayments and payments.

36. OTHER LIABILITIES

MCZK	2023	2022
Estimated payables – payroll costs	310	313
Outstanding vacation days	8	15
Accrued expenses and deferred income	136	127
Estimated payables – uninvoiced receipts for services/goods	796	528
Other	167	122
Total	**1,417**	**1,105**

37. EQUITY

a) Share capital

The Bank's shareholder structure as of 31 December 2023:

Name	Registered office	Number of ordinary shares	Nominal value (MCZK)	Ownership percentage* (in %)
Raiffeisen CEE Region Holding GmbH	Austria	1,159,560	11,596	75
RLB OÖ Sektorholding GmbH	Austria	386,520	3,865	25
		1,546,080	**15,461**	**100**

* Direct investment in the share capital

The registered capital has been fully paid. The ordinary shares are in accordance with Act No. 90/2012 Coll. on Business Corporations and Cooperatives, and there are no special rights associated with them. The shareholder is entitled to a share of the Bank's profit (dividend), which the General Meeting had approved for distribution according to the Bank's economic results. The Bank has not issued any convertible bonds or priority bonds within the meaning of Section 286 of Act No. 90/2012 Coll., On Business Corporations and Cooperatives. In 2023 and 2022, the Bank did not hold any of its own shares or issue any interim certificates.

The annual General Meeting of the Bank held on 24 March 2023 resolved to transfer the net profit for 2022 in the amount of MCZK 7,541 to retained earnings and at the same time the payment of the coupon see Note 37 b) Other equity instruments.

On 14 December 2023, the Bank's extraordinary General Meeting approved the following payment of dividends from retained earnings:

Dividends paid to shareholders*	3,185
Of which: Raiffeisen CEE Region Holding GmbH	2,389
RLB OÖ Sektorholding GmbH	796

In 2023, the dividend per share amounted to CZK 2,060 (2022: CZK 0).

b) Other equity instruments

Other equity instruments include subordinated unsecured AT1 capital investment certificates issued by the Bank that combine the elements of equity and debt securities and meet the criteria for inclusion in the Bank's Tier 1 capital. In accordance with the terms of issue of AT1 capital investment certificates, the Bank is not obliged to deliver cash or any other financial asset to the holders of AT1 instruments to settle a contractual obligation, i.e. the AT1 holders are not entitled to the repayment of the outstanding amount or the payment of the coupon yield. As of 31 December 2023, the issue totalled MCZK 4,831 (at 31 December 2022: MCZK 4,831). The Czech National Bank approved the inclusion of AT1 certificates in the Bank's auxiliary Tier 1 capital. In 2023, the Bank paid out a coupon of MCZK 308 (2022: MCZK 296) from retained earnings to the holders of these certificates.

c) Fair value reserve

Arising from cash flow hedges

MCZK	2023	2022
Fair value of the effective part of cash flow hedges at 1 January	(895)	(468)
Deferred tax asset/(liability) arising from fair value reserve at 1 January	237	89
Total balance at 1 January	**(658)**	**(379)**
Net gains/(losses) from cash flow hedge for the year		
Cross currency swaps	(3)	-
Interest rate swaps	732	(427)
Tax effect of cash flow hedges for the year	(200)	148
Fair value of the effective part of cash flow hedges at 31 December	(167)	(895)
Deferred tax asset/(liability) arising from fair value reserve at 31 December	38	237
Total balance at 31 December	**(129)**	**(658)**

From remeasurement of equity securities at FVOCI

MCZK	2023	2022
Fair value reserve from remeasurement of equity securities at FVOCI at 1 January	(8)	1
Deferred tax asset/(liability) arising from fair value reserve at 1 January	1	-
Total balance at 1 January	**(7)**	**1**
Net gain/(loss) from remeasurement of equity securities at FVOCI	23	(9)
Transfer from OCI to Retained Earnings		
Tax effect of remeasurement of equity securities at FVOCI for the year	(4)	1
Fair value reserve from remeasurement of equity securities at FVOCI at 31 December	15	(8)
Deferred tax asset/(liability) arising from fair value reserve at 31 December	(3)	1
Total balance at 31 December	**12**	**(7)**

38. CONTINGENT LIABILITIES

a) Legal disputes

As of 31 December 2023, the Bank conducted a review of legal disputes outstanding against it. Pursuant to the review of individual legal disputes in terms of the risk of potential losses and the probability of payment, in 2023, the Bank recognised a provision (see Note 35) for significant litigations in the aggregate amount of MCZK 0 (2022: MCZK 9).

b) Loan commitments and guarantees provided and other commitments provided

MCZK	2023	2022
Loan commitments provided	104,990	109,366
Financial guarantees provided	4,947	6,046
Other commitments provided	44,850	38,532
Total	**154,787**	**153,944**

Breakdown of off-balance sheet exposures and provisions for off-balance sheet exposures by segment and impairment stage:

MCZK	31 Dec 2023									
	Carrying amount					Provisions				
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total
Credit institutions	5,193	567	-	-	**5,760**	(3)	(1)	-	-	**(4)**
Government institutions	68	-	-	-	**68**	-	-	-	-	**-**
Other financial institutions	17,759	1,442	5	-	**19,206**	(12)	(5)	(3)	-	**(20)**
Non-financial enterprises	62,324	45,534	87	2	**107,947**	(106)	(391)	(4)	-	**(501)**
Households	19,850	1,920	28	8	**21,806**	(12)	(27)	(7)	(2)	**(48)**
Total	**105,194**	**49,463**	**120**	**10**	**154,787**	**(133)**	**(424)**	**(14)**	**(2)**	**(573)**

MCZK	31 Dec 2022							
	Carrying amount				Provisions			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Credit institutions	4,235	1,680	-	**5,915**	-	-	-	**-**
Government institutions	57	-	-	**57**	-	-	-	**-**
Other financial institutions	13,263	1,278	30	**14,571**	(14)	(6)	(17)	**(37)**
Non-financial enterprises	76,225	31,854	227	**108,306**	(97)	(249)	(17)	**(363)**
Households	22,326	2,728	41	**25,095**	(19)	(35)	(23)	**(77)**
Total	**116,106**	**37,540**	**298**	**153,944**	**(130)**	**(290)**	**(57)**	**(477)**

39. FINANCIAL DERIVATIVES

a) Trading derivatives – overview of fair value and nominal value

MCZK	Fair value – assets	Fair value – liabilities	Nominal value
At 31 December 2023			
Interest rate			
Interest rate swaps	3,633	3,593	151,671
Interest rate forwards	10	8	18,000
Interest rate	**3,643**	**3,601**	**169,671**
Cross currency swaps	-	29	1,314
Currency forwards and swaps	805	579	82,157
Currency options	470	469	79,207
Foreign exchange	**1,275**	**1,077**	**162,678**
Total	**4,918**	**4,678**	**332,349**

MCZK	Fair value – assets	Fair value – liabilities	Nominal value
At 31 December 2022			
Interest rate			
Interest rate swaps	5,925	5,613	167,557
Interest rate forwards	37	25	16,000
Interest rate	**5,962**	**5,638**	**183,557**
Currency forwards and swaps	1,359	2,102	89,999
Currency options	227	228	27,373
Foreign exchange	**1,586**	**2,330**	**117,372**
Total	**7,548**	**7,968**	**300,929**

b) Trading derivatives – residual maturity of contracted amount (nominal value)

MCZK	1 year or less	From 1 to 5 years	Over 5 years	Total
At 31 December 2023				
Interest rate				
Interest rate swaps	40,762	86,416	24,493	**151,671**
Interest rate forwards	14,000	4,000	,	**18,000**
Interest rate	**54,762**	**90,416**	**24,493**	**169,671**
Foreign exchange				
Cross currency swaps	305	1,009	-	**1,314**
Currency forwards and swaps	76,063	6,094	-	**82,157**
Currency options	41,823	37,384	-	**79,207**
Foreign exchange	**118,191**	**44,487**	**-**	**162,678**
Total trading derivatives	**172,953**	**134,903**	**24,493**	**332,349**

MCZK	1 year or less	From 1 to 5 years	Over 5 years	Total
At 31 December 2022				
Interest rate				
Interest rate swaps	65,028	71,936	30,593	**167,557**
Interest rate forwards	16,000	-	-	**16,000**
Interest rate	**81,028**	**71,936**	**30,593**	**183,557**
Foreign exchange				
Currency forwards and swaps	79,299	10,700	-	**89,999**
Currency options	19,130	8,243	-	**27,373**
Foreign exchange	**98,429**	**18,943**	**-**	**117,372**
Total trading derivatives	**179,457**	**90,879**	**30,593**	**300,929**

c) Hedging derivatives – overview of fair and nominal value

The Bank uses interest rate swaps (IRS) in CZK, EUR and overnight index swaps (OIS) in USD to hedge the fair value of assets and liabilities in CZK, EUR and USD with a fixed interest rate. Furthermore, the Bank uses IRS to hedge cash flows and assets denominated in CZK and CCS for net cash flow hedges of EUR-denominated assets and CZK-denominated liabilities.

During the year ended 31 December 2023, the Bank reported the following hedging arrangements that meet the criteria for hedge accounting under IAS 39.

Fair value hedge:

- fair value hedge of the mortgage/corporate loan receivable portfolio, denominated in CZK and EUR;
- fair value hedge of portfolio of purchased government bonds denominated in CZK;
- fair value hedge of the current and savings account portfolio, denominated in CZK, EUR and USD;
- fair value hedge of the debt securities portfolio at amortised cost, denominated in EUR.

Interest rate swaps (IRS) and overnight index swaps (OIS) are the hedging instruments used in hedge accounting upon a fair value hedge.

Portfolio cash flow hedge:

- cash flow hedge of the portfolio of assets denominated in CZK linked to the variable interest rate

Interest rate swaps (IRS) are the hedging instruments used in cash flow hedging.

- Net cash flow hedges of a portfolio of EUR-denominated variable rate assets and EUR-denominated variable rate liabilities

The net cash flow hedging instruments in this case are currency swaps (CCS).

A hedge is regarded as highly effective if both of the following conditions are met:

- at the inception of the hedge and in subsequent periods, the hedge is expected to be highly effective in achieving offsetting changes in fair value or cash flows attributable to the hedged risk during the period for with the hedge is designated;
- the tests are performed on a cumulative basis; the hedge is highly effective when the actual results of the hedge are within a range of 80-125%.

Hedge ineffectiveness (less than 5%) is caused by insignificant differences between the maturity of hedging derivatives and the remeasurement of the hedged item. The Bank did not identify any other sources of hedge ineffectiveness.

Impact of the IBOR reform on hedge accounting and financial instruments

As part of the IBOR reforms, the Bank implemented the necessary changes to the IBOR rates, which were discontinued and replaced by the successor rates SOFR in USD, SONIA in GBP, etc. These changes were implemented on the Bank's internal systems together with the modification of the contractual documentation. All IRS hedging derivatives bearing interest at USD LIBOR were migrated to OIS with SOFR during the first half of 2023.

MCZK	Fair value – assets	Fair value – liabilities	Nominal value
At 31 December 2023			
Portfolio hedge derivatives			
Cross currency swaps to hedge cash flow	-	88	2 104
Interest rate swaps to hedge cash flow	310	395	8 850
Interest rate swaps to hedge fair value	4,842	12,242	326,486
Total	**5,152**	**12,725**	**337,440**

MCZK	Fair value – assets	Fair value – liabilities	Nominal value
At 31 December 2022			
Portfolio hedge derivatives			
Interest rate swaps to hedge cash flow	98	930	8,400
Interest rate swaps to hedge fair value	7,249	16,728	288,100
Total	**7,347**	**17,658**	**296,500**

d) Hedging derivatives – residual maturity of contractual amount (nominal value)

MCZK	1 year or less	From 1 to 5 years	Over 5 years	Total
At 31 December 2022				
Interest rate risk				
Portfolio hedge derivatives				
Cross currency swaps to hedge cash flow	550	1,554	-	**2,104**
Average interest rate	(0.44)%	(0.41)%	-	**(0.42)**
Interest rate swaps to hedge cash flow	400	1,200	7,250	**8,850**
Average interest rate	1.47%	1.90%	3.19%	**2.94**
Interest rate swaps to hedge fair value	61,650	181,634	83,202	**326,486**
Average interest rate	2.28%	2.79%	2.94%	**2.73**
Total financial derivatives	**62,600**	**184,388**	**90,452**	**337,440**

MCZK	1 year or less	From 1 to 5 years	Over 5 years	Total
At 31 December 2022				
Interest rate risk				
Portfolio hedge derivatives				
Interest rate swaps to hedge cash flow	400	800	7,200	**8,400**
Average interest rate	1.20%	1.57%	2.96%	**2.74%**
Interest rate swaps to hedge fair value	63,450	153,600	71,050	**288,100**
Average interest rate	1.41%	1.95%	2.06%	**1.86%**
Total financial derivatives	**63,850**	**154,400**	**78,250**	**296,500**

e) Fair value hedge

Hedging instruments

MCZK	2023					
	Nominal value	**Fair value**		**Line item in the statement of financial position where the hedging instrument is recognised**	**Change in fair value used for calculation of hedge ineffectiveness**	**Line item(s) in the statement of comprehensive income that include(s) hedge ineffectiveness**
		Assets	**Liabilities**			
Interest rate risk						
Portfolio hedge derivatives						
Interest rate swaps	326,486	4,842	12,242	Hedge derivatives with positive/negative fair value	1,991	Net gain/(loss) from hedge accounting

MCZK	2022					
	Nominal value	**Fair value**		**Line item in the statement of financial position where the hedging instrument is recognised**	**Change in fair value used for calculation of hedge ineffectiveness**	**Line item(s) in the statement of comprehensive income that include(s) hedge ineffectiveness**
		Assets	**Liabilities**			
Interest rate risk						
Portfolio hedge derivatives						
Interest rate swaps	288,100	7,250	16,728	Hedge derivatives with positive/negative fair value	(3,865)	Net gain/(loss) from hedge accounting

Hedged items

MCZK	2023					
	Net book value		Accumulated amount of hedged item revaluation		Line item in the statement of financial position where the hedged item is recognised	Change in fair value used for calculation of hedge ineffectiveness
	Assets	Liabilities	Assets	Liabilities		
Interest rate risk						
Debt securities	28,796	-	(305)	-	Financial assets at amortised cost	1,980
Loans and advances to customers	125,652	-	355	-	Financial assets at amortised cost	3,825
Deposits from customers	-	(147,730)	-	(5,691)	Financial liabilities at amortised cost	(7,386)
Debt securities issued	-	(9,954)	-	(777)	Financial liabilities at amortised cost	(501)

MCZK	2022					
	Net book value		Accumulated amount of hedged item revaluation		Line item in the statement of financial position where the hedged item is recognised	Change in fair value used for calculation of hedge ineffectiveness
	Assets	Liabilities	Assets	Liabilities		
Interest rate risk						
Debt securities	12,487	-	(2,286)	-	Financial assets at amortised cost	(749)
Loans and advances to customers	73,933	-	(3,469)	-	Financial assets at amortised cost	(553)
Deposits from customers	-	(112,068)	-	(13,076)	Financial liabilities at amortised cost	3,925
Debt securities issued	-	(11,577)	-	(1,278)	Financial liabilities at amortised cost	1,145

f) Cash flow hedge

Hedging instruments

MCZK	2023									
	Nominal value	Fair value		Line item in the statement of financial position where the hedging instrument is recognised	Changes in fair value used for calculating hedge ineffectiveness	Changes in the value of the hedging instrument recognised in OCI	Ineffectiveness recognised in the statement of comprehensive income	Line item in the statement of comprehensive income that includes hedge ineffectiveness	Amount reclassified from the hedge reserve to profit or loss	Line item in the statement of comprehensive income affected by the reclassification
		Assets	Liabilities							
Interest rate risk										
Interest rate swaps	8,850	310	395	Hedging derivatives with positive/ negative fair value	732	732	-	Net gain/(loss) from hedge accounting	-	Net gain/(loss) from hedge accounting
Cross currency swaps	2,104	-	88	Hedging derivatives with positive/ negative fair value	(3)	(3)	-	Net gain/(loss) from hedge accounting	-	Net gain/(loss) from hedge accounting

MCZK	2022									
	Nominal value	Fair value		Line item in the statement of financial position where the hedging instrument is recognised	Changes in fair value used for calculating hedge ineffectiveness	Changes in the value of the hedging instrument recognised in OCI	Ineffectiveness recognised in the statement of comprehensive income	Line items in the statement of comprehensive income that includes hedge ineffectiveness	Amount reclassified from the hedge reserve to profit or loss	Line item in the statement of comprehensive income affected by the reclassification
		Assets	Liabilities							
Interest rate risk										
Interest rate swaps	8,400	98	930	Hedging derivatives with positive/ negative fair value	(434)	(428)	(7)	Net gain/(loss) from hedge accounting	(7)	Net gain/(loss) from hedge accounting
Cross currency swaps	-	-	-	Hedging derivatives with positive/ negative fair value	-	-	-	Net gain/(loss) from hedge accounting	-	Net gain/(loss) from hedge accounting

Hedged items

MCZK	2023		2022	
	Line item in the statement of financial position where the hedged item is recognised	Changes in fair value used for calculating hedge ineffectiveness	Line item in the statement of financial position where the hedged item is recognised	Changes in fair value used for calculating hedge ineffectiveness
Interest rate risk				
Loans and advances to customers	Financial assets at amortised cost	(721)	Financial assets at amortised cost	428
Deposits from customers	Financial liabilities at amortised cost	-	Financial liabilities at amortised cost	-

40. OTHER OFF-BALANCE SHEET ITEMS

a) Assets placed under management, into administration and deposit

In the years ended 31 December 2023 and 2022, the Bank placed no assets under management, into administration or deposit.

b) Assets accepted for management, administration and deposit

MCZK	2023	2022
Assets accepted for management	14,386	12,967
Assets accepted for administration	104,183	79,552
Total	**118,569**	**92,519**

41. SEGMENT ANALYSIS

The base for the segment analysis according to IFRS 8 are internal reports of the Bank which are based on management accounts and serve as the principal financial information for decision-making of the Bank’s management.

Management accounts are maintained on a margin basis. For this reason, the interest income and expense and fee and commission income and expense of individual operating segments are not reported separately, but on a net basis.

Operating segments are represented as follows:
- Corporate banking;
- Retail banking;
- Treasury and ALM;
- Other.

The Corporate banking segment involves transactions with corporate clients, public sector institutions and financial institutions.

The Retail banking segment generally includes all private individuals including VIP clients, individuals - entrepreneurs and the Bank's own employees.

The Treasury segment includes interbank transactions, trading with financial instruments, securities and ALM.

The "Other" segment mainly includes equity investments and other non-interest bearing assets and liabilities of the Bank that cannot be allocated to segments referred to above, i.e. capital, subordinated deposit, assets, other assets/liabilities, capital investments.

The Bank monitors amounts of net interest income and net fee and commission income, net gain/(loss) from financial operations, movements in loss allowances, general operating expenses, income tax, and volume of client and non-client assets and liabilities by segment. Other items are not monitored by segment.

A predominant part of the Bank's income is generated in the Czech Republic from transactions with customers who have their permanent residence or place of business in the Czech Republic or from trading with financial instruments issued by Czech entities. The income generated outside the Czech Republic is immaterial for the Bank.

The Bank has no customer or group of related parties for which income from transactions exceeds 10% of the Bank's total income.

Selected items by segment (2023)

At 31 December 2023 MCZK	Corporate entities	Retail customers	Treasury and ALM	Other	Reconciliation to the statement of comprehensive income	Total
Income statement:						
Net interest income	4,982	6,602	1,037	714	-	**13,335**
Net fee and commission income	1,493	2,870	(63)	(128)	-	**4,172**
Net gain/(loss) from financial operations	(12)	-	(318)	-	-	**(330)**
Net gain/(loss) on financial assets other than held for trading mandatorily reported at fair value through profit or loss	4	-	-	12	-	**16**
Net gain/(loss) from hedge accounting	-	-	(90)	-	-	**(90)**
Impairment gains/(losses) on credit and off-balance sheet exposures	(544)	(810)	(20)	23	-	**(1,351)**
Gain/(loss) arising from derecognition of financial assets measured at amortised cost	7	-	-	-	-	**7**
Other operating (expenses)/ income	(2,284)	(5,856)	(141)	7	-	**(8,274)**
Impairment losses on equity investments	-	-	-	(206)	-	**(206)**
Dividend income	-	-	-	118	-	**118**
Profit before tax	**3,646**	**2,806**	**405**	**540**	**-**	**7,397**
Income tax	(934)	(721)	(103)	(141)	-	**(1,899)**
Profit after tax	**2,712**	**2,085**	**302**	**399**	**-**	**5,498**
Assets and liabilities:						
Total assets	**159,081**	**187,801**	**306,125**	**24,010**	**-**	**677,017**
Total liabilities	**153,043**	**371,508**	**57,388**	**41,220**	**-**	**623,159**

Selected items by segment (2022)

At 31 December 2022 MCZK	Corporate entities	Retail customers	Treasury and ALM	Other	Reconciliation to the statement of comprehensive income	Total
Income statement:						
Net interest income	4,217	7,191	2,027	741	-	**14,176**
Net fee and commission income	1,632	3,048	(62)	(86)	-	**4,532**
Net gain/(loss) from financial operations	16	-	(608)	(10)	-	**(602)**
Net gain/(loss) on financial assets other than held for trading mandatorily reported at fair value through profit or loss	(6)	-	-	(1)	-	**(7)**
Net gain/(loss) from hedge accounting	-	-	(127)	23	-	**(104)**
Impairment gains/(losses) on credit and off-balance sheet exposures	(48)	154	(1)	22	-	**127**
Gain/(loss) arising from derecognition of financial assets measured at amortised cost	5	-	-	-	-	**5**
Other operating (expenses)/ income	(2,259)	(6,270)	(188)	(16)	-	**(8,733)**
Dividend income	-	-	-	8	-	**8**
Profit before tax	**3,557**	**4,123**	**1,041**	**681**	-	**9,402**
Income tax	(703)	(817)	(206)	(135)	-	**(1,861)**
Profit after tax	**2,854**	**3,306**	**835**	**546**	-	**7,541**
Assets and liabilities:						
Total assets	**163,753**	**181,485**	**236,340**	**19,747**	-	**601,325**
Total liabilities	**144,903**	**348,062**	**31,616**	**25,439**	-	**550,020**

Differences between individual lines of the segment analysis and information in the statement of comprehensive income and the statement of financial position

In *"Net interest income"* in the *"Other"* segment, the Bank reports a positive compensation of capital costs that are allocated to individual client segments.

"Other operating expenses" includes *"Other operating expenses*", *"Other operating income*", *"Personnel expenses", "Depreciation/amortisation of property and equipment and intangible assets"* and *"General operating expenses*" presented in the statement of comprehensive income in separate lines.

The differences referred to above between the segment analysis and the statement of comprehensive income arise from the different classification of selected profit and loss items in the Bank's management accounting.

42. FINANCIAL INSTRUMENTS – CREDIT RISK

The Bank takes on exposure to credit risks resulting from its trading activities, provision of loans, hedging transactions, investment activities and agency services.

Credit risks associated with trading and investment activities are managed using the methods and instruments applied by the Bank in managing its credit risk exposures.

a) Collateral assessment

Generally, the Bank requires collateral for loans granted to certain borrowers prior to the issuance of the loan. The Bank considers the following types of collateral as eligible collateral:

- cash;
- real estate;
- first-class receivables;
- bank guarantees;
- guarantee provided by a reputable third party;
- machinery and equipment - movable assets;
- first-class securities; and

To determine the realisable value of collateral of immovable and movable assets, the Bank refers to estimates of usual prices revised by a specialised department of the Bank or internal assessments prepared by this department of the Bank. In other types of hedging instruments, their value including the recalculated value is determined in line with the internal standards of the Bank. The realisable value of collateral is subsequently determined by discounting the appraised value using a correction coefficient which reflects the Bank's ability to realise the collateral as and when required. The Bank regularly reviews and updates collateral values depending on the type and quality of the collateral, usually no later than on an annual basis.

b) Credit risk measurement methods

The principal credit risk management methods in retail include in particular rating based on the application and behavioural scoring. The risks are managed on a portfolio level through the portfolio management approach, through the management of the approval process based on the regular monitoring of the portfolio quality development, and prediction of potential future loss development.

In the corporate segment, the Bank measures the credit risk through rating scales (see below) and each rating category is allocated a certain risk rate (probability of default and a coefficient for determining risk weighted assets); the risk measured using this method can be mitigated through collateral according to effective regulations of the Czech National Bank.

c) Concentration of credit risk

The Bank maintains a system of internal limits for individual countries, sectors and clients (or groups of economically connected clients) in order to be able to manage risks connected with significant concentration of credit risk. As of the reporting date, the Bank recorded no significant credit risk concentration exposure to an individual client or an economically connected group of clients that would exceed the limits set by the Czech National Bank.

The credit risk concentration analysis by sector/industry and concentration by geographical areas is provided in Notes 42(k) and 42(l).

d) Recovery of receivables

The Bank has special functions in place which are responsible for the recovery and administration of distressed receivables. These functions undertake legal steps, perform the restructuring of receivables, communicate with problematic clients, etc. in order to achieve maximum recovery, including collateral recovery, and representing the Bank in creditors' committees under insolvency proceedings.

e) Expected credit losses

The measurement of expected credit losses reflects an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes, the time value of the money and reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

General approach

The process of measuring the expected credit losses is a field that requires the use of complex models and significant assumptions about future economic conditions and payment behaviour. Significant judgements are required in applying the accounting requirements for measuring expected credit losses, inter alia:

- Determining criteria for significant increase in credit risk;
- Choosing appropriate models and assumptions for the measurement of expected credit losses;
- Consideration of risk factors beyond the current models
- Establishing the number and relative weightings of forward-looking scenarios for each type of product/market and the associated expected credit losses;
- Establishing groups of similar financial assets for the purposes of measuring expected credit losses.

For Raiffeisen Bank International (RBI), credit risk comes from the risk of suffering financial loss should any of the customers, clients or market counterparties fail to fulfil their contractual obligations. Credit risk arises mainly from interbank, commercial and consumer loans, and loan commitments arising from such lending activities, but can also arise from financial guarantees given, such as credit guarantees, letters of credit, and acceptances (note: for risk management purposes, the Bank applies the rules according to the RBI methodologies).

The Bank is also exposed to other credit risks arising from investments in debt securities and from its trading activities (trading credit risks) including trade in non-equity trading portfolio assets and derivatives as well as settlement balances with market counterparties and reverse repurchase agreements.

The estimation of the credit risk for risk management purposes requires the use of models, as the risk varies with changes in market conditions, expected cash flows and the passage of time. The assessment of the credit risk of a portfolio of assets entails further estimations as to the likelihood of defaults occurring, the associated default ratios and the default correlations between counterparties. The Bank measures credit risks using the probability of default ("PD"), exposure at default ("EAD") and loss given default ("LGD"). This is the predominant approach used for the purposes of measuring expected credit losses under IFRS 9.

IFRS 9 prescribes a three-stage model for impairment based on changes in credit quality from the point of initial recognition. Under this model, a financial instrument that is not credit-impaired on initial recognition is classified in Stage 1 and has its credit risk continuously monitored. If a significant increase in credit risk since initial recognition is identified, the financial instrument is moved to Stage 2 but is not yet deemed to be credit-impaired. If the financial instrument is deemed credit-impaired, it is then moved to Stage 3.

Financial instruments in Stage 1 have their expected credit loss measured at an amount equal to the portion of lifetime expected credit losses that result from default events possible within the next twelve months. Instruments in Stages 2 or 3 have their expected credit losses measured based on expected credit losses on a lifetime basis. According to IFRS 9, when measuring expected credit losses it is necessary to consider forward-looking information. Purchased or originated credit-impaired financial assets

(“POCI”) are those financial assets that are credit-impaired on initial recognition. Their expected credit loss is always measured on a lifetime basis.

Significant increase in credit risk

According to RBI Group definition (note: this methodology is implemented by the Bank), RBI considers a financial instrument to have experienced a significant increase in credit risk when one or more of the following quantitative, qualitative or backstop criteria have been met:

Quantitative criteria

RBI uses quantitative criteria as the primary indicator of significant increase in credit risk for all material portfolios plus additionally qualitative criteria like 30 days past due or forbearance measures for a particular facility as backstop. For quantitative staging, the Bank compares the lifetime PD curve at reporting date with the forward lifetime PD curve at the date of initial recognition. Given the different nature of products between non-retail and retail, the methods for assessing potential significant increases also slightly differ.

For non-retail risk, to make the two curves comparable, the PDs are scaled down to annualised PDs. A significant increase in credit risk is considered to have occurred if the PD increase was 250% or greater. For longer maturities the threshold of 250% is reduced to account for a maturity effect.

On the other hand, for retail exposures the remaining cumulative PDs are compared as the logit difference between “Lifetime PD at reporting date” and “Lifetime PD at origination conditional to survival up to the reporting date”. A significant increase in credit risk is considered to have occurred once this logit difference is above a certain threshold. The threshold levels are calculated separately for each portfolio which is covered by individual rating-based lifetime PD models. According to the currently valid methodology in place for 2023, based on historical data, the thresholds are estimated as the 50th-75th quantile of the distribution of the above-mentioned logit differences on the worsening portfolio (defined as products such as mortgage loans, credit cards, SME loans for each country). That usually translates to PD increase between 70 and up to 150%, dependent on the default behaviour of the different portfolios.

With regard to the threshold at which a financial instrument must be transferred to Stage 2, RBI has decided on the aforementioned thresholds based on the current market practice.

Qualitative criteria

RBI uses qualitative criteria as a secondary indicator of a significant increase in credit risk for all material portfolios. A movement to Stage 2 takes place when the criteria below are met.

For corporate customer, sovereign, bank, and project finance portfolios, if the borrower meets one or more of the following criteria:

- Detection of first signs of credit deterioration in the Early Warning System
- Changes in contract terms as part of a Forbearance measure
- External risk factors with a potentially significant impact on the client’s repayment ability

The assessment of a significant increase in credit risk incorporates forward-looking information and is performed on a quarterly basis at an individual transaction level for all corporate customer, sovereign, bank, and project finance portfolios held by RBI.

For retail portfolios, a Stage 2 transfer is carried out on the basis of the following qualitative criteria if the borrower meets one or more of the following criteria:

- Forbearance Flag active;
- Default of other exposure of the same customer (PI segment);
- Holistic approach – applicable for cases where new forward-looking information becomes available for a segment or portion of the portfolio and this information is not yet captured in the

rating system. Upon identifying such cases, the Management shall measure this portfolio with lifetime expected credit losses (as collective assessment).

The assessment of a significant increase in credit risk incorporates forward-looking information and is performed on a monthly basis at an individual transaction level for all retail portfolios held by RBI.

Backstop

A backstop is applied and the financial instrument considered to have experienced a significant increase in credit risk if the debtor is more than 30 days overdue on its contractual payments. In a few limited cases, the presumption that financial assets which are more than 30 days overdue should be moved to Stage 2 is rebutted.

Low credit risk exemption

In selected cases for mostly sovereign debt securities, RBI makes use of the low credit risk exemption. All securities which are presented as low credit risk have a rating equivalent to investment grade or better. RBI has not used the low credit risk exemption for any lending business.

Definition of Default and Credit-Impaired Assets

RBI uses the same definition of default for the purpose of calculating expected credit losses under IFRS 9 as for the CRR equity statement (Basel 3). This means that a default claim is also in Stage 3. Default is assessed by referring to quantitative and qualitative triggers. Firstly, a borrower is considered to be in default if they are assessed to be more than 90 days past due on a material credit obligation. Secondly, a borrower is considered to be defaulted if they have significant financial difficulty and are unlikely to repay any credit obligation in full. The default definition has been applied consistently to model the Probability of Default (PD), Exposure at Default (EAD) and Loss given Default (LGD) throughout expected loss calculations of RBI.

Explanation of inputs, assumptions and estimation techniques

The expected credit loss is measured on either a 12-month or lifetime basis depending on whether a significant increase in credit risk has occurred since initial recognition or whether an asset is considered to be credit-impaired. Forward-looking economic information is also included in determining the 12-month and lifetime PD, EAD and LGD. These assumptions vary by product type. Expected credit losses are the discounted product of the probability of default (PD), loss given default (LGD), exposure at default (EAD) and discount factor (D).

Probability of default

The probability of default represents the likelihood of a borrower defaulting on its financial obligation either over the next twelve months or over the remaining lifetime of the obligation. In general, the lifetime probability of default is calculated using the regulatory twelve-month probability of default, stripped of any margin of conservatism, as a starting point. Thereafter, various statistical methods are used to generate an estimate of how the default profile will develop from the point of initial recognition throughout the lifetime of the loan or portfolio of loans. The profile is based on historical observed data and parametric functions.

Different models have been used to estimate the default profile of outstanding lending amounts and these can be grouped into the following categories:

- Sovereign, local and regional governments, insurance companies and collective investment undertakings: The default profile is generated using a transition matrix approach. Forward-looking information is incorporated into the probability of default using the Vasicek one-factor model.
- Corporate customers, project finance and financial institutions: The default profile is generated using a parametric survival regression (Weibull) approach. Forward-looking information is incorporated into the probability of default using the Vasicek one-factor model. The default rate calibration is based on the Kaplan Maier methodology with withdrawal adjustment.

- Retail lending and mortgage loans: The default profile is generated using parametric survival regression in competing risk frameworks. Forward-looking information is incorporated into the probability of default using satellite models.

In the limited circumstances where some inputs are not fully available, grouping, averaging and benchmarking of inputs is used for the calculation.

Loss Given Default

Loss given default represents RBI's expectations of the extent of loss on a defaulted exposure. Loss given default is expressed as a percentage loss per unit of exposure at the time of default.

Different models have been used to estimate the loss given default of outstanding lending amounts and these can be grouped into the following categories:

- Sovereign: The loss given default is found by using market implied sources.
- Corporate customers, project finance, financial institutions, local and regional governments, insurance companies: The loss given default is generated by discounting cash flows collected during the workout process. Forward-looking information is incorporated into the loss given default using the Vasicek model.
- Retail lending and mortgage loans: The loss given default is generated by stripping the downturn adjustments and other margins of conservatism from the regulatory loss given default. Forward-looking information is incorporated into the loss given default using various satellite models.

In the limited circumstances where some inputs are not fully available, alternative recovery models, benchmarking of inputs and expert judgement are used for the calculation.

Exposure at default (EAD)

Exposure at default is based on the amount RBI expects to be owed at the time of default and is determined based on the expected payment profile, which varies by product type. For amortizing products and bullet repayment loans, this is based on the contractual repayments owed. If not already taken into account in the PD estimate over the loan term, early (full) repayment/refinance assumptions are also considered in the calculation.

For revolving products, the exposure at default is predicted by adding the undrawn amount multiplied by a conversion factor to the amount currently drawn, which determines the expected drawdown of the framework at the time of default. The prudential regulatory margins are removed from the credit conversion factor. In the limited circumstances where some inputs are not fully available, predefined constant values are used for the calculation.

Discount Factor (D)

In general, for on balance sheet exposure which is not leasing or POCI, the discount rate used in the expected credit loss calculation is the effective interest rate or an approximation thereof.

Calculation

For loans in stages 1 and 2, the expected credit loss is the product of PD, LGD and EAD times the probability not to default prior to the considered time period. The latter is expressed by the survivorship function S. This effectively calculates future values of expected credit losses, which are then discounted back to the reporting date and summed. The calculated values of expected credit losses are then weighted by the forward-looking scenario.

Different models have been used to estimate the provisions in Stage 3 and these can be grouped into the following categories:

- Corporate customers, project finance, sovereign, financial institutions, local and regional governments, insurance companies and collective investment undertakings: Stage 3 provisions are calculated using an effective interest rate that discounts cash flows based on scenarios prepared by recovery specialists.

- For retail receivables, Stage 3 provisions are generated by calculating the statistically derived best estimate of expected loss which has been adjusted for indirect costs.

Shared credit risk characteristics

Almost all of the provisions under IFRS 9 are measured collectively. Only in case of non-retail Stage 3 exposures, most of the provisions are assessed individually. For expected credit losses provisions modelled on a portfolio basis, a grouping of exposures is performed on the basis of shared credit risk characteristics so that the exposures within each group are similar. Retail exposure characteristics are grouped at country level, customer classification (households and SMEs), product level (e.g. mortgage, personal loans, overdraft facilities or credit cards), PD rating grades and LGD pools. Each combination of the above characteristics is considered as a group with a uniform expected loss profile. Non-retail exposure characteristics are assigned to a probability of default according to rating levels. Thereby customer types are grouped into individual assessment models. For the determination of LGD and EAD parameters, the portfolio is grouped by country and product.

Forward-looking information

Both the assessment of a significant increase in credit risk and the calculation of expected credit losses incorporate forward-looking information. RBI has performed an analysis of historical data and identified the key economic variables impacting credit risk and expected credit losses for each portfolio.

These economic variables and their associated impact on the probability of default, loss given default and exposure at default vary by category type. Forecasts of these economic variables (the base economic scenario) are provided by Raiffeisen Research on a quarterly basis and provide the best estimate view over the next three years. Beyond three years, no macroeconomic adjustments are carried out. That means that after three years, to project the economic variables for the full remaining lifetime of each instrument, a mean reversion approach has been used, which means that economic variables tend to either a long-term average rate or a long-term average growth rate until maturity. The impact of these economic variables on the probability of default, loss given default and exposure at default has been determined by performing statistical regression to understand the impact changes in these variables have had historically on default rates and on the components of loss given default and exposure at default.

In addition to the base economic scenario, Raiffeisen Research also estimates an optimistic and a pessimistic scenario to ensure non-linearities are captured.

The high inflation rates have changed the interest rate outlook in Central Europe. While the ECB is expected to scale back its expansionary monetary policy rather cautiously and leave key interest rates unchanged, some countries in Central Europe are already close to the end of the interest rate cycle. Due to increased inflation risks, the pessimistic scenario implies even higher interest rates.

As with any economic forecasts, the projections and likelihoods of occurrence are subject to a high degree of inherent uncertainty and therefore the actual outcomes may be significantly different to those projected. RBI considers these forecasts to represent its best estimate of the future outcomes and cover any potential non-linearities and asymmetries within RBI's different portfolios.

The most significant assumptions used as a starting point for the expected credit loss estimates at year-end are shown below (Source: Raiffeisen Research, November 2023):

Real GDP	**Scenario**	**2024**	**2025**	**2026**
	Optimistic	3.83	3.70	3.37
Czech Republic	Base	2.62	3.02	2.70
	Pessimistic	0.81	2.02	1.70

Unemployment	Scenario	2024	2025	2026
Czech Republic	Optimistic	3.18	3.25	3.10
	Base	3.50	3.35	3.20
	Pessimistic	4.35	3.82	3.67

Rate of Long-Term Bonds	Scenario	2024	2025	2026
Czech Republic	Optimistic	2.34	2.63	2.63
	Base	3.55	3.30	3.30
	Pessimistic	5.74	4.52	4.52

Inflation	Scenario	2024	2025	2026
Czech Republic	Optimistic	0.25	0.68	0.58
	Base	2.80	2.10	2.00
	Pessimistic	4.13	2.84	2.74

The macro-economic scenarios from Raiffeisen Research are translated via macro models to changes of PD and LGD. For the development of a macroeconomic model, a variety of relevant macroeconomic variables were considered. The model employed is a linear regression model aiming to explain changes or the level of the default rate. The following types of macro variables were considered as drivers of the credit cycle: Real GDP Growth, Unemployment Rate, 3M Money Market Rate, 10Y Government Bond Yield, Houseprice Index, FX Rates, and HICP Inflation Rate. For each country (or portfolio in the case of retail exposure), a relevant set is determined on the ability to explain historically observed default rates. Through the cycle, PDs are adjusted with the results of the macro-economic model to reflect the current and expected state of the economy. For LGD, the macro model is applied to the underlying cure rates, i.e. a positive macro-economic outlook drives up the cure rates, reducing LGD. For retail exposures, LGD is modelled similarly to the default rates either directly or via individual components such as cure rate, loss given cure, and loss given non-cure. Long-run average LGDs are adjusted with the macro models' results to reflect the current and expected state of the economy.

The weightings assigned to each scenario at the end of the reporting year end are as follows: 25 per cent optimistic, 50 per cent base and 25 per cent pessimistic scenarios. Weighting was maintained and no further scenarios were used as a result of the COVID-19 pandemic.

Management overlays within the meaning of IFRS 9

In situations where the existing input parameters, assumptions and modelling do not cover all relevant risk factors, post-model adjustments and additional risk factors are the most important types of management overlays within the meaning of IFRS 9. These are used in circumstances where existing inputs, assumptions and model techniques do not capture all relevant risk factors. Existing inputs, assumptions and model techniques might not capture all relevant risk factors due to transient circumstances, insufficient time to appropriately incorporate relevant new information into the rating or re-segmentation of portfolios, and situations when individual lending exposures within a group of lending exposures react to factors or events differently than initially expected.

For both corporate and retail exposures, other risk factors were taken into account through special risk factors for the non-retail segment; for the retail segment through post-model adjustments, i.e. the holistic approach. The adjustments applicable for 2023 and for 2022 are presented in the table below and are broken down by the respective categories.

2023 – Accumulated impairment (Stage 1 & 2)

(MCZK)	Modelled ECL	Other risk factors	Post-model adjustments		Total
		Macroeconomic risks	ESG	Other	
Retail exposures	1,092	-	49	667	**1,808**
Non-retail exposures	560	788	-	-	**1,348**
Total	**1,652**	**788**	**49**	**667**	**3,156**

2022 – Accumulated impairment (Stage 1 & 2)

(MCZK)	Modelled ECL	Other risk factors		Post-model adjustments		Total
		COVID-19	Other	COVID-19	Other	
Retail exposures	1,124	-	-	-	395	**1,519**
Non-retail exposures	570	53	529	-	-	**1,152**
Total	**1,694**	**53**	**529**	**-**	**395**	**2,671**

Post-model adjustments (retail exposures)

In light of concerns about the impending risk of a steep increase in interest rates, which would above all affect mortgages at the time of interest rate refixation, the principle of moving mortgage contracts from Stage 1 to Stage 2 is in place depending on the estimated increase in DSTI at the time of refixing compared to the accepted increase at the time the contract was granted. In practice, this means that a contract is moved to Stage 2 if the DSTI predicted on the basis of the estimated macro-economic interest rate trend at the time of the next loan refixation exceeds the DSTI threshold accepted at the time of the loan (this accepted threshold is determined on the basis of a non-linear logarithmic increase in DSTI with an inverse proportion – a lower absolute increase is accepted for a high DSTI than for a low DSTI). As of 31 December 2023, the total value of balance sheet exposure and off-balance sheet exposure to loans covered by this holistic approach amounted to MCZK 31,746. Given the distribution of the mortgage portfolio until the next refixation, the post-model volume is most sensitive to the level of interest rates estimated for refixations that will take place in 3 years or more.

In 2023, the RBI Group introduced the identification of high-risk mortgage collateral in terms of climate risks (e.g. fire risk, landslide risk, flood risk, etc.). Mortgages secured by real estate falling into the high risk group are moved from Stage 1 to Stage 2. This modification accounts for about 10% of the total modelling volume.

Post-model adjustments are reversed either when the risks have materialised and the claims concerned have been moved to Stage 3 or when the expected risks have not materialised. In relation to the holistic approach to the expected rise in interest rates, this means the recovery of contracts where the predicted DSTI at the time of the next refixation falls below the accepted DSTI increase at the time of the loan. The respective contracts will either naturally default by this time or not be considered for post-model adjustments once the recovery conditions have been met because increased credit risk will be reversed. In relation to high-risk mortgage hedges, the post-modelling adjustment will be reversed if the hedge is replaced by another (less risky) hedge or if the climate risk forecast for the hedge is mitigated.

As part of the post-modelling adjustments for the scenarios described above, the ECL calculation takes into account a significant increase in credit risk by applying an LTPD curve corresponding to a rating 2-3 stages worse.

Special risk factors (non-retail exposures)

In 2021, the Bank took into account the following special risk factors: the impact of the COVID-19 pandemic, energy and fuel prices, increasing building material prices and base interest rates, the chip market crisis, and supply chain disruptions. These special risk factors impact ECL in sectors related to tourism, gastronomy, entertainment, automotive, construction, and specific energy-intensive industries such as steelmaking and wood processing.

In 2022, for corporate customers, additional expected credit loss effects have been built into the modelled expected credit losses by means of an industry matrix, country specifics or, if necessary, by means of other special risk factors. On top of the existing country-specific view, we use an industry-based differentiation to further modulate risk parameters. This industry matrix combines a short-term state of the industry within the economic cycle and the expected development over the medium term.

In this context, the Bank also took into account the following other risk factors in 2023: Inflation, especially for sectors where reduced purchasing demand is expected (restaurants, retail, leisure products and services including downstream distributors), high interest rates, low PMI index, disruption of supply chains (automotive suppliers, heavy engineering, metallurgy, construction, commercial printing and residential housing), rising prices of energy, input material, commodities and price volatility due to the ongoing conflict in Ukraine including the risk of downstream sanctions (gas, chemicals, glass manufacturing and energy trading). As of 31 December 2023, the total balance sheet exposure and off-balance sheet exposure to loans for which other risk factors have been taken into account was MCZK 97,049.

The model for the non-retail segment is based on the identification of relevant sectors that may be affected by adverse macroeconomic factors in the coming months. As of 31 December 2023, 28 of the total 188 industries monitored have been included in the model. In identified industries where the expected default is greater than three times the current default probability, 20 industries were re-classified from Stage 1 to Stage 2. For the remaining industries, the potential loss is calculated based on the expert expected default probability of the relevant industry in Stage 1. For each sector, a probability of 5% is used for a lower probability of default and 10% for a higher probability.

Climate change risks

Environmental and climate change risks (transit and physical implications of these risks) are important factors in the credit risk management process. These environmental and climate change risks affect the overall credit assessment process with regard to customers. The assessment of clients' vulnerability to climate change and environmental risks is based on an assessment of the risk of damage to collateral (real estate) from natural disasters, where this deterioration in collateral may reduce clients' incentives to meet their obligations. The credit risk management process also assesses customers’ adaptation strategies to environmental and climate change risks, including the impact of expected investment costs associated with emission reductions and an assessment of the impact of losses in the supply chain in the event of failure to reduce environmental impacts. The assessment of these risks at the level of both the customer and the respective business transaction with them is embedded in the Bank’s internal procedures and processes. The Bank has a policy in place for clients in exposed sectors. This is expected to change when the methods for climate-related risk will begin to be implemented, building on the experience of the ECB/EBA climate stress test, which will influence the resulting internal rating of customers. In 2023, the Bank continued to collect the necessary data into the corresponding data structures. The Bank perceives the following as other critical priorities in this area: implementation of data collection in credit processes and their evaluation, preparation of data for disclosure under the Group-level taxonomy regulation, and optimisation of the Bank’s primary systems, processes and products in line with the Bank’s strategy in this area.

Sensitivity analysis

The most significant assumptions affecting the sensitivity of the expected credit loss allowance are as follows:
- gross domestic product (all portfolios),
- unemployment rate (all portfolios),
- long term government bond rate (non-retail portfolios especially),
- real estate prices (retail portfolios especially).

The table below provides a comparison between the reported accumulated impairment for expected credit losses for financial assets and off-balance sheet exposures in Stage 1 and 2 (weighted by 25 per cent optimistic, 50 per cent base and 25 per cent pessimistic scenarios) and then each scenario weighted by 100% on their own. The optimistic and pessimistic scenarios do not reflect extreme cases, but the average of the scenarios which are distributed in these cases.

2023 – Accumulated impairment (Stage 1 & 2)

(MCZK)	Reported	Optimistic	Base	Pessimistic
Retail exposures	1,808	1,624	1,806	1,995
Non-retail exposures	1,348	1,297	1,340	1,414
Total	**3,156**	**2,921**	**3,146**	**3,409**

2022 – Accumulated impairment (Stage 1 & 2)

(MCZK)	Reported	Optimistic	Base	Pessimistic
Retail exposures	1,519	1,394	1,515	1,651
Non-retail exposures	1,152	1,094	1,140	1,233
Total	**2,671**	**2,488**	**2,655**	**2,884**

The table below shows the impact of staging on the Bank's accumulated impairment of financial assets and off-balance sheet exposures by comparing the reported amounts accumulated for all performing assets subject to impairment with the special case where all accumulated impairment is measured based on 12-month expected losses (Stage 1).

2023 – Accumulated impairment (Stage 1 & 2)

(MCZK)	Reported	Accumulated 12-month impairment	Impact of Staging
Retail exposures	1,808	976	832
Non-retail exposures	1,348	466	882
Total	**3,156**	**1,442**	**1,714**

2022 – Accumulated impairment (Stage 1 & 2)

(MCZK)	Reported	Accumulated 12-month impairment	Impact of Staging
Retail exposures	1,519	895	622
Non-retail exposures	1,152	446	706
Total	**2,671**	**1,341**	**1,328**

The table below shows the impact of staging on Bank's accumulated impairment for financial assets and off-balance sheet exposures by comparing the reported amounts accumulated for all performing assets subject to impairment with the special case where all accumulated impairment is measured based on lifetime expected losses (Stage 2). As there is not a sufficiently long series of historical data on the use of stages, it is impossible to estimate adequate increase at present. However, we do not expect the share of assets in Stage 2 to ever reach 100%.

2023 – Accumulated impairment (Stage 1 & 2)

(MCZK)	Reported	Accumulated lifetime impairment	Impact of Staging
Retail exposures	1,808	3,395	(1,587)
Non-retail exposures	1,348	1,483	(135)
Total	**3,156**	**4,878**	**(1,722)**

2022 – Accumulated impairment (Stage 1 & 2)

(MCZK)	Reported	Accumulated lifetime impairment	Impact of Staging
Retail exposures	1,519	3,203	(1,684)
Non-retail exposures	1,152	1,342	(190)
Total	**2,671**	**4,545**	**(1,874)**

Write-offs

Loans and debt securities are written off (either partially or fully) where there is no expectation of recovery in line with IFRS 9. This happens when the borrower no longer generates any income from operations and collateral values cannot generate sufficient cash flows. In the case of non-retail exposures, loans and debt securities are managed on an individual basis by the Workout team. In the case of bankruptcy exposures, the procedure is dependent and items are written off in line with the status of the bankruptcy proceedings. For retail exposures, write-offs are carried out when all recovery processes have been exhausted and no further performance is expected. This is the case, for example, for credit exposures after the cessation of enforcement proceedings due to lack of means, termination of debt elimination in the insolvency proceedings, or when we have not received any recovery in the last twelve months and we do not expect any further performance. If this concerns a current account where the debit is mainly made up of fees, we carry out a write-off after 90 DPD. In the case of corporate customer exposures in gone concern cases, loans are written down to the value of collateral if the company no longer generates any cash flows from operations.

The contractual amount outstanding on financial assets that were written off during the reporting period and are still subject to enforcement activity amounts to MCZK 428 (2022: MCZK 487).

f) Financial assets at amortised cost and provisions for commitments and financial guarantees provided based on the stages of impairment

Financial assets measured at amortised cost

MCZK	31 December 2023				
	Gross carrying amount				
	Stage 1	Stage 2	Stage 3	POCI*	Total
Debt securities	**89,915**	**3,540**	**,**	**,**	**93,455**
Government institutions	85,302	-	-	-	**85,302**
Credit institutions	-	949	-	-	**949**
Other financial institutions	1,067	1,468	-	-	**2,535**
Non-financial enterprises	3,546	1,123	-	-	**4,669**
Loans and advances to banks	**160,672**	**-**	**-**	**-**	**160,672**
Central banks	147,102	-	-	-	**147,102**
Credit institutions	13,570	-	-	-	**13,570**
Loans and advances to customers	**286,347**	**79,353**	**4,765**	**658**	**371,123**
Government institutions	353	-	-	-	**353**
Other financial institutions	45,259	5,363	313	-	**50,935**
Non-financial enterprises	99,984	34,654	1,783	172	**136,593**
Households	140,751	39,336	2,669	486	**183,242**
Total	**536,934**	**82,893**	**4,765**	**658**	**625,250**

* These assets include the expected cash flows used to calculate the effective interest rate upon initial recognition of the expected credit loss over the life of the asset.

MCZK	31 December 2022				
	Gross carrying amount				
	Stage 1	Stage 2	Stage 3	POCI*	Total
Debt securities	**38,482**	**1,325**	**-**	**-**	**39,807**
Government institutions	31,365	-	-	-	**31,365**
Credit institutions	962	-	-	-	**962**
Other financial institutions	1,724	724	-	-	**2,448**
Non-financial enterprises	4,431	601	-	-	**5,032**
Loans and advances to banks	**166,801**	**7**	**-**	**-**	**166,808**
Central banks	157,203	-	-	-	**157,203**
Credit institutions	9,598	7	-	-	**9,605**
Loans and advances to customers	**267,348**	**81,357**	**4,465**	**674**	**353,844**
Government institutions	490	-	-	-	**490**
Other financial institutions	43,789	3,215	151	-	**47,155**
Non-financial enterprises	96,900	29,964	1,849	174	**128,887**
Households	126,169	48,178	2,465	500	**177,312**
Total	**472,631**	**82,689**	**4,465**	**674**	**560,459**

* These assets include the expected cash flows used to calculate the effective interest rate upon initial recognition of the expected credit loss over the life of the asset.

Breakdown of loss allowances for financial assets at amortised cost and provisions for commitments and financial guarantees provided based on segments and stages of impairment

MCZK	31 December 2023				
	Stage 1	Stage 2	Stage 3	POCI*	Total
Debt securities	**(14)**	**(58)**	**-**	**-**	**(72)**
Government institutions	(11)	-	-	-	**(11)**
Credit institutions	-	(1)	-	-	**(1)**
Other financial institutions	(1)	(16)	-	-	**(17)**
Non-financial enterprises	(2)	(41)	-	-	**(43)**
Loans and advances to banks	**(3)**	**-**	**-**	**-**	**(3)**
Central banks	-	-	-	-	**-**
Credit institutions	(3)	-	-	-	**(3)**
Loans and advances to customers	**(829)**	**(1,695)**	**(2,496)**	**156**	**(4,864)**
Government institutions	-	-	-	-	**-**
Other financial institutions	(36)	(20)	(213)	-	**(269)**
Non-financial enterprises	(278)	(520)	(1,051)	17	**(1,832)**
Households	(515)	(1,155)	(1,232)	139	**(2,763)**
Total loss allowances for financial assets at amortised cost	**(846)**	**(1,753)**	**(2,496)**	**156**	**(4,939)**
Provisions for off-balance sheet items	**(133)**	**(424)**	**(14)**	**(2)**	**(573)**
Total	**(979)**	**(2,177)**	**(2,510)**	**154**	**(5,512)**

* These assets include the expected cash flows used to calculate the effective interest rate upon initial recognition of the expected credit loss over the life of the asset.

MCZK	31 December 2022				
	Stage 1	Stage 2	Stage 3	POCI*	Total
Debt securities	**(6)**	**(39)**	**-**	**-**	**(45)**
Government institutions	(1)	-	-	-	**(1)**
Credit institutions	-	-	-	-	**-**
Other financial institutions	(1)	(20)	-	-	**(21)**
Non-financial enterprises	(4)	(19)	-	-	**(23)**
Loans and advances to banks	**(1)**	**-**	**-**	**-**	**(1)**
Central banks	-	-	-	-	**-**
Credit institutions	(1)	-	-	-	**(1)**
Loans and advances to customers	**(847)**	**(1,358)**	**(2,148)**	**262**	**(4,091)**
Government institutions	-	-	-	-	**-**
Other financial institutions	(19)	(89)	(39)	-	**(147)**
Non-financial enterprises	(192)	(567)	(1,085)	39	**(1,805)**
Households	(636)	(702)	(1,024)	223	**(2,139)**
Total loss allowances for financial assets at amortised cost	**(854)**	**(1,397)**	**(2,148)**	**262**	**(4,137)**
Provisions for off-balance sheet items	**(130)**	**(290)**	**(57)**	**-**	**(477)**
Total	**(984)**	**(1,687)**	**(2,205)**	**262**	**(4,614)**

* These assets include the expected cash flows used to calculate the effective interest rate upon initial recognition of the expected credit loss over the life of the asset.

g) Changes in gross carrying amount and changes in loss allowances

The classification of financial assets into retail and non-retail exposures is based on internal risk models and does not match the sectoral classification used in Note 42(f).

MCZK	31 December 2023				
Gross carrying amount – loans and advances to banks	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Balance at 1 January 2023	**166,801**	**7**	**-**	**-**	**166,808**
Transfers to/(from) Stage 1	-	-	-	-	**-**
Transfers to/(from) Stage 2	-	-	-	-	**-**
Transfers to/(from) Stage 3	-	-	-	-	**-**
Transfers to POCI	-	-	-	-	**-**
Increase due to origination and acquisition	155,945		-	-	**155,945**
Decrease due to derecognition and overall payment	(162,261)	(7)	-	-	**(162,268)**
Decrease in allowance due to write-offs	-	-	-	-	**-**
Partial repayment	187	-	-	-	**187**
Adjustments by foreign exchange gains/losses	-	-	-	-	**-**
Balance at 31 December 2023	**160,672**	**-**	**-**	**-**	**160,672**

MCZK	31 December 2022				
Gross carrying amount – loans and advances to banks	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Balance at 1 January 2022	**177,340**	**-**	**-**	**-**	**177,340**
Impact of the merger	15,019	-	-	-	**15,019**
Transfers to/(from) Stage 1	-	-	-	-	**-**
Transfers to/(from) Stage 2	(7)	7	-	-	**-**
Transfers to/(from) Stage 3			-	-	**-**
Transfers to POCI	-	-	-	-	
Increase due to origination and acquisition	163,765	-	-	-	**163,765**
Decrease due to derecognition and overall payment	(189,387)	-	-	-	**(189,387)**
Decrease in allowance due to write-offs	-	-	-	-	**-**
Partial repayment	71	-	-	-	**71**
Adjustments by foreign exchange gains/losses	-	-	-	-	**-**
Balance at 31 December 2022	**166,801**	**7**	**-**	**-**	**166,808**

MCZK			31 December 2023		
Gross carrying amount – debt securities	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Balance at 1 January 2023	**38,482**	**1,325**	**-**	**-**	**39,807**
Transfers to/(from) Stage 1	-	-	-	-	**-**
Transfers to/(from) Stage 2	(2,208)	2,208	-	-	**-**
Transfers to/(from) Stage 3	-	-	-	-	**-**
Transfers to POCI	-	-	-	-	**-**
Increase due to origination and acquisition	42,886		-	-	**42,886**
Decrease due to derecognition and overall payment	(3,177)	-	-	-	**(3,177)**
Decrease in allowance due to write-offs	-	-	-	-	**-**
Partial repayment	13,825		-	-	**13,825**
Adjustments by foreign exchange gains/losses	107	7	-	-	**114**
Balance at 31 December 2023	**89,915**	**3,540**	**-**	**-**	**93,455**

MCZK			31 December 2022		
Gross carrying amount – debt securities	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Balance at 1 January 2022	**26,807**	**2,317**	**-**	**-**	**29,124**
Impact of the merger	**2,680**	-	-	-	**2,680**
Transfers to/(from) Stage 1	2,317	(2,317)	-	-	**-**
Transfers to/(from) Stage 2	(1,349)	1,349	-	-	**-**
Transfers to/(from) Stage 3	-	-	-	-	**-**
Transfers to POCI	-	-	-	-	**-**
Increase due to origination and acquisition	5,699	-	-	-	**5,699**
Decrease due to derecognition and overall payment	(1,339)	-	-	-	**(1,339)**
Decrease in allowance due to write-offs	-	-	-	-	
Partial repayment	3,733		-	-	**3,733**
Adjustments by foreign exchange gains/losses	(65)	(24)	-	-	**(89)**
Balance at 31 December 2022	**38,482**	**1,325**	**-**	**-**	**39,807**

MCZK			31 December 2023		
Gross carrying amount – non-retail	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Balance at 1 January 2023	**139,320**	**30,956**	**1,650**	**153**	**172,079**
Transfers to/(from) Stage 1	8,062	(8,062)	-	-	**-**
Transfers to/(from) Stage 2	(28,693)	28,693	-	-	**-**
Transfers to/(from) Stage 3	(579)	(780)	1,359	-	**-**
Transfers to POCI	-	-	-	-	**-**
Increase due to origination and acquisition	70,030	-	5	31	**70,066**
Decrease due to derecognition and overall payment	(36,164)	(11,310)	(819)	(121)	**(48,414)**
Decrease in allowance due to write-offs	-	-	(35)	-	**(35)**
Partial repayment	(12,409)	(396)	(367)	(14)	**(13,186)**
Resegmentation from the retail portfolio	-	-	-	-	**-**
Adjustments by foreign exchange gains/losses	1,279	258	4	-	**1,541**
Balance at 31 December 2023	**140,846**	**39,359**	**1,797**	**49**	**182,051**

MCZK			31 December 2022		
Gross carrying amount – non-retail	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Balance at 1 January 2022	**115,557**	**19,123**	**1,651**	**1**	**136,332**
Impact of the merger	8,827	291	31	193	**9,342**
Transfers to/(from) Stage 1	1,563	(1,439)	(124)	-	**-**
Transfers to/(from) Stage 2	(26,236)	26,244	(8)	-	**-**
Transfers to/(from) Stage 3	(1,103)	(129)	1,232	-	**-**
Transfers to POCI					
Increase due to origination and acquisition	88,313	-	-	-	**88,313**
Decrease due to derecognition and overall payment	(41,693)	(11,071)	(770)	(59)	**(53,593)**
Decrease in allowance due to write-offs	-	-	(43)	-	**(43)**
Partial repayment	(7,103)	(1,978)	(337)	(41)	**(9,459)**
Resegmentation from the retail portfolio	2,037	75	31	59	**2,202**
Adjustments by foreign exchange gains/losses	(842)	(160)	(13)	-	**(1,015)**
Balance at 31 December 2022	**139,320**	**30,956**	**1,650**	**153**	**172,079**

MCZK			31 December 2023		
Gross carrying amount – retail	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Balance at 1 January 2023	**128,028**	**50,401**	**2,815**	**521**	**181,765**
Transfers to/(from) Stage 1	15,240	(15,019)	(221)	-	-
Transfers to/(from) Stage 2	(10,092)	10,322	(230)	-	-
Transfers to/(from) Stage 3	(1,061)	(641)	1,702	-	-
Transfers to POCI	-	-	-	-	-
Increase due to origination and acquisition	36,772	7	14	164	**36,957**
Decrease due to derecognition and overall payment	(14,569)	(4,727)	(784)	39	**(20,041)**
Decrease in allowance due to write-offs	-	-	(134)	(50)	**(184)**
Partial repayment	(8,817)	(349)	(194)	(65)	**(9,425)**
Resegmentation to the retail portfolio	-	-	-	-	-
Adjustments by foreign exchange gains/losses	-	-	-	-	-
Balance at 31 December 2023	**145,501**	**39,994**	**2,968**	**609**	**189,072**

MCZK			31 December 2022		
Gross carrying amount – retail	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Balance at 1 January 2022	**78,344**	**48,195**	**3,156**	**315**	**130,010**
Impact of the merger	42,740	238	209	389	**43,576**
Transfers to/(from) Stage 1	19,738	(19,591)	(147)	-	-
Transfers to/(from) Stage 2	(25,636)	26,126	(490)	-	-
Transfers to/(from) Stage 3	(631)	(450)	1,081	-	-
Transfers to POCI	-	(3)	(5)	8	-
Increase due to origination and acquisition	39,043	7	8	108	**39,166**
Decrease due to derecognition and overall payment	(15,842)	(4,177)	(579)	(64)	**(20,662)**
Decrease in allowance due to write-offs	-	-	(168)	(28)	**(196)**
Partial repayment	(7,691)	131	(219)	(148)	**(7,927)**
Resegmentation to the retail portfolio	(2,037)	(75)	(31)	(59)	**(2,202)**
Adjustments by foreign exchange gains/losses	-	-	-	-	-
Balance at 31 December 2022	**128,028**	**50,401**	**2,815**	**521**	**181,765**

MCZK			31 December 2023		
Loss allowances – loans and advances to banks	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Balance at 1 January 2023	**(1)**	**-**	**-**	**-**	**(1)**
Increase due to origination and acquisition	(1)	-	-	-	**(1)**
Changes due to change in credit risk (net)	(1)	-	-	-	**(1)**
Balance at 31 December 2023	**(3)**	**-**	**-**	**-**	**(3)**

MCZK			31 December 2022		
Loss allowances – loans and advances to banks	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Balance at 1 January 2022	**-**	**-**	**-**	**-**	**-**
Increase due to origination and acquisition	(1)	-	-	-	**(1)**
Changes due to change in credit risk (net)	-	-	-	-	-
Balance at 31 December 2022	**(1)**	**-**	**-**	**-**	**(1)**

MCZK	31 December 2023				
Loss allowances – debt securities	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Balance at 1 January 2023	**(6)**	**(39)**	**-**	**-**	**(45)**
Transfers to/(from) Stage 1	-	-	-	-	-
Transfers to/(from) Stage 2	3	(3)	-	-	-
Transfers to/(from) Stage 3	-	-	-	-	-
Transfers to POCI	-	-	-	-	-
Increase due to origination and acquisition	(2)	-	-	-	**(2)**
Decrease due to derecognition	-	-	-	-	-
Changes due to change in credit risk (net)	(9)	(13)	-	-	**(22)**
Decrease in allowance due to write-offs	-	-	-	-	-
Adjustments by foreign exchange gains/losses	-	(3)	-	-	**(3)**
Balance at 31 December 2023	**(14)**	**(58)**	**-**	**-**	**(72)**

MCZK	31 December 2022				
Loss allowances – debt securities	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Balance at 1 January 2022	**(3)**	**-**	**-**	**-**	**(3)**
Transfers to/(from) Stage 1	-	-	-	-	-
Transfers to/(from) Stage 2	-	-	-	-	-
Transfers to/(from) Stage 3	-	-	-	-	-
Transfers to POCI	-	-	-	-	-
Increase due to origination and acquisition	(3)	-	-	-	**(3)**
Decrease due to derecognition	-	-	-	-	-
Changes due to change in credit risk (net)	-	(39)	-	-	**(39)**
Decrease in allowance due to write-offs	-	-	-	-	-
Adjustments by foreign exchange gains/losses	-	-	-	-	-
Balance at 31 December 2022	**(6)**	**(39)**	**-**	**-**	**(45)**

MCZK	31 December 2023				
Loss allowances – non-retail	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Balance as of 1 January 2023	**(199)**	**(547)**	**(847)**	**10**	**(1,583)**
Transfers to/(from) Stage 1	(181)	181	-	-	-
Transfers to/(from) Stage 2	54	(54)	-	-	-
Transfers to/(from) Stage 3	2	27	(29)	-	-
Transfers to POCI					-
Increase due to origination and acquisition	(63)	-	-	-	**(63)**
Decrease due to derecognition	-	122	295	56	**473**
Changes due to the change in credit risk (net)	121	(225)	(397)	(45)	**(546)**
Decrease in loss allowances due to write-offs	-	34	-	-	**34**
Adjustment by foreign exchange gains/losses	(17)	(20)	(11)	-	**(48)**
Balance at 31 December 2023	**(283)**	**(482)**	**(989)**	**21**	**(1,733)**

MCZK	31 December 2022				
Loss allowances – non-retail	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Balance as of 1 January 2022	**(163)**	**(295)**	**(973)**	**-**	**(1,431)**
Impact of the merger	(77)	(29)	(6)	(5)	**(117)**
Transfers to/(from) Stage 1	(74)	45	29	-	-
Transfers to/(from) Stage 2	97	(97)	-	-	-
Transfers to/(from) Stage 3	6	12	(18)	-	-
Transfers to POCI	-	-	-	-	-
Increase due to origination and acquisition	(204)	-	-	-	**(204)**
Decrease due to derecognition	36	160	259	-	**455**
Changes due to the change in credit risk (net)	191	(313)	(153)	3	**(272)**
Decrease in loss allowances due to write-offs	-	-	45	12	**57**
Adjustment by foreign exchange gains/losses	(11)	(30)	(30)	-	**(71)**
Balance at 31 December 2022	**(199)**	**(547)**	**(847)**	**10**	**(1,583)**

MCZK			31 December 2023		
Loss allowances – retail	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Balance as of 1 January 2023	**(649)**	**(811)**	**(1,301)**	**252**	**(2,509)**
Transfers to/(from) Stage 1	(340)	306	34	-	**-**
Transfers to/(from) Stage 2	60	(93)	33	-	**-**
Transfers to/(from) Stage 3	34	50	(84)	-	**-**
Transfers to POCI	-	-	-	-	**-**
Increase due to origination and acquisition	(237)	-	-	-	**(237)**
Decrease due to derecognition	7	180	153	15	**355**
Changes due to the change in credit risk (net)	572	(890)	(415)	(181)	**(914)**
Decrease in loss allowances due to write-offs	7	45	83	49	**184**
Impact of unwind	-	-	(10)	-	**(10)**
Adjustment by foreign exchange gains/losses	-	-	-	-	**-**
Balance at 31 December 2023	**(546)**	**(1,213)**	**(1,507)**	**135**	**(3,131)**

MCZK			31 December 2022		
Loss allowances – retail	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Balance as of 1 January 2022	**(158)**	**(993)**	**(1,471)**	**88**	**(2,534)**
Impact of the merger	(174)	(48)	(91)	58	**(255)**
Transfers to/(from) Stage 1	(405)	366	39	-	**-**
Transfers to/(from) Stage 2	40	(84)	44	-	**-**
Transfers to/(from) Stage 3	10	53	(63)	-	**-**
Transfers to POCI	-	-	1	(1)	**-**
Increase due to origination and acquisition	(98)	-	-	-	**(98)**
Decrease due to derecognition	11	115	107	26	**259**
Changes due to the change in credit risk (net)	119	(252)	60	67	**(6)**
Decrease in loss allowances due to write-offs	6	32	77	14	**129**
Impact of unwind	-	-	(3)	-	**(3)**
Adjustment by foreign exchange gains/losses	-	-	(1)	-	**(1)**
Balance at 31 December 2022	**(649)**	**(811)**	**(1,301)**	**252**	**(2,509)**

MCZK			31 December 2023		
Provisions for off-balance sheet items	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Balance at 1 January 2023	**(130)**	**(290)**	**(57)**	**-**	**(477)**
Increase due to origination and acquisition	(80)	(129)	-	-	**(209)**
Decrease due to derecognition	1	36	10	-	**47**
Changes due to the change in credit risk (net)	81	(30)	33	(2)	**82**
Adjustment by foreign exchange gains/losses	(5)	(11)	-	-	**(16)**
Balance at 31 December 2023	**(133)**	**(424)**	**(14)**	**(2)**	**(573)**

MCZK			31 December 2022		
Provisions for off-balance sheet items	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Balance at 1 January 2022	**(163)**	**(215)**	**(118)**	**-**	**(496)**
Impact of the merger	(16)	-	-	-	**(16)**
Increase due to origination and acquisition	(112)	(137)	-	-	**(249)**
Decrease due to derecognition	2	71	74	-	**147**
Changes due to the change in credit risk (net)	163	1	(12)	-	**152**
Adjustment by foreign exchange gains/losses	(4)	(10)	(1)	-	**(15)**
Balance at 31 December 2022	**(130)**	**(290)**	**(57)**	**-**	**(477)**

The "Changes in credit risk (net)" line includes the net amount of changes in expected losses at the end of the reporting period due to increases or decreases in credit risk since initial recognition, regardless of whether they have resulted in a transfer of the financial asset to a different stage. This line shows the impact in the allowance for increases or decreases in the value of financial assets, e.g. due to the partial repayment of exposures through instalments, except for the final instalment, which is shown in the line

"Decrease due to derecognition". Changes in valuation due to updates or revisions of risk parameters as well as changes in prospective economic data are also reported in this line.

h) Allocation of financial assets at amortised cost and credit commitments and financial guarantees based on internal rating and stage of impairment

The Bank allocates each exposure to a credit risk grade in conformity with a rating model corresponding with borrower's segment and type of exposure.

Rating models and credit risk stages are defined based on statistical models and techniques. The allocated credit risk stage is a result of a combination of qualitative and quantitative parameters which indicate the probability of default of the credit exposure.

Each credit exposure must be allocated to a credit risk stage. Exposures and borrowers are subject to ongoing monitoring, which may result in being moved to a different credit risk grade. Accordingly, the exposure and borrower can be moved to a different credit risk rating during their relationship with the Bank. The monitoring typically involves use of the following data:

- Information obtained from a borrower – financing request, audited financial statements, management accounts, financial budget and projections, structure of areas of particular focus such as sales revenues, customers, receivables, costs, suppliers, liabilities, bank loans, intragroup transactions, competitors, management etc.;
- Internally collected data – overdue status, fulfilment of financial covenants, internal monitoring of the credit exposure and periodic review of borrower's files;
- External data from credit reference agencies, press articles, changes in external credit ratings;
- Quoted securities prices for the borrower where available;
- Actual and expected significant changes in the political, regulatory and technological environment of the borrower or in its business activities.

The credit risk rating grades for the retail exposures are subject to ongoing monthly monitoring which typically involves use of the available information.

Rating grades – non-retail portfolio:

Rating	**Annual probability of default (in %)**
Excellent	0.0000 - 0.0300
Strong	0.0310 - 0.1878
Good	0.1879 - 1.1735
Satisfactory	1.1736 - 7.3344
Substandard	7.3345 - 99.999
Credit-impaired	100

Rating grades – retail portfolio:

Rating	**Annual probability of default (in %)**
Excellent	> 0.0000 - ≤ 0.1700
Strong	> 0.1700 -≤ 0.35000
Good	> 0.3500 - ≤ 1.3700
Satisfactory	> 1.3700 - ≤ 7.2800
Substandard	> 7.2800 -< 100
Credit-impaired	100

Financial assets at amortised cost

Loans and advances to banks

MCZK			2023		
Gross carrying amount	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Excellent	147,102	-	-	-	**147,102**
Strong	13,570	-	-	-	**13,570**
Good	-	-	-	-	**-**
Satisfactory	-	-	-	-	**-**
Substandard	-	-	-	-	**-**
Credit-impaired	-	-	-	-	**-**
Total	**160,672**	**-**	**-**	**-**	**160,672**

MCZK			2022		
Gross carrying amount	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Excellent	157,203	-	-	-	**157,203**
Strong	9,598	-	-	-	**9,598**
Good	-	-	-	-	**-**
Satisfactory	-	-	-	-	**-**
Substandard	-	7	-	-	**7**
Credit-impaired	-	-	-	-	**-**
Total	**166,801**	**7**	**-**	**-**	**166,808**

Debt securities

MCZK			2023		
Gross carrying amount	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Excellent	-	-	-	-	**-**
Strong	89,032	2,417	-	-	**91,449**
Good	883	788	-	-	**1,671**
Satisfactory	-	335	-	-	**335**
Substandard	-	-	-	-	**-**
Credit-impaired	-	-	-	-	**-**
Total	**89,915**	**3,540**	**-**	**-**	**93,455**

MCZK			2022		
Gross carrying amount	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Excellent	-	-	-	-	**-**
Strong	37,194	792	-	-	**37,986**
Good	805	533	-	-	**1,338**
Satisfactory	483	-	-	-	**483**
Substandard	-	-	-	-	**-**
Credit-impaired	-	-	-	-	**-**
Total	**38,482**	**1,325**	**-**	**-**	**39,807**

Loans and advances to customers – non-retail

MCZK	2023				
Gross carrying amount	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Excellent	-	-	-	-	**-**
Strong	20,486	5,106	-	-	**25,592**
Good	86,728	19,884	-	-	**106,612**
Satisfactory	33,142	12,613	-	-	**45,755**
Substandard	490	1,756	-	2	**2,248**
Credit-impaired	-	-	1,797	47	**1,844**
Total	**140,846**	**39,359**	**1,797**	**49**	**182,051**

MCZK	2022				
Gross carrying amount	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Excellent	-	-	-	-	**-**
Strong	44,840	4,679	-	-	**49,519**
Good	60,644	8,898	-	-	**69,542**
Satisfactory	32,711	14,827	-	-	**47,538**
Substandard	1,125	2,552	-	-	**3,677**
Credit-impaired	-	-	1,650	153	**1,803**
Total	**139,320**	**30,956**	**1,650**	**153**	**172,079**

Loans and advances to customers – retail

MCZK	2023				
Gross carrying amount	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Excellent	149	1	-	-	**150**
Strong	73,466	20,210	-	25	**93,701**
Good	35,778	11,279	-	67	**47,124**
Satisfactory	29,670	5,250	-	109	**35,029**
Substandard	6,438	3,254	-	70	**9,762**
Credit-impaired	-	-	2,968	338	**3,306**
Total	**145,501**	**39,994**	**2,968**	**609**	**189,072**

MCZK	2022				
Gross carrying amount	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Excellent	-	-	-	-	**-**
Strong	71,983	31,438	-	59	**103,480**
Good	22,635	11,852	-	16	**34,503**
Satisfactory	23,754	4,715	-	81	**28,550**
Substandard	9,656	2,396	-	90	**12,142**
Credit-impaired	-	-	2,815	275	**3,090**
Total	**128,028**	**50,401**	**2,815**	**521**	**181,765**

Loan commitments and financial guarantees

MCZK	2023				
Gross carrying amount	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Excellent	22	1	-	-	**23**
Strong	39,318	5,906	-	-	**45,224**
Good	47,689	31,827	-	3	**79,519**
Satisfactory	17,926	11,359	-	1	**29,286**
Substandard	239	370	-	-	**609**
Credit-impaired	-	-	120	6	**126**
Total	**105,194**	**49,463**	**120**	**10**	**154,787**

MCZK	2022				
Gross carrying amount	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Excellent	21	-	-	-	**21**
Strong	50,998	9,834	-	-	**60,832**
Good	46,714	17,359	-	-	**64,073**
Satisfactory	16,850	9,492	-	-	**26,342**
Substandard	1,523	855	-	-	**2,378**
Credit-impaired	-	-	298	-	**298**
Total	**116,106**	**37,540**	**298**	**-**	**153,944**

i) Modified contractual cash flows

The following table provides information on financial assets that were modified while they had loss allowances measured at an amount equal to lifetime ECL:

MCZK	2023	2022
Financial assets modified during the year		
Amortised cost before the modification of contractual cash flows	1,072	533
Net modification profit/(loss)	2	2
Financial assets modified since initial recognition		
Gross carrying amount at the reporting date relating to financial assets for which loss allowance has changed to 12-month ECL during the year	80	57

j) Quantitative information on collateral for credit-impaired financial assets (Stage 3)

MCZK	2023		2022	
	Gross carrying amount	**Collateral**	**Gross carrying amount**	**Collateral**
Financial assets at amortised cost (Stage 3)	4,765	1,433	4,465	1,625

The principal type of collateral for credit-impaired financial assets is the pledge of real estate, movable property and company guarantees.

k) Concentration of credit risk by location

Loans and advances to customers

MCZK	2023	2022
Czech Republic	342,632	327,282
Slovakia	4,988	5,024
Other EU member states	18,125	17,084
Other	5,378	4,454
Total gross carrying amount	**371,123**	**353,844**

The reporting of concentration of credit risk by country is based on the domicile of the client.

Loan commitments and financial guarantees

MCZK	2023	2022
Czech Republic	140,946	140,270
Slovakia	1,055	1,596
Other EU member states	10,401	6,468
Other	2,385	5,610
Total	**154,787**	**153,944**

l) Analysis of loans and advances to customers by sector and type of collateral

MCZK 2023	Cash collateral	State guarantees	Bank guarantees	Real estate	Company guarantee	Other collateral	Movable assets	Total collateral
Administrative and support activities	2	-	47	535	488	8	114	**1,194**
Activities of households	12	-	-	122,417	-	917	-	**123,346**
Real estate	300	-	315	27,731	117	12	71	**28,546**
Transport and storage	1	-	165	1,529	582	109	159	**2,545**
Information and communication activities	18	-	88	373	51	118	-	**648**
Arts, entertainment and recreation	34	-	30	523	2	-	1	**590**
Other activities	1	-	5	155	-	-	-	**161**
Banking and insurance	50	-	5,594	902	783	3,777	-	**11,106**
Professional, scientific and technical activities	42	589	241	1,830	283	117	-	**3,102**
Construction industry	33	-	80	3,003	81	137	1	**3,335**
Mining and quarrying	-	1	3	-	-	-	-	**4**
Hotels and restaurants	15	207	10	2,385	3	-	7	**2,627**
Wholesale and retail trade; repair and maintenance of motor vehicles	60	134	563	5,227	1,238	881	159	**8,262**
Electricity, gas, water and air conditioning supply	57	-	75	145	5	-	882	**1,164**
Education	6	-	4	98	-	-	-	**108**
Water supply, sewerage, waste management and remediation activities	-	-	18	340	32	18	4	**412**
Health and social work	1	306	23	813	-	5	-	**1,148**
Agriculture, forestry and fishing	23	67	101	1,447	12	52	2	**1,704**
Manufacturing	165	481	653	5,886	1,233	1,008	191	**9,617**
Total	**820**	**1,785**	**8,015**	**175,339**	**4,910**	**7,159**	**1,591**	**199,619**

For the purposes of reporting loans and advances to customers by sector and type of collateral, the Bank uses the collateral in discounted value decreased to the current balance of the collateralised exposure.

MCZK 2022	Cash collateral	State guarantees	Bank guarantees	Real estate	Company guarantee	Other collateral	Movable assets	Total collateral
Administrative and support activities	-	-	66	585	519	308	39	**1,517**
Activities of households	-	-	-	125,252	-	-	-	**125,252**
Real estate	145	-	133	25,050	69	259	18	**25,674**
Transport and storage	-	-	243	2,414	80	1,058	30	**3,825**
Information and communication activities	1	-	301	293	32	216	-	**843**
Arts, entertainment and recreation	37	-	19	40	-	10	15	**121**
Other activities	-	-	37	112	-	2	-	**151**
Banking and insurance	-	-	5,062	1,494	621	855	-	**8,032**
Professional, scientific and technical activities	67	751	307	2,035	10	1,070	10	**4,250**
Construction industry	25	-	418	1,745	32	295	3	**2,518**
Mining and quarrying	-	57	11	-	-	-	-	**68**
Hotels and restaurants	5	-	136	2,201	37	-	22	**2,401**
Wholesale and retail trade; repair and maintenance of motor vehicles	56	121	1,250	5,636	679	3,689	674	**12,105**
Electricity, gas, water and air conditioning supply	82	-	1	116	-	332	877	**1,408**
Education	-	-	17	93	-	-	-	**110**
Water supply, sewerage, waste management and remediation activities	-	-	21	85	-	108	17	**231**
Health and social work	-	414	58	294	-	10	-	**776**
Agriculture, forestry and fishing	3	-	238	518	-	418	26	**1,203**
Manufacturing	161	657	982	4,857	1,539	3,914	451	**12,561**
Total	**582**	**2,000**	**9,300**	**172,820**	**3,618**	**12,544**	**2,182**	**203,046**

For the purposes of reporting loans and advances to customers by sector and type of collateral, the Bank uses the collateral in discounted value decreased to the current balance of the collateralised exposure.

m) Analysis of loans provided to customers by default categories

MCZK 2023	Before due date	Less than 1 month	1 to 3 months	3 to 6 months	6 months to 1 year	Over 1 year	Total
Loans and advances to customers							
Stage 1	283,683	2,606	34	15	6	2	**286,346**
Stage 2	76,890	2,117	301	38	4	3	**79,353**
Stage 3	1,520	144	244	594	612	1,652	**4,766**
POCI	432	45	32	29	21	99	**658**
Gross	**362,525**	**4,912**	**611**	**676**	**643**	**1,756**	**371,123**
Loss allowances	(2,402)	(226)	(180)	(428)	(336)	(1,292)	**(4,864)**
Net	**360,123**	**4,686**	**431**	**248**	**307**	**464**	**366,259**

MCZK 2022	Before due date	Less than 1 month	1 to 3 months	3 to 6 months	6 months to 1 year	Over 1 year	Total
Loans and advances to customers							
Stage 1	265,457	1,843	41	1	3	3	**267,348**
Stage 2	80,130	969	238	14	4	2	**81,357**
Stage 3	1,952	286	429	230	373	1,195	**4,465**
POCI	398	65	27	12	66	106	**674**
Gross	**347,937**	**3,163**	**735**	**257**	**446**	**1,306**	**353,844**
Loss allowances	(2,281)	(261)	(123)	(144)	(262)	(1,019)	**(4,091)**
Net	**345,656**	**2,902**	**612**	**113**	**184**	**287**	**349,753**

The proportion of loans and advances with default remained constant at 1.5% of the total loan portfolio. At the end of 2023, the coverage by individual loss allowances for loans with default increased to 43.1% from 36.7% in 2022.

n) Forbearance and non-performing exposures

In compliance with the EBA's Implementing Technical Standard (ITS) on supervisory reporting (forbearance and non-performing exposures), the Bank uses a new definition of *forbearance* and *non-performing exposures* that does not necessarily represent default under the CNB's regulation.

The key criterion in treating an exposure as forborne is a customer's financial health as of the date on which contractual conditions are adjusted. Receivables are defined as forborne if a customer has financial difficulties at the time of a change in contractual conditions (taking into account the client's internal rating or other circumstances known at that time) and if the adjustment of the contractual conditions is considered a payment relief provided in order to divert the client's unfavourable financial situation. If such an adjustment of contractual conditions results in subsequent forbearance or default exceeding 30 days, the exposure is considered non-performing irrespective of the conditions of the CNB's regulation being met or not.

If a forborne exposure is classified as non-performing (after the forbearance is provided) it remains in this category for a period of at least 12 months. After the lapse of this period, the exposure is reclassified as performing forbearance provided the predefined conditions are met. Subsequently, the exposure is monitored on a regular basis during a probation period of at least 24 months. If the predefined conditions are met after the expiry of the probation period, the exposure ceases to be classified as forborne.

Within the defined processes, the Bank's customers having financial difficulties and being provided with forbearance are assessed, rated and monitored according to specific algorithms in line with the relevant regulations. In practice, this means that all customers with financial difficulties who were provided with forbearance, or for whom forbearance is considered, are at least subject to the early warning system, or in case of default, they are treated by the workout or collection teams. The algorithms applied are in compliance with the parent group's requirements for individual segments of the Bank. The above-specified processes have an impact on the classification of receivables under individual stages according to IFRS 9 and, consequently, on the assessment of the amount of individual and portfolio allowances.

Credit risk analysis of loans and advances to forborne customers under IFRS 7

MCZK	Loans and advances to forborne customers			Loss allowances	Collateral
31 December 2023	Performing exposure	Non-performing exposure	Total with forbearance		
Other financial institutions	-	-	-	-	-
Non-financial enterprises	1,066	270	1,336	(185)	**1,003**
Households	478	698	1,176	(204)	**516**
Total	**1,544**	**968**	**2,512**	**(389)**	**1,519**

MCZK	Loans and advances to forborne customers			Loss allowances	Collateral
31 December 2022	Performing exposure	Non-performing exposure	Total with forbearance		
Other financial institutions	-	-	-	-	-
Non-financial enterprises	1,507	343	1,849	(216)	**15**
Households	716	848	1,563	(169)	**564**
Total	**2,223**	**1,191**	**3,412**	**(385)**	**579**

The Bank recognises no forborne loans and advances to banks.

The Bank's interest income includes interest on loans and advances to forborne customers of MCZK 70 (2022: MCZK 87).

Development of loans and advances to forborne customers

MCZK 2022	Other financial institutions	Non-financial enterprises	Households	Total
Balance at 1 January	**-**	**1,849**	**1,563**	**3,412**
Additions (+)	-	115	474	**589**
Disposals (-)	-	(555)	(794)	**(1,349)**
Movements in exposures (+/-)	-	(73)	(67)	**(140)**
At 31 December	**-**	**1,336**	**1,176**	**2,512**

MCZK 2022	Other financial institutions	Non-financial enterprises	Households	Total
Balance at 1 January	**3**	**4,877**	**1,659**	**6,539**
Impact of the merger	-	270	279	**549**
Additions (+)	-	690	486	**1,176**
Disposals (-)	(3)	(3,814)	(762)	**(4,579)**
Movements in exposures (+/-)	-	(174)	(99)	**(273)**
At 31 December	**-**	**1,849**	**1,563**	**3,412**

Carrying amount of loans and advances to forborne customers compared to the total loans and advances to customers

MCZK 2023	Loans and advances to customers	Loans and advances to forborne customers	Percentage of loans and advances to forborne customers
Government institutions	353	-	**0.0%**
Other financial institutions	50,935	-	**0.0%**
Non-financial enterprises	136,593	1,336	**1.0%**
Households	183,242	1,176	**0.6%**
Total at 31 December 2023	**371,123**	**2,512**	**0.7%**

MCZK 2022	Loans and advances to customers	Loans and advances to forborne customers	Percentage of loans and advances to forborne customers
Government institutions	490	-	**0.0%**
Other financial institutions	47,155	-	**0.0%**
Non-financial enterprises	128,887	1,849	**1.4%**
Households	177,312	1,563	**0.9%**
Total at 31 December 2022	**353,844**	**3,412**	**1.0%**

o) Maximum exposure to credit risk

2023 MCZK	On-balance sheet exposure (carrying amount)	Off-balance sheet exposure (carrying amount)	Aggregate exposure (carrying amount)	Allocated collateral - balance sheet	Allocated collateral - off balance sheet	Aggregate allocated collateral
Cash and cash equivalents	14,912	-	14,912	-	-	-
Loans and advances to banks*	160,669	5,760	166,429	141,448	1,270	142,718
Loans and advances to customers*	366,259	149,027	515,286	199,619	18,284	217,903
Debt securities*	93,383	-	93,383	-	-	-
Positive fair value of financial derivatives	10,070	-	10,070	186	-	186
Securities held for trading	446	-	446	-	-	-
Financial assets other than held for trading mandatorily measured at fair value through profit or loss	208	-	208	-	-	-
Financial assets at FVOCI	132	-	132	-	-	-
Other assets	12,998	-	12,998	-	-	-

*including loss allowances and provisions

2022 **MCZK**	**On-balance sheet exposure (carrying amount)**	**Off-balance sheet exposure (carrying amount)**	**Aggregate exposure (carrying amount)**	**Allocated collateral - balance sheet**	**Allocated collateral - off balance sheet**	**Aggregate allocated collateral**
Cash and cash equivalents	13,879	-	13,879	-	-	-
Loans and advances to banks*	166,807	5,915	172,722	156,039	-	156,039
Loans and advances to customers*	349,753	148,029	497,782	203,046	24,650	227,696
Debt securities*	39,762	-	39,762	-	-	-
Positive fair value of financial derivatives	14,895	-	14,895	339	-	339
Securities held for trading	162	-	162	-	-	-
Financial assets other than held for trading mandatorily measured at fair value through profit or loss	194	-	194	-	-	-
Financial assets at FVOCI	101	-	101	-	-	-
Other assets	6,805	-	6,805	-	-	-

*including loss allowances and provisions

p) Offsetting financial assets and financial liabilities

The following table shows the impact of master netting agreements on assets and liabilities that are not offset in the statement of financial position.

2023			Related amount not offset in the statement of financial position			
MCZK	Amount of an asset/liability in the statement of financial position	Amount of an asset/liability offset in the statement of financial position	Net amount presented in the statement of financial position	Financial instrument *	Cash collateral received	Total
Assets						
Positive fair values of financial derivatives	9,858	-	9,858	9,231	186	**441**
Reverse repurchase	147,672	-	147,672	142,898	-	**4,774**
Total assets	**157,530**	**-**	**157,530**	**152,129**	**186**	**5,215**
Liabilities						
Negative fair values of financial derivatives	16,588	-	16,588	8,991	6,798	**800**
Repurchase transactions	32,922	-	32,922	32,873	-	**49**
Loans received collateralised by own securities	2,540	-	2,540	2,540	-	**-**
Total liabilities	**52,050**	**-**	**52,050**	**44,404**	**6,798**	**849**

*The value of the financial instrument is reduced to the current balance of the loan granted/received.

2022			Related amount not offset in the statement of financial position			
MCZK	Amount of an asset/liability in the statement of financial position	Amount of an asset/liability offset in the statement of financial position	Net amount presented in the statement of financial position	Financial instrument *	Cash collateral received	Total
Assets						
Positive fair values of financial derivatives	14,758	-	14,758	14,410	339	**9**
Reverse repurchase	158,979	-	158,979	157,192	-	**1,787**
Total assets	**173,737**	**-**	**173,737**	**171,602**	**339**	**1,796**
Liabilities						
Negative fair values of financial derivatives	22,540	-	22,540	14,410	8,076	**54**
Repurchase transactions	4,972	-	4,972	4,952	-	**20**
Loans received collateralised by own securities	3,880	-	3,880	3,880	-	**-**
Total liabilities	**31,392**	**-**	**31,392**	**23,242**	**8,076**	**74**

*The value of the financial instrument is reduced to the current balance of the loan granted/received.

43. FINANCIAL INSTRUMENTS – MARKET RISK AND OTHER RISKS

The Bank is exposed to market risks arising from the open positions of transactions with interest rate, equity and currency instruments that are sensitive to changes in financial market conditions.

a) Trading

The Bank holds trading positions in certain financial instruments including financial derivatives.

These positions are also held for the purpose of speculation on the expected future development of financial markets and thus represent speculation on this development. The majority of the Bank's trading activities are conducted based on the requirements of the Bank's customers.

The Bank maintains the admission to financial markets through the quoting of bid and ask prices and by trading with other market makers. The Bank's business strategy is thus affected by the speculative expectation and market making and its goal is to maximise net income from trading.

The Bank manages risks associated with its trading activities on the level of individual risks and types of financial instruments. The key risk management tools are the limits for individual transaction volumes and individual position volumes, stop loss limits and value at risk (VaR) limits. The quantitative methods applied to market risk management are described in "Risk management methods" in Note 43 (d).

b) Risk management

The selected risks exposures resulting from the Bank's activities, management of positions arising from these activities and its risk management approach are described below. More detailed policies applied in measuring and managing these risks are included in "*Risk management methods*" in Note 43 (d).

Liquidity risk

Liquidity risk is the risk of losing the Bank's ability to meet its financial obligations as they fall due, or the risk of losing the Bank's ability to finance an increase in assets. Liquidity risk arises from the time mismatch between cash inflows and outflows. It includes both the risk of inability to raise funds to cover the Bank's assets using instruments with appropriate maturity and the Bank's ability to sell assets at a reasonable price within a reasonable time frame. The liquidity position of the Bank is regularly monitored by the Czech National Bank.

The Bank has access to diversified sources of funding, which comprise deposits and other savings, issued securities, loans accepted including subordinated loans, and also the Bank's equity. This diversification makes the Bank flexible and reduces its dependency on one source of funding. The Bank regularly evaluates its liquidity exposures, in particular by monitoring the changes in the structure of financing and comparing these changes with the Bank's liquidity risk management strategy, which has been approved by the Bank's Board of Directors. According to the liquidity risk management strategy, the Bank has set limits for basic liquidity indicators LCR, NSFR, liquidity position calculated from cumulative cash inflows and outflows for stress scenarios so as to correspond to the Bank's appetite risk and safely comply with regulatory regulations. The Bank also monitors LCR and NSFR indicators for all major currencies, i.e. CZK, EUR and USD.

As part of its liquidity risk management strategy, the Bank also holds a portion of its assets in highly liquid funds, such as czech government bonds and deposits with the Czech National Bank (repo transactions/deposit facilities). The Bank uses internal statistical models for modeling from deposits without a contractual maturity. These models are reassessed on a regular basis. In order to manage liquidity in extraordinary circumstances, the Bank has prepared a contingency plan, which contains measures to restore liquidity. The ALM department performs regular reviews of the contingency plan and submits it to the Assets and Liabilities Committee (ALCO) for approval.

Financing management

The liquidity Coverage Ratio (LCR) measures the volume of liquid assets against the expected net cash outflows over the next 30 days. Liquidity risk is the risk of losing the ability to meet its financial obligations as they fall due, or the risk of losing the ability to finance an increase in assets under severe crisis conditions. The LCR indicator developed as follows in 2023 and 2022:

LCR (%)	2023	2022
31.3.	237.8	182.5
30.6.	218.5	196.8
30.9.	210.9	184.9
31.12.	218.9	203.8

Strategic liquidity management

The NSFR (Net Stable Funding Ratio) indicators is defined as the ratio of available stable funding and required stable funding. The NSFR indicator developed as follows in 2023 and 2022:

NSFR (%)	2023	2022
31.3.	156.3	140.0
30.6.	155.7	144.4
30.9.	153.3	141.9
31.12.	151.7	149.2

Both LCR and NSFR indicators are monitored on a daily basis and are regularly reported to the Bank's management

The following table shows the remaining maturity of contractual cash flows arising from financial liabilities. Analysis of remaining maturity of derivatives is disclosed in the tables in Notes 39 (b) and 39 (d).

Analysis of financial liabilities according to remaining maturity (undiscounted cash flows)

2023 (MCZK)	Net book value	Total contractual liability	0 – 1 months	1 - 3 months	3 - 12 months	1 - 5 years	Over 5 years
Financial liabilities held for trading – Derivatives held for trading	4,678	**4,844**	258	491	1,526	2,228	342
Deposits from banks	22,788	**23,242**	6,672	(0)	7,597	8,973	0
Deposits from customers	538,857	**539,141**	496,670	25,234	16,716	381	140
Debt securities issued	36,312	**40,921**	893	4,253	539	35,237	(0)
Subordinated liabilities and bonds	4,930	**6,910**	-	34	334	4,209	2,333
Other financial liabilities	6,350	**6,413**	5,332	64	287	647	83
Negative fair value of hedging derivatives	12,725	**13,833**	302	828	2,289	8,450	1,964
Off-balance sheet items	154,787	**154,787**	154,787	-	-	-	-
Total	**781,427**	**790,092**	**664,915**	**30,904**	**29,286**	**60,125**	**4,863**

2022 (MCZK)	Net book value	Total contractual liability	0 – 1 months	1 - 3 months	3 - 12 months	1 - 5 years	Over 5 years
Financial liabilities held for trading – Derivatives held for trading	7,968	**7,968**	862	1,170	954	2,647	2,335
Deposits from banks	10,674	**10,895**	2,914	-	5,460	2,521	-
Deposits from customers	489,634	**490,547**	456,915	12,950	20,536	141	5
Debt securities issued	24,553	**27,774**	-	3,181	500	15,567	8,526
Subordinated liabilities and bonds	4,860	**6,683**	-	14	249	1,105	5,315
Other financial liabilities	5,448	**5,512**	4,265	65	286	752	144
Negative fair value of hedging derivatives	17,658	**17,658**	934	698	58	7,229	8,739
Off-balance sheet items	153,944	**153,944**	153,944	-	-	-	-
Total	**714,739**	**720,981**	**619,834**	**18,078**	**28,043**	**29,962**	**25,064**

Off-balance sheet items include all binding credit commitments provided to the Bank's customers, guarantee commitments, and guarantees and letters of credit provided to customers.

Foreign currency risk

The foreign currency risk is the risk arising from currency markets. The source of this risk is the Bank's foreign currency position which arises from the mismatch of the Bank's assets and liabilities, including the currency-sensitive off-balance sheet items. The majority of foreign currency gains or losses is due to changes in foreign currency rates in currency positions of the Bank denominated in EUR and USD. The foreign currency risk is managed by setting trading limits. More detailed policies applied in managing this risk are included in *"*Risk management methods*"* in Note 43 (d).

Interest rate risk

The Bank is exposed to interest rate risk since the interest-bearing assets and liabilities have different maturity dates, periods of interest rate changes/adjustments and volumes during these periods. In the case of variable interest rates, the Bank is exposed to a basis risk arising from the difference in the mechanism of adjusting individual types of interest rates, such as PRIBOR, announced interest on deposits, etc. The interest rate risk of the Bank is primarily impacted by the development in interbank interest rates. The Bank's interest rate risk management activities are aimed at optimising the Bank's net interest income in accordance with its strategy approved by the Board of Directors. In managing the interest rate risk, the Bank uses (as in the case of liquidity management) statistical models for distribution of those items where it is unable to determine the exact moment of repricing of interest rates or liquidity maturity (for example on current accounts).

The Bank mostly uses interest rate derivatives to manage the mismatch between the rate-sensitivity of assets and liabilities. These derivative transactions are entered into in accordance with the asset and liability management strategy as approved by the Bank's Board of Directors.

Part of the Bank's income is generated through a targeted mismatch between rate-sensitive assets and rate-sensitive liabilities. In managing the interest rate risk, the carrying amounts of these assets and liabilities and the nominal (notional) values of interest rate derivatives are recorded either in the year in which they are due or in which the interest rate changes, whichever occurs first. Due to the anticipated prepayment or undefined maturity dates, certain assets or liabilities are allocated to individual periods based on an expert estimate.

Equity risk

Equity risk is the risk of fluctuations of the prices of equity instruments held in the Bank's portfolio and financial derivatives related to these instruments. As the Bank does not trade shares on its own account, it is exposed to indirect equity risk arising from the shares held by the Bank as collateral for customer loans. Equity risk is managed by trading limits. The equity risk management methods are described in "*Risk management methods*" in Note 43 (d).

c) Fair values of financial assets and liabilities

The Bank used the following methods and estimates in determining the fair values of financial assets and liabilities.

i) Cash and balances with central banks

The reported amounts of cash and short-term instruments are essentially equivalent to their fair value.

ii) Loans and advances to banks

The reported amounts of loans and advances to banks due within one year are essentially equivalent to their fair values. The fair values of other loans and advances to financial institutions are estimated based on cash flows discounted at standard rates for similar types of investments (market rates adjusted for credit risk). The fair values of delinquent loans to financial institutions are estimated based on discounted cash flows; for loss loans, fair values are equivalent to the expected amount when the respective collateral is realised.

iii) Loans and advances to customers
For variable-rate loans that are often remeasured or loans with the final maturity within one year, and for which credit risk changes are immaterial, the fair values are essentially equivalent to the reported amounts. The fair values of fixed-rate loans are estimated based on discounted cash flows using the interest rate that is standard for loans with similar conditions and maturity dates and provided to borrowers with a similar risk profile, including the impact of collateral (the discounted rate technique according to IFRS 13). The fair values of loans and receivables from clients and banks were calculated as discounted future cash flows, taking into account the effect of interest and credit spreads, including the possible realization of collateral. Interest rates are affected by movements in market interest rates, while changes in the credit spread are derived from the probabilities of default (PD) and LGD used, which are used to calculate credit risk. To calculate fair value, loans and receivables were grouped into homogeneous portfolios based on the rating method, rating grade, maturity and country where they were provided.

iv) Securities at amortised cost
The fair values of securities at amortised cost are estimated based on discounted cash flows using the interest rate common as of the reporting date, unless they are traded on an active market.

v) Deposits from banks and customers
The fair values of deposits repayable on demand at the reporting date are equal to the amounts repayable on demand (i.e. their carrying amounts). The carrying amounts of variable-rate term deposits are essentially equivalent to their fair values at the reporting date. The fair values of fixed-rate deposits are estimated based on discounted cash flows using market interest rates and taking into account the Bank's liquidity costs. The fair value of deposits at amortised cost is calculated taking into account the current interest rate environment and own credit risk.

vi) Bonds issued

The fair values of bonds issued by the Bank are determined based on current market prices. If market prices are not available, the fair values are the Bank's estimates where the fair value is estimated based on discounted cash flows using market interest rates and taking into account the Bank's liquidity costs.

vii) Subordinated liabilities and bonds

The fair values of subordinated loans are estimated based on discounted cash flows using market interest rates and taking into account the Bank's liquidity costs. The fair values of subordinated bonds issued by the Bank are determined based on current market prices.

The following table summarises the estimated amounts and fair values of financial assets and liabilities that are not recognised at fair value in the statement of financial position:

2023	Level 1	Level 2	Level 3	Fair value	Net book value	Difference
Assets						
Cash and cash equivalents	14,912	-	-	14,912	14,912	-
Loans and advances to banks*	-	-	160,669	160,669	160,669	-
Loans and advances to customers*	-	-	358,514	358,514	366,259	(7,745)
Debt securities at amortised cost*	91,902	1,277	563	93,741	93,383	358
Liabilities		,		,		,
Deposits from banks	-	-	22,911	22,911	22,788	123
Deposits from customers	-	-	538,933	538,933	538,857	76
Debt securities issued	-	-	35,312	35,312	36,312	(1,000)
Subordinated liabilities and bonds	-	-	4,609	4,609	4,930	(321)
Other financial liabilities**	-	-	5,288	5,288	5,288	-

*including loss allowances
**excluding lease liabilities

2022	Level 1	Level 2	Level 3	Fair value	Net book value	Difference
Assets						
Cash and cash equivalents	13,879	-	-	13,879	13,879	-
Loans and advances to banks*	-	-	166,807	166,807	166,807	-
Loans and advances to customers*	-	-	334,915	334,915	349,753	(14,838)
Debt securities at amortised cost*	33,409	220	593	34,222	39,762	(5,540)
Liabilities						
Deposits from banks	-	-	10,407	10,407	10,674	(267)
Deposits from customers	-	-	489,787	489,787	489,634	153
Debt securities issued	-	-	22,240	22,240	24,553	(2,313)
Subordinated liabilities and bonds	-	-	4,535	4,535	4,860	(325)
Other financial liabilities**	-	-	4,220	4,220	4,220	-

*including loss allowances
**excluding lease liabilities

Financial instruments at fair value

MCZK	Fair value at 31 December 2023			Fair value at 31 December 2022		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Positive fair value of trading derivatives	-	4,918	-	-	7,548	-
Securities held for trading	411	-	35	162	-	-
Positive fair value of hedging derivatives	-	5,152	-	-	7,347	-
Financial assets other than held for trading mandatorily measured at fair value through profit or loss	-	208	-	-	74	120
Financial assets at FVOCI	94	-	38	76	-	25
Total	**505**	**10 278**	**73**	**238**	**14 969**	**145**

MCZK	Fair value at 31 December 2023			Fair value at 31 December 2022		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Negative fair value of trading derivatives	-	4,678	-	-	7,968	-
Negative fair value of financial derivatives	-	12,725	-	-	17,658	-
Total	**-**	**17,403**	**-**	**-**	**25,626**	**-**

Level 1 category is the category of financial instruments measured at fair value determined based on the price quoted on an active market.

Level 2 category is the category of financial instruments measured at fair value determined based on prices derived from market data. For financial derivatives, the fair values are determined based on discounted future cash flows that are estimated according to market interest rate and currency forward curves and contractual interest rates and currency rates according to individual contracts. The discount factor is derived from market rates. For securities at FVTPL, the fair value is calculated on the basis of discounted future cash flows. The discount factor is derived from market rates.

Level 3 category is the category of financial instruments measured at fair value determined using the techniques based on input information not based on data observable on the market.

The reconciliation of financial instruments measured at fair value determined using the techniques based on the input information, not built upon the data observable on the market (Level 3 instruments).

2023

MCZK	Financial assets held for trading (debt securities)	Financial assets other than held for trading mandatorily measured at fair value through profit or loss	Financial assets at FVOCI	Total
Balance at the beginning of the year	**-**	**120**	**25**	**145**
Transfer to Level 3	41	-	-	**41**
Purchases	-	-	13	**13**
Comprehensive income/(loss)	-	-	-	**-**
– in the income statement	-	-	-	**-**
– in equity (Note 36)	-	-	-	**-**
Sales/settlement/transfer	(6)	-	-	**(6)**
Transfer from Level 3	-	(120)	-	**(120)**
Balance at the end of the year	**35**	**-**	**38**	**73**

In 2023, the Bank reclassified a debt instrument in the amount of MCZK 120 in the category "*Financial assets other than held for trading mandatorily measured at fair value through profit or loss*" from Level 3 due to the existence of quotations for this instrument in an active market.

2022

MCZK	Financial assets held for trading (debt securities)	Financial assets other than held for trading mandatorily measured at fair value through profit or loss	Financial assets at FVOCI	Total
Balance at the beginning of the year	**-**	**242**	**18**	**260**
Transfer to Level 3	-	120	-	**120**
Impact of the merger	-	-	2	**2**
Purchases	-	-	1	**1**
Comprehensive income/(loss)	-	-	-	**-**
– in the income statement	-	(17)	-	**(17)**
– in equity (Note 37)	-	-	4	**4**
Sales/settlement/transfer	-	(225)	-	**(225)**
Transfer from Level 3	-	-	-	**-**
Balance at the end of the year	**-**	**120**	**25**	**145**

In 2022, the Bank reclassified a debt instrument in the amount of MCZK 120 in the category *"Financial assets other than held for trading mandatorily measured at fair value through profit or loss"* to Level 3 due to the absence of quotations for this instrument in an active market.

The Bank measures financial assets held for trading and financial assets measured at FVOCI using the technique of discounted future cash flows. This valuation method adjusts future amounts (i.e. cash flows, income and expense) to the present (discounted) value. The fair value is determined based on the value acquired from the current market expectation of the future value. In respect of securities that fall into the Level 3 category, the Bank uses the discount factor for the calculation that is derived from the internal price for liquidity determined by the Bank and concurrently reflects the credit risk of the security issuer. The price of the Bank for liquidity and credit risk of the security issuer are inputs that are not observable from the data available on the market. The price of the Bank for liquidity determined in the calculation is based on the resolution of the Bank's ALCO Committee and reflects the level of available sources of the Bank's financing and their price. In the event of a negative development of the Bank's liquidity position or changes in the interbank market, the price for liquidity may increase and consequently the price of the financial instrument may decline. The credit risk of the issuer is determined based on the rating of the securities issuer in the Bank's rating scale. If the issuer was attributed a worse rating, the price of the financial instrument could decline by 0-10%.

The amount in Level 3, item *"Financial assets at FVOCI"* primarily comprises an investment in Bankovní identita a.s. of MCZK 36 (2022: MCZK 23), SWIFT of MCZK 1 (2022: MCZK: 1).

d) Risk management methods

The Bank uses a set of limits for individual positions and portfolios as part of the appropriate methodologies to facilitate effective market risk management. The set of limits is based on limits determined by appropriate regulators which are complemented by the limits set by the parent company in a standardised way for the entire CEE region. In some cases, the set of limits is complemented by other internal limits and methods that reflect the specifications of local markets that the Bank is exposed to.

The Bank monitors both aggregate and individual market risks using the value at risk method. Value at risk represents the potential loss arising from an adverse movement of market rates within a certain time period with a certain confidence level. Since the beginning of 2021, the value at risk for the whole bank and the banking book has been measured based on a twenty-day holding period with a 99% confidence level. A one-day holding period is retained for the trading book (including currency positions),

The calculation reflects mutual correlations of individual risk factors (currency rates, interest rates, market spreads and equity market prices).

MCZK	At 31 December 2023	Average 2023	At 31 December 2022	Average 2022
Total market risk VaR	**2,018**	**1,717**	**1,496**	**1,047**

Interest rate risk

The Bank manages interest rate risk of the banking book and the trading book separately, on the level of individual currencies. The interest rate position is monitored based on the sensitivity of the position to the shift in the interest rate curve (BPV). The BPV (basis point value) method involves determining the change in the present value (both in total and individual time periods) of the portfolio when interest rates shift by one basis point (0.01%). This method is complemented by monitoring the interest rate risk using Value at Risk. The year-on-year change in the indicator can be attributed primarily to the increased strategic interest rate position established to stabilise the net interest income.

MCZK	At 31 December 2023	Average 2023	At 31 December 2022	Average 2022
Total interest rate position VaR	**1,665**	**1,623**	**1,515**	**1,064**
Interest rate position VaR - banking book	1,647	1,620	1,517	1,082
Interest rate position VaR - trading book	2	4	6	10

Interest rate sensitivity of assets and liabilities

MCZK	31 Dec 2023					
	Less than 3 months	3 months to 1 year	1 year to 5 years	Over 5 years	Unspecified	Total
Assets						
Cash and cash equivalents	2,762	-	-	-	12,150	**14,912**
Financial assets held for trading	36	34	66	310	4,918	**5,364**
Trading derivatives	-	-	-	-	4,918	**4,918**
Securities held for trading	36	34	66	310	-	**446**
Financial assets other than held for trading mandatorily measured at fair value through profit or loss	-	-	124	-	84	**208**
Financial assets at FVOCI	-	-	-	-	132	**132**
Financial assets at amortised cost	256,721	37,994	182,404	115,818	27,374	**620,311**
Loans and advances to banks	150,246	2,142	7,981	300	-	**160,669**
Loans and advances to customers	102,905	28,922	141,788	65,270	27,374	**366,259**
Debt securities	3,570	6,930	32,635	50,248	-	**93,383**
Fair value remeasurement of portfolio-remeasured items	-	-	-	-	50	**50**
Hedging derivatives with positive fair value	-	-	-	-	5,152	**5,152**
Equity investments in subsidiaries and associated companies	-	-	-	-	10,931	**10,931**
Intangible assets	-	-	-	-	5,316	**5,316**
Property, plant and equipment	-	-	-	-	1,643	**1,643**
Other assets	2	-	-	-	12,996	**12,998**
Total assets	**259,521**	**38,028**	**182,594**	**116,128**	**80,746**	**677,017**
Liabilities						
Financial liabilities held for trading	-	-	-	-	4,678	**4,678**
Trading derivatives	-	-	-	-	4,678	**4,678**
Financial liabilities at amortised cost	524,780	27,009	37,070	409	19,969	**609,237**
Deposits from banks	5,836	7,550	8,476	-	926	**22,788**
Deposits from customers	509,031	16,668	358	107	12,693	**538,857**
Debt securities issued	8,076	-	28,236	-	-	**36,312**
Subordinated liabilities and bonds	1,837	2,791	-	302	-	**4,930**
Other financial liabilities	-	-	-	-	6,350	**6,350**
Fair value remeasurement of portfolio-remeasured items	-	-	-	-	(6,467)	**(6,467)**
Hedging derivatives with negative fair value	-	-	-	-	12,725	**12,725**
Provisions	-	1	17	4	1,202	**1,224**
Current tax liability	-	-	-	-	50	**50**
Deferred tax liability	-	-	-	-	295	**295**
Other liabilities	-	-	-	-	1,417	**1,417**
Total liabilities	**524,780**	**27,010**	**37,087**	**413**	**33,869**	**623,159**
Net interest rate risk of the statement of financial position at 31 December 2023	**(265,259)**	**11,018**	**145,507**	**115,715**	**46,877**	**53,858**
Nominal value of derivatives - assets*	231,912	74,610	136,347	64,242	-	**507,111**
Nominal value of derivatives - liabilities*	252,180	67,423	136,805	50,703	-	**507,111**
Net interest rate risk of the off-balance sheet at 31 December 2023	**(20,268)**	**7,187**	**(458)**	**13,539**	**-**	**-**
Cumulative interest rate risk at 31 December 2023	**(285,527)**	**(267,322)**	**(122,273)**	**6,981**	**53,858**	**-,**

* Nominal value of derivatives - assets/liabilities includes interest rate swaps and interest rate forwards.

MCZK	31 Dec 2022					
	Less than 3 months	**3 months to 1 year**	**1 year to 5 years**	**Over 5 years**	**Unspecified**	**Total**
Assets						
Cash and cash equivalents	745	-	-	-	13,134	**13,879**
Financial assets held for trading	42	73	21	26	7,548	**7,710**
Trading derivatives	-	-	-	-	7,548	**7,548**
Securities held for trading	42	73	21	26	-	**162**
Financial assets other than held for trading mandatorily measured at fair value through profit or loss	-	-	120	-	74	**194**
Financial assets at FVOCI	-	-	-	-	101	**101**
Financial assets at amortised cost	256,533	34,194	151,107	89,547	24,941	**556,322**
Loans and advances to banks	160,223	720	5,564	300	-	**166,807**
Loans and advances to customers	96,158	28,951	129,621	70,082	24,941	**349,753**
Debt securities	152	4,523	15,922	19,165	-	**39,762**
Fair value remeasurement of portfolio-remeasured items	-	-	-	-	(5,755)	**(5,755)**
Hedging derivatives with positive fair value					7,347	**7,347**
Equity investments in subsidiaries and associated companies	-	-	-	-	7,209	**7,209**
Intangible assets	-	-	-	-	5,507	**5,507**
Property, plant and equipment	-	-	-	-	2,006	**2,006**
Other assets	-	-	-	-	6,805	**6,805**
Total assets	**257,320**	**34,267**	**151,248**	**89,573**	**68,917**	**601,325**
Liabilities						
Financial liabilities held for trading	-	-	-	-	7,968	**7,968**
Trading derivatives	-	-	-	-	7,968	**7,968**
Financial liabilities at amortised cost	469,825	27,968	20,405	307	16,664	**535,169**
Deposits from banks	2,460	5,339	2,422	-	453	**10,674**
Deposits from customers	458,874	19,860	132	5	10,763	**489,634**
Debt securities issued	6,702	-	17,851	-	-	**24,553**
Subordinated liabilities and bonds	1,789	2,769	-	302	-	**4,860**
Other financial liabilities	-	-	-	-	5,448	**5,448**
Fair value remeasurement of portfolio-remeasured items	-	-	-	-	(14,354)	**(14,354)**
Hedging derivatives with negative fair value	-	-	-	-	17,658	**17,658**
Provisions	1	-	17	4	1,236	**1,258**
Current tax liability	-	-	-	-	1,088	**1,088**
Deferred tax liability	-	-	-	-	128	**128**
Other liabilities	-	-	-	-	1,105	**1,105**
Total liabilities	**469,826**	**27,968**	**20,422**	**311**	**31,493**	**550,020**
Net interest rate risk of the statement of financial position at 31 December 2022	**(212,506)**	**6,299**	**130,826**	**89,262**	**37,424**	**51,305**
Nominal value of derivatives - assets*	202,813	87,007	117,465	72,772	-	**480,057**
Nominal value of derivatives - liabilities*	251,643	83,412	109,678	35,324	-	**480,057**
Net interest rate risk of the off-balance sheet at 31 December 2022	**(48,830)**	**3,595**	**7,787**	**37,448**	**-**	**-**
Cumulative interest rate risk at 31 December 2022	**(261,336)**	**(251,442)**	**(112,829)**	**13,881**	**51,305**	**-**

* Nominal value of derivatives - assets/liabilities includes interest rate swaps and interest rate forwards.

Foreign currency risk

The Bank uses a set of limits established based on the standards of the Group. The limits are set for individual currencies and for the overall currency position. Internal currency position limits fully respect the limits set by the local regulator. Moreover, these limits are complemented by monitoring foreign currency risk using Value at Risk.

MCZK	At 31 December 2023	Average 2023	At 31 December 2022	Average 2022
Foreign currency position VaR	**1**	**1**	**1**	**2**

Foreign currency position

The table shows the Bank's currency position in the most important currencies; the rest of the currencies are listed under Other currencies.

MCZK	31 Dec 2023				
	CZK	EUR	USD	Other currencies	Total
Assets					
Cash and cash equivalents	9,898	3,416	1,256	342	**14,912**
Financial assets held for trading	5,225	114	25	-	**5,364**
Trading derivatives	4,815	78	25	-	**4,918**
Securities held for trading	410	36	-	-	**446**
Financial assets other than held for trading mandatorily measured at fair value through profit or loss	124	-	84	-	**208**
Financial assets at FVOCI	36	2	94	-	**132**
Financial assets at amortised cost	500,958	115,415	3,173	765	**620,311**
Loans and advances to banks	159,432	1,237	-	-	**160,669**
Loans and advances to customers	260,439	102,608	2,447	765	**366,259**
Debt securities	81,087	11,570	726	-	**93,383**
Fair value remeasurement of portfolio-remeasured items	50	-	-	-	**50**
Hedging derivatives with positive fair value	4,748	404	-	-	**5,152**
Equity investments in subsidiaries and associated companies	10,931	-	-	-	**10,931**
Intangible assets	5,316	-	-	-	**5,316**
Property, plant and equipment	1,643	-	-	-	**1,643**
Other assets	12,628	342	26	2	**12,998**
Total assets	**551,557**	**119,693**	**4,658**	**1,109**	**677,017**
Liabilities and equity					
Financial liabilities held for trading	4,560	118	-	-	**4,678**
Trading derivatives	4,560	118	-	-	**4,678**
Financial liabilities at amortised cost	458,201	124,891	21,691	4,454	**609,237**
Deposits from banks	3,179	19,500	105	4	**22,788**
Deposits from customers	440,005	73,323	21,170	4,359	**538,857**
Debt securities issued	10,485	25,827	-	-	**36,312**
Subordinated liabilities and bonds	612	4,318	-	-	**4,930**
Other financial liabilities	3,920	1,923	416	91	**6,350**
Fair value remeasurement of portfolio-remeasured items	(6,467)	-	-	-	**(6,467)**
Hedging derivatives with negative fair value	12,572	124	29	-	**12,725**
Provisions	1,036	172	7	9	**1,224**
Current tax liability	50	-	-	-	**50**
Deferred tax liability	295	-	-	-	**295**
Other liabilities	1,290	123	-	4	**1,417**
Equity	53,858	-	-	-	**53,858**
Total liabilities and equity	**525,395**	**125,428**	**21,727**	**4,467**	**677,017**
Net foreign currency position at 31 Dec 2023	**26,162**	**(5,735)**	**(17,069)**	**(3,358)**	**-**
Off-balance sheet assets*	403,547	209,561	40,373	16,308	**669,789**
Off-balance sheet liabilities*	429,564	203,981	23,367	13,032	**669,944**
Net foreign currency position of the off-balance sheet at 31 Dec 2023	**(26,017)**	**5,580**	**17,006**	**3,276**	**(155)**
Total net foreign currency position at 31 Dec 2023	**145**	**(155)**	**(63)**	**(82)**	**(155)**

* Off-balance sheet assets and liabilities include receivables and payables from spot transactions and the nominal values of all derivative contracts.

MCZK	31 Dec 2022				
	CZK	EUR	USD	Other currencies	Total
Assets					
Cash and cash equivalents	3,217	9,684	726	252	**13,879**
Financial assets held for trading	7,668	41	1	-	**7,710**
Trading derivatives	7,547	-	1	-	**7,548**
Securities held for trading	121	41	-	-	**162**
Financial assets other than held for trading mandatorily measured at fair value through profit or loss	120	-	74	-	**194**
Financial assets at FVOCI	24	1	76	-	**101**
Financial assets at amortised cost	456,396	94,534	4,276	1,116	**556,322**
Loans and advances to banks	166,800	7	-	-	**166,807**
Loans and advances to customers	256,143	88,958	3,536	1,116	**349,753**
Debt securities	33,453	5,569	740	-	**39,762**
Fair value remeasurement of portfolio-remeasured items	(5,755)	-	-	-	**(5,755)**
Hedging derivatives with positive fair value	7,395	(49)	1	-	**7,347**
Equity investments in subsidiaries and associated companies	7,209	-	-	-	**7,209**
Intangible assets	5,507	-	-	-	**5,507**
Property, plant and equipment	2,006	-	-	-	**2,006**
Other assets	6,173	300	312	20	**6,805**
Total assets	**489,960**	**104,511**	**5,466**	**1,388**	**601,325**
Liabilities and equity					
Financial liabilities held for trading	7,967	-	1	-	**7,968**
Trading derivatives	7,967	-	1	-	**7,968**
Financial liabilities at amortised cost	414,697	93,979	21,481	5,012	**535,169**
Deposits from banks	2,762	7,894	12	6	**10,674**
Deposits from customers	399,541	64,703	20,860	4,530	**489,634**
Debt securities issued	9,289	15,264	-	-	**24,553**
Subordinated liabilities and bonds	652	4,208	-	-	**4,860**
Other financial liabilities	2,453	1,910	609	476	**5,448**
Fair value remeasurement of portfolio-remeasured items	(14,354)	-	-	-	**(14,354)**
Hedging derivatives with negative fair value	17,623	35	-	-	**17,658**
Provisions	1,114	137	4	3	**1,258**
Current tax liability	1,088	-	-	-	**1,088**
Deferred tax liability	128	-	-	-	**128**
Other liabilities	1,064	37	1	3	**1,105**
Equity	51,305	-	-	-	**51,305**
Total liabilities and equity	**480,632**	**94,188**	**21,487**	**5,018**	**601,325**
Net foreign currency position at 31 Dec 2022	**9,328**	**10,323**	**(16,021)**	**(3,630)**	**-**
Off-balance sheet assets*	391,315	160,577	38,762	6,776	**597,430**
Off-balance sheet liabilities*	401,314	171,186	22,775	3,127	**598,402**
Net foreign currency position of the off-balance sheet at 31 Dec 2022	**(9,999)**	**(10,609)**	**15,987**	**3,649**	**(972)**
Total net foreign currency position at 31 Dec 2022	**(671)**	**(286)**	**(34)**	**19**	**(972)**

* Off-balance sheet assets and liabilities include receivables and payables from spot transactions and the nominal values of all derivative contracts.

Market spread risk

To determine the risk of change in market spreads for forward exchange contracts (in the trading portfolio) and for its own positions in debt instruments (state and corporate), the Bank also uses the Value at Risk method. The year-on-year change in the indicator is mainly due to an increase in the volume of Czech government bonds in the Bank's investment portfolio.

MCZK	At 31 December 2023	Average 2023	At 31 December 2022	Average 2022
Total market spread VaR	**1,750**	**1,220**	**829**	**809**
Market spread VaR - debt instruments	1,751	1,222	830	811
Market spread VaR - currency positions	2	2	2	5

Equity risk

Market risks arising from the Bank's equity trading activities are managed using the limits of maximum open positions in equity instruments. At the end of 2013, the Bank suspended trading with equity instruments in the banking book.

Stress testing

The Bank performs regular stress testing of interest rate risk inherent in the banking and trading portfolios, the foreign currency risk, option risk, market spread risk and liquidity risk. The results of stress tests are submitted to the Assets and Liabilities Committee (ALCO) on a regular basis.

e) Operational risk

In accordance with the applicable legislation, operational risk is defined as the risk of loss arising from the inappropriateness or failure of internal processes, human errors or failures of systems or the risk of loss arising from external events. The Bank monitors, tracks and assesses these risks on a regular basis and undertakes measures aimed at minimising losses. In respect of the operational risk, the Bank applies the standardised approach to calculating capital adequacy.

The basic principle is the responsibility of each employee for the identification and escalation of the operational risk and for timely and accurate reporting of incidents. The Bank has a central operational risk management function in place, which is responsible for the setting of the methodology, measurements or analyses and which provides methodical support to managers.

Operational risk management primarily draws upon the following:

- event data collection;
- general ledger analysis;
- risk assessment;
- scenario analysis;
- early warning indicators (EWI);
- mitigation plans.

The objective of collecting data on the losses arising from operational risk events is not only to accumulate information but predominantly to analyse them. More serious cases are presented to and discussed by the Operational Risk Management & Controls Committee (ORMCC). Through the Operational Risk Management Committee, the Bank also presents, discusses and approves measures aimed at minimising or fully eliminating further occurrence of similar events. In the event that the Committee finds that the implementation of measures will not be effective, such a risk or incident is formally accepted. Specific responsibilities are determined for the implementation of proposed changes and their fulfilment is reviewed by the Operational Risk Management Committee. Other cases are dealt with by the relevant departments.

The general ledger analysis provides reconciliation between the reported incidents and losses and its recognition in the books.

The risk assessment is used to raise awareness of operational risks, clarify individual processes and mitigate the operational risks identified. The risk assessment determines the risk of individual processes, organisational units or activities. The risk level is a relevant value for taking measures within qualitative risk management.

The scenario analysis is a process used by the Bank to consider the impact of extreme but low-probability events on its activities, assess the probability of occurrence and estimate significance of the impact on a scale of possible results. The scenario analysis aims at: (i) providing a potential method to record a specific event in a specific organisation; (ii) increasing awareness and educating management by providing insight into various types of risks and managing the plan of remedies.

EWIs are used for the ongoing monitoring and reporting of the risk exposure to operational risk. They provide early warning to take possible steps or make changes in the risk profile, which may initiate management measures. The monitored EWIs include for example the number of dismissed employees, deposit outflows in the retail portfolio, the number of litigations of the same type against the Bank or the unavailability of key IT services.

The Bank defines and reviews the Risk Appetite on a regular basis. In using the above-specified instruments, the Bank compares the identified risks with the appetite and prepares mitigation plans for the risks that exceed the appetite.

All instruments are used in a regular annual cycle.

f) Equity management

In the EU, banking regulation requirements are stipulated by the Basel III regulatory framework through Regulation EU No. 575/2013/EU on prudential requirements for credit institutions and investment firms (CRR – Capital Requirements Regulation), as amended, and Directive EU No. 2013/36/EU on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms (CRD IV – Capital Requirements Directive). CRD IV was transposed to the Czech legal system by means of an amendment to the Act on Banks and by adopting the Czech National Bank's Decree No. 163/2014 Coll. The new regulation primarily governs capital indicators, imposing stricter requirements namely in respect of regulatory capital, liquidity and risk-weighted exposure.

Since 2014, CRD IV has made it possible for member states to require that banks create and maintain three types of buffers: capital conservation buffer, systemic risk buffer and countercyclical capital buffer. As for the capital conservation buffer, the CNB has decided to apply it from the very beginning to all institutions in the full amount of 2.5% of the Tier 1 capital. As of October 2021, the Czech National Bank abolished the risk premium for systemic risk and replaced it with Other Systemically Important Institution (O-SII) premium, which amounts to 0.5% for the Bank. As for the countercyclical capital buffer, the CNB decided to set the initial buffer amount to zero at the end of 2014; banks were to apply it over the two subsequent years. The CNB continuously increased the countercyclical capital buffer up to 1.75% in 1 January 2020.. In relation to the measures adopted due to the COVID-19 outbreak the Czech National Bank decreased this buffer at 0.5% from 1 July 2021. During 2022, the countercyclical buffer increased by 0.5% to 1% from March 2022 and by additional 0.5% to 1.5% from 1 July 2022.

From 1 January 2023, the countercyclical buffer increased by 0.5% to 2%, and by additional 0.5% to 2.5% from April 2023. From July and from October 2023, the rate fell by 0.25% each time to a final 2.0%

The Bank manages its capital adequacy with a view to ensuring its sufficient level after the natural growth in the volume of sales has been accounted for, taking into account the potential macroeconomic development and the environment of changing regulatory requirements. The Bank monitors changes in regulatory requirements on an ongoing basis, assessing their impact as part of the capital planning process.

As a local supervisory authority, the CNB monitors whether the Bank complies with capital adequacy on a separate as well as consolidated basis. In 2023, the Bank met all regulatory requirements.

Internal capital adequacy assessment process

In line with Pillar 2 of Basel II, the Bank creates its own internal capital system (hereinafter the “ICS”). The process ensures that the Bank is able to:

- identify, quantify, manage and monitor all risks to a sufficient degree;
- secure and maintain the necessary amount of capital to cover all material risks; and
- set up reliable management of the risks, and develop and perfect it on an ongoing basis.

As part of the ICS, the Bank proceeds in line with the applicable methodology, which is updated on an annual basis following developments in the ICS. The methodology is based on key parameters defined in line with the Bank’s general nature, size and risk profile. The key parameters are based on the Bank’s target rating[i], according to which the applied reliability level (99.9%), the time frame for calculating economic capital (1 year) and the planning time frame (3 years) are determined.

The Bank determines the risk appetite, which represents the acceptable level of risk and is one of the basic starting points for the Bank’s strategic management. The Bank’s risk appetite is defined through internal and regulatory capital adequacy limits and serves as an instrument for ensuring sufficiently high values of the capital adequacy and Tier 1 and CET1 capital ratios under both expected and stress conditions.

On a monthly basis, the Bank monitors internal capital adequacy, which is defined as a ratio of aggregated economic capital (EC) and internal capital, whose structure is based on regulatory capital (Pillar 1). In calculating EC for risks defined under Pillar 1, the Bank applies methods derived from those used in determining capital regulatory requirements. For other risks, the economic capital is calculated using internal methods based on risk significance. In addition, the Bank recognises a “*capital mark-up*” on total EC.

The risk limit for the risk undertaken (i.e. the amount of economic capital) is determined as 75% of the internal capital. The unallocated portion of internal capital serves as a buffer. If limits defined under the risk appetite are exceeded, the Bank’s ALCO committee and Board of Directors is immediately notified and corrective measures are taken.

As part of the ICS process, all relevant risks to which the Bank is or may be exposed in the future are assessed and mapped. Based on the resulting assessment, it determines the risks for which it defines the management system, calculates economic capital and performs stress testing as part of Pillar 2 with the aim of verifying the Bank’s ability to overcome even highly adverse future developments.

The ICS forms part of financial planning (in the form of risk appetite). The creation of the financial plan is reflected in regular monthly stress tests in the form of capital prediction and development planning.

The Bank’s ALCO committee receives a report on ISC every month. The Bank applies the ICS both on a local (monthly) and a consolidated basis (quarterly).

[i] In 2017, the Bank received public rating from the Moody’s rating agency. However, as part of the ICS methodology, the Bank uses target rating as the key parameter, which corresponds to the public rating

44. RECONCILIATION OF LIABILITIES ARISING FROM FUNDING, INCLUDING CHANGES ARISING FROM CASH FLOWS AND NON-CASH CHANGES

	At 1 Jan 2023	Cash flows		Non-cash changes		At 31 Dec 2023
		Inflow	Outflow	Remeasurement of foreign currency positions	Other non-cash changes	
Debt securities issued	24,553	13,232	(2,894)	616	805	**36,312**
Subordinated liabilities and bonds	4,860	-	(41)	107	4	**4,930**
Lease liabilities	1,229	-	(377)	12	198	**1,062**

	At 1 Jan 2022	Impact of the merger	Cash flows		Non-cash changes		At 31 Dec 2022
			Inflow	Outflow	Remeasurement of foreign currency positions	Other non-cash changes	
Debt securities issued	18,455	1,530	4,971	-	(472)	69	**24,553**
Subordinated liabilities and bonds	4,333	891	-	(249)	(130)	15	**4,860**
Lease liabilities	1,439	73	-	(393)	(15)	125	**1,229**

45. LEASES

a) Right-of-use assets

Right-of-use assets relate to the lease of immovable and movable assets which are part of property and equipment – see Note 31.

MCZK	Real estate	Motor vehicles	Total
Acquisition cost			
At 1 January 2022	**2,281**	**102**	**2,383**
Impact of the merger	61	12	**73**
Additions	384	24	**408**
Disposals	(461)	(36)	**(497)**
At 31 December 2022	**2,265**	**102**	**2,367**
Additions	239	33	**272**
Disposals	(229)	(38)	**(267)**
At 31 December 2023	**2,275**	**97**	**2,372**
Accumulated depreciation			
At 1 January 2022	**(884)**	**(52)**	**(936)**
Additions – annual depreciation charges	(391)	(23)	**(414)**
Disposals	197	22	**219**
At 31 December 2022	**(1,078)**	**(53)**	**(1,131)**
Additions – annual depreciation charges	(381)	(24)	**(405)**
Disposals	172	31	**203**
At 31 December 2023	**(1,287)**	**(46)**	**(1,333)**
Net book value			
At 31 December 2022	**1,187**	**49**	**1,236**
At 31 December 2023	**988**	**51**	**1,039**

b) Analysis of financial liabilities from leases according to remaining maturity (undiscounted cash flows)

2023 (MCZK)	Net book value	Total contractual liability	0 - 1 months	1 - 3 months	3 - 12 months	1 - 5 years	Over 5 years
Lease liabilities	1,062	**1,125**	44	64	287	647	83

2022 (MCZK)	Net book value	Total contractual liability	0 - 1 months	1 - 3 months	3 - 12 months	1 - 5 years	Over 5 years
Lease liabilities	1,229	**1,292**	45	65	286	752	144

c) Analysis of operating lease receivables by remaining maturity (undiscounted cash flows)

2023 (MCZK)	Total	0 - 3 months	3 - 12 months	1 - 5 years	Over 5 years
Receivables from operating subleasing	**22**	4	11	7	-

2022 (MCZK)	Total	0 - 3 months	3 - 12 months	1 - 5 years	Over 5 years
Receivables from operating subleasing	**33**	3	10	20	-

d) Values recognised in total comprehensive income

MCZK	2023	2022
Sublease income	14	14
Interest expense from lease liabilities	(25)	(25)
Depreciation of right-of-use assets	(405)	(414)
Short-term lease expense	(3)	(3)

46. TRANSACTIONS WITH RELATED PARTIES

At 31 December 2023

For related party transaction reporting purposes, the Bank considers Raiffeisen CEE Region Holding GmbH (direct parent company) and Raiffeisen Bank International AG (entity with controlling influence on the Bank exercised indirectly) to be its parent companies. Transactions with related parties are concluded under standard business terms and arm's length prices.

MCZK	Parent companies	Companies with significant influence over the Bank	Subsidiaries and associated companies	Board of Directors, Supervisory Board and other managers*	Other related parties	Total
Receivables	8,398	783	39,577	210	793	**49,761**
Positive fair values of financial derivatives	8,796	-	49	-	-	**8,845**
Liabilities	602	22	5,506	356	5,904	**12,390**
Negative fair values of financial derivatives	15,395	-	54	-	-	**15,449**
Other equity instruments	4,107	-	-	-	724	**4,831**
Subordinated liabilities and bonds	3,238	-	-	-	1,080	**4,318**
Guarantees issued	2,499	-	1,998	-	329	**4,826**
Guarantees received	112	-	-	-	1,685	**1,797**
Nominal values of financial derivatives (off-balance sheet receivables)	550,792	-	4,050	-	-	**554,842**
Nominal values of financial derivatives (off-balance sheet liabilities)	550,314	-	4,087	-	-	**554,401**
Irrevocable credit commitments provided	-	-	-	14	-	**14**
Interest income	6,728	21	1,011	5	18	**7,783**
Interest expense	(8,797)	-	(176)	(6)	(255)	**(9,234)**
Fee and commission income	48	-	283	-	25	**356**
Fee and commission expense	(33)	-	(40)	-	(193)	**(266)**
Net gain or loss from financial operations	(292)	-	(73)	-	29	**(336)**
Net gain or loss from hedge accounting	1,911	-	-	-	-	**1,911**
General operating expenses	(291)	-	(24)	(281)	(25)	**(621)**
Other operating income, net	10	-	208	-	2	**220**

*Other members of the management are level B-1 managers

The **receivables** are principally composed of the following:

Credit balances on the current account maintained at:
- Raiffeisen Bank International AG (parent company) of MCZK (8,398)
- Raiffeisen Bank Zrt. (fellow subsidiary) of MCZK (3)
- Raiffeisenbank AO (Russia) (fellow subsidiary) of MCZK (27)
- Raiffeisen Bank S.A. (Romania) of MCZK (1)

Provided loan:
- Raiffeisen Leasing, s.r.o. (subsidiary) of MCZK 25,006
- Raiffeisen stavební spořitelna a.s. (subsidiary) of MCZK 12,333
- AKCENTA CZ a.s. (associated company) of MCZK 9
- Tatra-Leasing, s.r.o. (fellow subsidiary) of MCZK 354

Nominal values of financial derivatives – off-balance sheet receivables:
- Raiffeisen Bank International AG (parent company) of MCZK 550,792
- AKCENTA CZ a.s. (associated company) of MCZK 4,040
- Raiffeisen stavební spořitelna a.s. (subsidiary company) of MCZK 10

Guarantees issued – off-balance sheet receivables:
- Raiffeisen stavební spořitelna a.s. (subsidiary) of MZCK 700
- Raiffeisen Leasing, s.r.o. (subsidiary) of MCZK 1,298

The **liabilities** are principally composed of the following:

Credit balances on the current account of the Bank from:
- Raiffeisen Bank International AG (parent company) of MCZK 428
- Raiffeisen Leasing, s.r.o. (subsidiary) of MCZK 3,285
- Raiffeisen FinCorp s.r.o. (subsidiary) of MCZK 309
- Raiffeisen investiční společnost a.s. (subsidiary) of MCZK 25
- AKCENTA CZ a.s. (associated company) of MCZK 881
- Raiffeisen stavební spořitelna a.s. (subsidiary) of MCZK 4
- Viktor Property, s.r.o. of MCZK 53
- Tatra Banka, a.s. (fellow subsidiary) of MCZK 6
- Raiffeisenbank Hungary (fellow subsidiary) of MCZK 16

Term deposits:
- Raiffeisen Bank International AG (parent company) of MCZK 14
- UNIQA pojišťovna, a.s. (associated company of the parent company Raiffeisen Bank International AG) of MCZK 105
- Raiffeisenbank Hungary (fellow subsidiary) of MCZK 2,780
- Raiffeisen investiční společnost a.s. (subsidiary) of MCZK 452
- Tatra Banka, a.s. (fellow subsidiary) of MCZK 345

Repo transactions:
- Tatra Banka, a.s. (fellow subsidiary) of MCZK 1,302
- Raiffeisen Bank International AG (parent company) of MCZK 160
- Raiffeisenbank Hungary (fellow subsidiary) of MCZK 1,252

Nominal values of financial derivatives – off-balance sheet liabilities:
- Raiffeisen Bank International AG (parent company) of MCZK 550,314
- AKCENTA CZ a.s. (associated company) of MCZK 4,077

- Raiffeisen stavební spořitelna a.s. (subsidiary) of MCZK 10

Subordinated debt from:
- Raiffeisen Bank International AG (parent company) of MCZK 3,238
- Raiffeisenlandesbank Oberösterreich AG of MCZK 1,080

Other equity instruments – subordinated unsecured AT1 capital investment certificates purchased from:
- Raiffeisen Bank International AG (parent company) of MCZK 4,107
- RLB OÖ Sektorholding GmbH of MCZK 724

At 31 December 2022

For related party transaction reporting purposes, the Bank considers Raiffeisen CEE Region Holding GmbH (direct parent company) and Raiffeisen Bank International AG (entity with controlling influence on the Bank exercised indirectly) to be its parent companies. Transactions with related parties are concluded under standard business terms and arm's length prices.

MCZK	Parent companies	Companies with significant influence over the Bank	Subsidiaries and associated companies	Board of Directors, Supervisory Board and other managers*	Other related parties	Total
Receivables	9,568	-	33,196	191	634	**43,589**
Positive fair values of financial derivatives	13,366	-	5	-	-	**13,371**
Liabilities	1,318	1	2,451	305	4,877	**8,952**
Negative fair values of financial derivatives	21,146	-	134	-	-	**21,280**
Other equity instruments	4,107	-	-	-	724	**4,831**
Subordinated liabilities and bonds	3,156	-	-	-	1,052	**4,208**
Guarantees issued	577	-	1,900	-	111	**2,588**
Guarantees received	137	-	-	-	1,957	**2,094**
Nominal values of financial derivatives (off-balance sheet receivables)	498,888	-	2,903	-	33	**501,824**
Nominal values of financial derivatives (off-balance sheet liabilities)	497,432	-	3,118	-	33	**500,583**
Irrevocable credit commitments provided	-	-	-	33	-	**33**
Interest income	4,625	2	460	3	44	**5,134**
Interest expense	(6,640)	-	(8)	(3)	(179)	**(6,830)**
Fee and commission income	44	-	228	-	22	**294**
Fee and commission expense	(24)	-	(10)	-	(139)	**(173)**
Net gain or loss from financial operations	3,633	-	(204)	-	52	**3,481**
Net gain or loss from hedge accounting	(3,759)	-	-	-	-	**(3,759)**
General operating expenses	(267)	-	(23)	(269)	(24)	**(583)**
Other operating income, net	27	-	221	-	2	**250**

*Other members of the management are level B-1 managers

The **receivables** are principally composed of the following:

Credit balances on the current account maintained at:
- Raiffeisen Bank International AG (parent company) of MCZK 9,568
- Raiffeisen Bank Zrt. (fellow subsidiary) of MCZK 124
- Raiffeisenbank AO (Russia) (fellow subsidiary) of MCZK 38

Provided loan:
- Raiffeisen Leasing, s.r.o. (subsidiary) of MCZK 25,006
- Raiffeisen stavební spořitelna a.s. (subsidiary) of MCZK 8,063
- AKCENTA CZ a.s. (associated company) of MCZK 127
- Tatra-Leasing, s.r.o. (fellow subsidiary) of MCZK 460

Nominal values of financial derivatives – off-balance sheet receivables:
- Raiffeisen Bank International AG (parent company) of MCZK 498,888
- AKCENTA CZ a.s. (associated company) of MCZK 2,893

Guarantees issued – off-balance sheet receivables:
- Raiffeisen stavební spořitelna a.s. (subsidiary) of MCZK 1,900

The **liabilities** are principally composed of the following:

Credit balances on the current account of the Bank from:
- Raiffeisen Bank International AG (parent company) of MCZK 94
- Raiffeisen Leasing, s.r.o. (subsidiary) of MCZK 591
- Raiffeisen investiční společnost a.s. (subsidiary) of MCZK 14
- AKCENTA CZ a.s. (associated company) of MCZK 691
- Raiffeisen FinCorp s.r.o. (subsidiary) of MCZK 229
- Raiffeisen stavební spořitelna a.s. (subsidiary) of MCZK 5
- Viktor Property, s.r.o. of MCZK 68

Term deposits:
- UNIQA pojišťovna, a.s. (associated company of the parent company Raiffeisen Bank International AG) of MCZK 154
- Raiffeisen investiční společnost a.s. (subsidiary) of MCZK 398

Repo transactions:
- Tatra Banka, a.s. (fellow subsidiary) of MCZK 1,091

Debt securities of the Bank issued:
- Raiffeisenbank Hungary (fellow subsidiary) of MCZK 486
- Raiffeisen Bank International AG (parent company) of MCZK 1,224

Nominal values of financial derivatives – off-balance sheet liabilities:
- Raiffeisen Bank International AG (parent company) of MCZK 497,432
- AKCENTA CZ a.s. (associated company) of MCZK 3,108

Subordinated debt from:
- Raiffeisen Bank International AG (parent company) of MCZK 3,156
- Raiffeisenlandesbank Oberösterreich AG of MCZK 1,052

Other equity instruments – subordinated unsecured AT1 capital investment certificates purchased from:
- Raiffeisen Bank International AG (parent company) of MCZK 4,107
- RLB OÖ Sektorholding GmbH of MCZK 724

47. SUBSEQUENT EVENTS

In January 2024, the Bank accepted a subordinated debt of MEUR 100 from Raiffeisen Bank International AG. This subordinated debt bears interest at 3M EURIBOR plus 4.875% and has a one-time 10-year maturity with an option for the Bank for early repayment after 5 years. This transaction had no impact on the financial statements at 31 December 2023.

No other events occurred subsequent to the reporting date that would have a material impact on the separate financial statements as of 31 December 2023.

Information on Capital and Capital requirements

Regulatory framework

Supervision over Raiffeisenbank a.s. is carried out by the Czech National Bank.

Within the European Union, the requirements of banking regulation are established by the Basel III regulatory framework in Regulation (EU) No. 575/2013 on prudential requirements for credit institutions and investment firms (CRR – Capital Requirements Regulation) and Directive 2013/36/EU on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms (CRD IV – Capital Requirements Directive). The CRD IV Directive was transposed into Czech law by an amendment to the Banking Act and the adoption of CNB Decree No. 163/2014 Coll. The CRR regulates, among other things, liquidity requirements, capital structure, and regulatory requirements regarding capital adequacy and exposure. Some parts are further elaborated on in the implementing regulations.

CRD IV makes it possible to establish and maintain three types of capital buffers – a capital conservation buffer, a systemic risk buffer, and an institution-specific countercyclical capital buffer. As regards the capital conservation buffer, the CNB has decided to apply this buffer to all institutions in the full amount of 2.5% of Tier 1 capital from the outset. As of October 2021, the Czech National Bank abolished the risk premium for systemic risk and replaced it with Other Systemically Important Institution (O-SII) premium, which amounts to 0.5% for the Bank. As for the countercyclical capital buffer, the CNB decided to set the initial buffer amount to zero at the end of 2014; banks were to apply it over the two subsequent years. The CNB continuously increased the countercyclical capital buffer up to 1.75% in 1 January 2020. In relation to the measures adopted due to the COVID-19 outbreak the Czech National Bank decreased this buffer at 0.5% from 1 July 2021. During 2022, the countercyclical buffer increased by 0.5% to 1% from March 2022 and by additional 0.5% to 1.5% from 1 July 2022.

From 1 January 2023, the countercyclical buffer increased by 0.5% to 2%, and by additional 0.5% to 2.5% from April 2023. From July and from October 2023, the rate fell by 0.25% each time to a final 2.0%.

Consolidated capital and risk-weighted assets

The consolidated regulatory capital of the Group for determining consolidated capital adequacy as at 31 December 2023 amounted to CZK 53.1 billion. The consolidated capital adequacy of the Group was 19.98%, and the consolidated core Tier 1 capital ratio was 15.97%. The Group's Risk Weighted Assets (RWA) amounted to CZK 266.0 billion as at 31 December 2023 (in 2022: CZK 272.8 billion).

Information about capital

Data on capital and ratios in accordance with Decree No. 354/2021 of 20 September 2021, amending Decree No. 163/2014 Coll.

Information about Capital and Capital Requirements pursuant to Part Eight of Regulation (EU) 575/2013	unconsolidated	unconsolidated
CZK million	**at 31 December 2023**	**at 31 December 2022**
Share capital	15,461	15,461
Retained earnings	27,491	23,443
Reserve fund	694	694
Valuation gains or losses	(117)	(665)
Other capital instruments	4,831	4,831
Profit for the year	5,498	7,541
Total shareholders' equity	**53,858**	**51,305**
Total Adjustments to Common equity tier 1		
Unusable profit	(5,498)	(3,533)
Goodwill	(447)	(447)
Intangible fixed assets	(4,601)	(4,883)
Deferred tax assets	621	401
Provision shortage for IRB positions	(1)	(8)
Additional valuation adjustment (AVA) according to CRR	(38)	(64)
Securitization - junior tranche (with 1 250% risk weight)	(317)	-
Provision shortage for IRB positions	(35)	(9)
Valuation gains or losses	117	665
Retained earnings adjustment	-	-
Reserve fund adjustment	-	-
Other capital instruments	(4,831)	(4,831)
Common equity tier 1 (after deductions)	**38,828**	**38,596**
Other capital instruments	4,831	4,831
Tier 1 (after deductions)	**43,659**	**43,427**
Subordinated loans	4,803	4,786
IRB Excess of provisions over expected losses eligible	744	517
Aggregate amount of Tier 2 capital	**5,547**	**5,303**
Aggregate amount of capital	**49,206**	**48,730**

Information about Capital and Capital Requirements pursuant to Article 438 (c) to (f) of Regulation (EU) 575/2013	unconsolidated	unconsolidated
CZK million	**at 31 December 2023**	**at 31 December 2022**
Total capital requirement for credit risk	14,174	16,678
- Internal rating approach (IRB)	12,400	13,819
- Standardized approach (STA)	1,768	2,855
- credit value adjustment (CVA risk)	6	4
Total capital requirement related to position, foreign exchange and commodity risks	99	88
Total capital requirement for operational risk	1,862	1,795
Total capital requirement for exposures in securitisation	255	-
Total capital requirement	**16,390**	**18,561**

Risk weighted assets	unconsolidated	unconsolidated
CZK million	at 31 December 2023	at 31 December 2022
Internal rating approach (IRB)	**154,999**	**172,741**
Central governments and central banks exposures	-	23
Bank exposures	7,406	6,209
Corporate customer exposures	89,064	107,139
Retail customer exposures	57,644	49,204
Equity exposures	618	9,989
Other exposures	267	177
Exposures related to securitization	**3,186**	**-**
Standardized approach (STA)	**22,100**	**35,688**
Central governments or central banks exposures	119	-
Regional governments and municipalities exposures	-	-
Public sector entities exposures	39	-
Bank exposures	-	-
Corporate customer exposures	267	7,159
Retail customer exposures	10,945	16,727
Exposures secured by immovable property	6,274	7,174
Exposures at default	365	642
High risk exposures	-	60
Equity exposures	-	-
Other exposures	4,091	3,926
Total Risk weighted assets for credit risk	**180,285**	**208,429**
Credit value adjustment (CVA risk)	**69**	**44**
Risk weighted assets for position, foreign exchange and commodity risks	1,235	1,105
Risk weighted assets for the operating risk	23,279	22,433
Total risk weighted assets	**204,868**	**232,011**

Capital ratios	unconsolidated	unconsolidated
	at 31 December 2023	at 31 December 2022
Core Tier 1 capital adequacy ratio	18.95%	16.64%
Tier 1 capital adequacy ratio	21.31%	18.72%
Total capital adequacy ratio	24.02%	21.00%

Ratio indicators	unconsolidated	unconsolidated
	at 31 December 2023	at 31 December 2022
Return of average assets (ROAA)	1.14%	1.60%
Return of average Tier 1 capital (ROAE)	12.00%	19.26%
Assets per one employee (CZK thousand)	211,040	179,072
General administrative expenses per one employee (CZK thousand)	2,650	2,947
Net profit or loss per one employee (CZK thousand)	1,697	2,465

Further details can be found in the regulatory disclosure report in accordance with regulation No. 163/2014 available on the Bank's internet webpage: https://www.rb.cz/povinne-uverejnovane-informace

Data on capital and ratios in accordance with Decree No. 354/2021 of 20 September 2021, amending Decree No. 163/2014 Coll.

Information about Capital and Capital Requirements pursuant to Part Eight of Regulation (EU) 575/2013	**consolidated**	**consolidated**
CZK million	**at 31 December 2023**	**at 31 December 2022**
Share capital	15,461	15,461
Retained earnings	30,201	24,890
Reserve fund	824	824
Valuation gains or losses	(117)	(665)
Other capital instruments	4,831	4,831
Profit for the year	7,494	8,804
Total shareholders' equity	**58,694**	**54,145**
Total Adjustments to Common equity tier 1		
Profit for the year	(5,809)	(4,796)
Goodwill	(447)	(447)
Intangible fixed assets	(5,000)	(5,244)
Deferred tax liabilities resulting from other intangible fixed assets	646	426
Provision shortage for IRB positions	(1)	(8)
Additional valuation adjustment (AVA) according to CRR	(38)	(64)
Securitization - junior tranche (with 1 250% risk weight)	(317)	-
Applicable amount of insufficient coverage	(38)	(10)
Transitional adjustments of tier 1	-	-
Valuation gains or losses	117	665
Retained earnings adjustment	(505)	(314)
Reserve fund adjustment	-	-
Non-controlling interests	-	-
Other capital instruments	(4,831)	(4,831)
Common equity tier 1 (after deductions)	**42,471**	**39,522**
Other capital instruments	4,831	4,831
Tier 1 (after deductions)	**47,302**	**44,353**
Subordinated loans	5,103	5,086
IRB Excess of provisions over expected losses eligible	744	517
Aggregate amount of Tier 2 capital	**5,847**	**5,603**
Aggregate amount of capital	**53,149**	**49,956**

Information about Capital and Capital Requirements pursuant to Article 438 (c) to (f) of Regulation (EU) 575/2013	**consolidated**	**consolidated**
CZK million	**at 31 December 2023**	**at 31 December 2022**
Total capital requirement for credit risk	18,688	19,556
- Internal rating approach (IRB)	12,395	12,181
- Standardized approach (STA)	6,287	7,371
- credit value adjustment (CVA risk)	6	4
Total capital requirement related to position, foreign exchange and commodity risks	99	88
Total capital requirement for operational risk	2,240	2,179
Total capital requirement for exposures in securitisation	255	-
Total capital requirement	**21,282**	**21,823**

Risk weighted assets	consolidated	consolidated
CZK million	at 31 December 2023	at 31 December 2022
Internal rating approach (IRB)	**154,932**	**152,266**
Central governments and central banks exposures	-	23
Bank exposures	7,406	4,092
Corporate customer exposures	89,063	98,359
Retail customer exposures	57,644	49,204
Equity exposures	552	411
Other exposures	267	177
Exposures related to securitization	**3,186**	**-**
Standardized approach (STA)	**78,588**	**92,144**
Central governments or central banks exposures	119	-
Regional governments and municipalities exposures	1	2
Public sector entities exposures	100	-
Bank exposures	108	225
Corporate customer exposures	16,389	26,850
Retail customer exposures	31,353	37,495
Exposures secured by immovable property	22,300	20,133
Exposures at default	1,184	1,023
High risk exposures	67	122
Equity exposures	27	25
Other exposures	6,940	6,269
Total Risk weighted assets for credit risk	**236,706**	**244,410**
Credit value adjustment (CVA risk)	**69**	**44**
Risk weighted assets for position, foreign exchange and commodity risks	1,235	1,105
Risk weighted assets for the operating risk	27,995	27,239
Total risk weighted assets	**266,005**	**272,798**

Capital ratios	consolidated	consolidated
	at 31 December 2023	at 31 December 2022
Core Tier 1 capital adequacy ratio	15.97%	14.49%
Tier 1 capital adequacy ratio	17.78%	16.26%
Total capital adequacy ratio	19.98%	18.31%

Capital management

The Group manages its capital adequacy to ensure its sufficient level while allowing for organic business growth and for potentially adverse macroeconomic developments. The Group continuously monitors changes in regulatory requirements and evaluates their impact on the capital planning process.

The Czech National Bank as a local regulatory body supervises the local supervisory body ensures that the Bank maintains unconsolidated and consolidated capital adequacy. During 2023, the Bank complied with all the regulatory requirements.

The Bank also regularly reports Information on the internal control system (Pillar 2) to the Czech National Bank.

Definitions of Alternative Performance Measures

Earnings per share: (*"Net profit for the year attributable to the Bank´s shareholders"* minus coupon paid on other capital instruments) divided by (the quantity average number of shares issued minus the average number of own shares in treasury);

Return on average equity before tax (ROAE, in separate statements): *"Profit before tax"* divided by the average total equity;

Return on average equity after tax (ROAE, in separate statements): *"Net profit for the year attributable to the Bank's shareholders"* divided by average total equity;

Average total equity: Sum of monthly balances of total equity as of the year end X-1 until the end of the year X divided by 13;

Average total assets: Sum of monthly balances of total assets as of the year end X-1 until the end of the year X divided by 13;

Return on average assets before tax (ROAA, in separate statements): *"Profit before tax"* divided by average total assets;

Return on average assets after tax (ROAA, in separate statements): *"Net profit for the year attributable to the Bank's shareholders"* divided by average total assets;

Return on average Tier 1 capital after tax (ROAE, in separate statements): *"Net profit for the year attributable to the Bank's shareholders"* divided by average Tier 1 capital;

Average Tier 1 capital: Sum of monthly balances of Tier 1 capital as of the year end X-1 until the end of the year X divided by 13;

Total operating income: Sum of *"Net interest income"*, *"Net fee and commission income"*, *"Net gain on financial operations"*, *"Net gain on financial assets other than held for trading mandatorily measured at fair value in profit or loss"*, *"Net gain from hedge accounting"*, *"Dividend income"*, *"Gain/(loss) from derecognition of financial assets measured at amortised cost"*, *"Other operating income"*, *"Other operating expenses"* and *"Impairment losses on equity investments"*;

Cost/income ratio: (*"Personnel expenses"* plus *"General operating expenses"* plus *"Depreciation and amortisation"*) divided by (total operating income minus *"Impairment losses on equity investments"*);

Cost of credit risk to average assets ratio: *"Impairment losses on financial instruments"* divided by average total assets;

Non-performing loan ratio: *"Receivables from clients at level 3 and POCI"* divided by the *"Gross book value of receivables for clients"*;

Cost of credit risk to operating income ratio: *"Impairment losses on financial instruments"* divided by *"Total operating income"*.

Report on Related Parties

prepared pursuant to the provisions of Sec. 82 and the following of Act No. 90/2012 Coll. on Commercial Companies and Cooperatives (the Act on Commercial Corporations) for the reporting period from 1 January 2023 to 31 December 2023

Raiffeisenbank a.s., having its registered office at: Hvězdova 1716/2b, Prague 4, 140 78, corporate ID: 49240901, entered in the Commercial Register maintained by the Municipal Court of Prague on 25 June 1993, file No. B 2051 (hereinafter referred to as the *"Bank"*) is part of the Raiffeisen Bank International AG group, in which relations between the Bank and controlling entities and between the Bank and entities controlled by the same controlling entities (hereinafter referred to as the *"related parties"*) exist.

This report on relations among the below entities was prepared in accordance with the provisions of Sec. 82 of the Act on Commercial Corporations and with regard to the legal definition of business secret according to Sec. 504 of Act No. 89/2012 Coll., the Civil Code.

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1. Structure of Relations among Related Parties

1.1. Controlling Entities

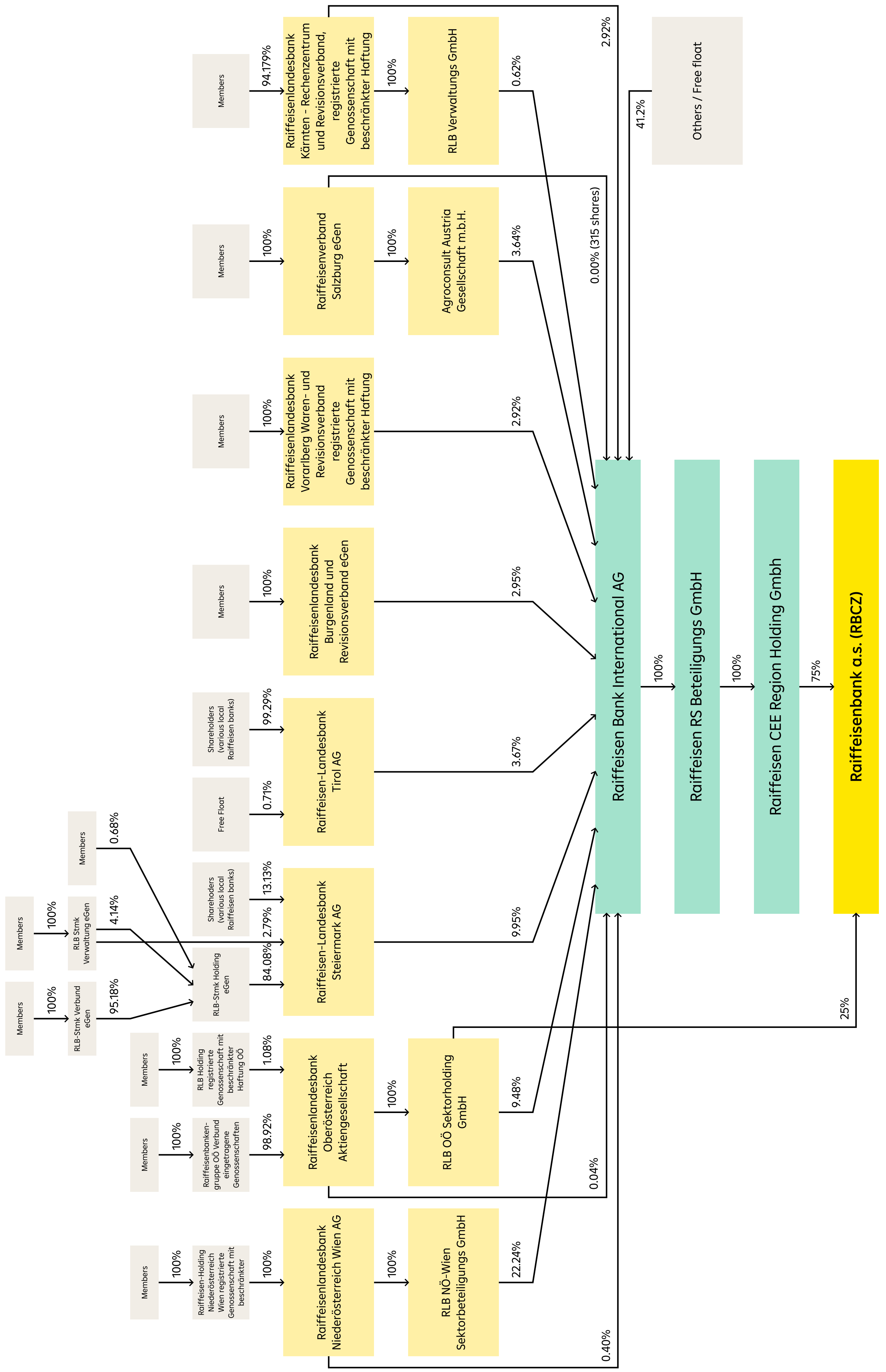
The indirectly controlling entities are:

RLB NÖ-Wien Sektorbeteiligungs GmbH*, having its registered office at Vienna, Friedrich – Wilhelm – Raiffeisen – Platz 1, 1020, Republic of Austria
Raiffeisenlandesbank Niederösterreich Wien AG*, having its registered office at Vienna, Friedrich – Wilhelm – Raiffeisen – Platz 1, 1020, Republic of Austria
Raiffeisenlandesbank Oberösterreich Aktiengesellschaft*, having its registered office at Linz, Europaplatz 1a, 4020, Republic of Austria
RLB OÖ Sektorholding GmbH*, having its registered office at Linz, Europaplatz 1a, 4020, Republic of Austria
Raiffeisen-Landesbank Steiermark AG*, having its registered office at Graz, Kaiserfeldgasse 5, 8010, Republic of Austria
Raiffeisen-Landesbank Tirol AG*, having its registered office at Innsbruck, Adamgasse 1-7, 6020, Republic of Austria
Raiffeisenlandesbank Burgenland und Revisionsverband eGen*, having its registered office at Eisenstadt, Friedrich Wilhelm Raiffeisen-Strasse 1, 7000, Republic of Austria
Raiffeisenlandesbank Vorarlberg Waren - und Revisionsverband registrierte Genossenschaft mit beschränkter Haftung*, having its registered office at Bregenz, Rheinstrasse 11, 6900, Republic of Austria
Raiffeisenverband Salzburg eGen*, having its registered office at Salzburg, Schwarzstrasse 13-15, 5020, Republic of Austria
Agroconsult Austria Gesellschaft m.b.H.*, having its registered office at Salzburg, Schwarzstrasse 13-15, 5020, Republic of Austria
Raiffeisenlandesbank Kärnten - Rechenzentrum und Revisionsverband, registrierte Genossenschaft mit beschränkter Haftung*, having its registered office at Klagenfurt, Raiffeisenplatz 1, 9020, Republic of Austria
RLB Verwaltungs GmbH*, having its registered office at Klagenfurt, Raiffeisenplatz 1, 9020, Republic of Austria
Raiffeisen Bank International AG (hereinafter also *"RBI"*), having its registered office at Am Stadtpark 9, 1030 Vienna, Republic of Austria
Raiffeisen RS Beteiligungs GmbH, having its registered office at Am Stadtpark 9, 1030 Vienna, Republic of Austria

The directly controlling entity (direct majority shareholder) is:

Raiffeisen CEE Region Holding GmbH, having its registered office at Am Stadtpark 9, 1030 Vienna, Republic of Austria (representing 75% of the voting rights)

* Referred to as "Landesbanks" – they became indirectly controlling entities based on a declaration of compliance with RBI.


Members
94.179%
Raiffeisenlandesbank Kärnten - Rechenzentrum und Revisionsverband, registrierte Genossenschaft mit beschränkter Haftung
100%
RLB Verwaltungs GmbH
0.62%
2.92%
Others / Free float
41.2%
Members
100%
Raiffeisenverband Salzburg eGen
100%
Agroconsult Austria Gesellschaft m.b.H.
3.64%
0.00% (315 shares)
Members
100%
Raiffeisenlandesbank Vorarlberg Waren- und Revisionsverband registrierte Genossenschaft mit beschränkter Haftung
2.92%
Members
100%
Raiffeisenlandesbank Burgenland und Revisionsverband eGen
2.95%
Shareholders (various local Raiffeisen banks)
99.29%
Free Float
0.71%
Raiffeisen-Landesbank Tirol AG
3.67%
Members
0.68%
Members
100%
RLB Stmk Verwaltung eGen
4.14%
Members
100%
RLB-Stmk Verbund eGen
95.18%
RLB-Stmk Holding eGen
84.08%
2.79%
Sharehoders (various local Raiffeisen banks)
13.13%
Raiffeisen-Landesbank Steiermark AG
9.95%
Members
100%
RLB Holding registrierte Genossenschaft mit beschränkter Haftung OÖ
1.08%
Members
100%
Raiffeisenbanken-gruppe OÖ Verbund eingetragene Genossenschaften
98.92%
Raiffeisenlandesbank Oberösterreich Aktiengesellschaft
100%
RLB OÖ Sektorholding GmbH
9.48%
0.04%
25%
Members
100%
Raiffeisen-Holding Niederösterreich Wien registrierte Genossenschaft mit beschränkter
100%
Raiffeisenlandesbank Niederösterreich Wien AG
100%
RLB NÖ-Wien Sektorbeteiligungs GmbH
22.24%
0.40%
Raiffeisen Bank International AG
100%
Raiffeisen RS Beteiligungs GmbH
100%
Raiffeisen CEE Region Holding Gmbh
75%
Raiffeisenbank a.s. (RBCZ)

1.2. Other Related Parties

Czech Republic

Raiffeisen – Leasing, s.r.o. (*"RLCZ"*)	Prague 4, Hvězdova 1716/2b, 140 78
Raiffeisen investiční společnost a.s. (*"RIS"*)	Prague 4, Hvězdova 1716/2b, 140 78
Raiffeisen stavební spořitelna a.s. (*"RSTS"*)	Prague 4, Hvězdova 1716/2b, 140 78
Equa Sales & Distribution s.r.o. v likvidaci *	Prague 4, Hvězdova 1716/2b, 140 00
AKCENTA CZ a.s.	Prague 1 – Staré Město, Salvátorská 931/8, 110 00
AKCENTA LOGISTIC a.s. v likvidaci **	Hradec Králové – Pražské Předměstí, Nerudova 1361/31, 500 02
GoodMills Česko s.r.o.	Prague 9 – Libeň, Českomoravská 2420/15, 190 00

* Equa Sales & Distribution, s.r.o. was deleted from the Commercial Register as of 14 July 2023.
** AKCENTA LOGISTIC a.s. entered liquidation as of 1 January 2023.

As of 30 November 2021, Raiffeisenbank a.s. declared a group arrangement where Raiffeisenbank a.s. acts as the managing entity within the meaning of Sec. 79 of the Act on Commercial Corporations and the managed entities (RSTS, RLCZ, RIS, and Equa Sales & Distribution s.r.o. v likvidaci) are subject to unified management.

Parties related indirectly through Raiffeisen – Leasing, s.r.o.:

Abelin Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Agave Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Aglaia Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Aiolos Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Amathia Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Ananké Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Antiopa Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Antonínská 2, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Apaté Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Appolon Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 78
Ares Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Argos Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Astra Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Até Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Ballota Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Beroe Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Beskydská brána, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Bratislavská 59, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Bytové družstvo Hrdlořezy	Prague 9, Freyova 983/25, 190 00
Bytové družstvo Žerotínova 58	Prague 1, Václavské náměstí 2132/47, 110 00
Clio Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Cranto Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Credibilis a.s.	Prague 4, Hvězdova 1716/2b, 140 78
Cymo Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Dafné Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Darmera Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Dero Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Dike Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Dolní náměstí 34 s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Doris Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Dota Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Eleos Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Éós Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Epifron Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Ephyra Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Erginos Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Eudore Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Eunomia Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Evarne Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Fallopia Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Fidurock Residential, a.s.	Prague 4, Hvězdova 1716/2b, 140 00
FIRA Properties a.s.	Prague 4, Hvězdova 1716/2b, 140 00
Fittonia Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Fobos Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Folos Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00

Fortunella Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Frixos Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Gaia Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 78
Galene Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
GEONE Holešovice Two s.r.o. (liquidated as of 27 June 2023)	Prague 4, Hvězdova 1716/2b, 140 00
Grainulos s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
GRENA REAL s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
GS55 Sazovice s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Harmonia Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Hébé Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Hefaistos Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Hestia Property s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Holečkova Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 78
Hypnos Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Charis Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Chodská 12, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Chronos Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Ianira Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
IMPULS DEVELOPMENT s.r.o. v likvidaci (liquidated as of 30 June 2023)	Frýdek-Místek, Ó. Lysohorského 702, 738 01
JFD Real s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Kalypso Property s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Kappa Estates, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Karpó Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Kéto Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Kleió Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Kleta Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Klymene Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Krios Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Křížkovského 3, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Kybelé Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Lázně Dobrá Voda s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Létó Property s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Ligea Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Lité Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Luna Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Marissa Ypsilon, a.s.	Prague 4, Hvězdova 1716/2b, 140 00
Médea Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Melite Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Melpomené Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Mneme Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Morfeus Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Nefelé Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Nereus Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Neso Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
OC Chrpa a.s.	Prague 4, Hvězdova 1716/2b, 140 00
Orchideus Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Palace Holding, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Panope Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Pásithea Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Photon Energie s.r.o. (disposed as of 27 March 2023)	Prague 4, Hvězdova 1716/2b, 140 00
Plutos Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Pontos Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 78
Pronoe Property, s.r.o. (disposed as of 13 September 2023)	Prague 4, Hvězdova 1716/2b, 140 00
Proteus Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Provazníkova 40 s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
P20 Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Raiffeisen Broker, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Raiffeisen Direct Investments CZ, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Raiffeisen FinCorp s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
RDI Czech 1 s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
RDI Czech 3 s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00

RDI Czech 4 s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
RDI Czech 5 s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
RDI Czech 6 s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
RDI Management s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
RESIDENCE PARK TŘEBEŠ, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 78
RLRE Carina Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 78
RLRE Ypsilon Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 78
Sao Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Sázavská 826 s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
SeEnergy PT, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Selene Property, s.r.o. (disposed as of 24 May 2023)	Prague 4, Hvězdova 1716/2b, 140 00
Senna Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Sirius Property, s.r.o. (disposed as of 24 May 2023)	Prague 4, Hvězdova 1716/2b, 140 00
Sky Solar Distribuce s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
SPILBERK SPV delta s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
SPILBERK SPV gama s.r.o.	Brno - Veveří, Jaselská 206/27, 602 00
Stará 19 s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Strašnická realitní a.s.	Prague 4, Hvězdova 1716/2b, 140 00
Thaumas Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Thallos Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Theia Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Thoe Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Uniola Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
UPC Real, s.r.o. (disposed as of 21 December 2023)	Prague 4, Hvězdova 1716/2b, 140 00
Veletržní 42 s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Viktor Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Vlhká 26 s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Xantoria Property, s.r.o.	Prague 4, Hvězdova 1716/2b, 140 00
Zefyros Property, s.r.o. (disposed as of 24 May 2023)	Prague 4, Hvězdova 1716/2b, 140 00

Other countries

Raiffeisen Bank International AG Group Network Banks

Tatra Banka, a.s.	Hodžovo námestie 3, 811 06, Bratislava, Slovak Republic
Raiffeisen Bank Zrt.	Váci út 116-118, Budapest, Hungary
Raiffeisen banka a.d.	Dorda Stanojevica 16, Novi Beograd, Serbia
Raiffeisenbank Austria d.d.	Magazinska cesta 69, Zagreb, Croatia
Raiffeisen Bank S.A.	Sky Tower Building, 246C Calea Floreasca, Bucharest, Romania
AO Raiffeisenbank	Smolenskaya-Sennaya 28, Moscow, Russian Federation
Raiffeisenbank Sh. A	European Trade Center, Bulevardi „Bajram Curri", Tirana, Albania
Priorbank JSC	31A V. Khoruzhey, 220002 Minsk, Belarus
Raiffeisen Bank d.d. Bosna i Hercegovina	Zmaja od Bosne bb 71000 Sarajevo, Bosnia and Herzegovina
Raiffeisen Bank Kosovo J.S.C.	99 Robert Doll St. 10000, Pristina, Kosovo
Raiffeisen Bank JSC	Vul Leskova, 9, 01011 Kyiv, Ukraine

Other entities

Centralised Raiffeisen International Services and Payments S.R.L.	Dimitre Pompeiu Bld. No. 9-9A, 020335, Bucharest, Romania
Regional Card Processing Centre, s.r.o.	Nám. Mateja Korvína 1, 811 07, Bratislava, Slovak Republic
Tatra Asset Management, správ. spol., a.s.	Hodžovo námestie 3, 811 06, Bratislava, Slovak Republic
Tatra-Leasing, s.r.o.	Hodžovo námestie 3, 811 06 Staré Mesto, Slovak Republic
Raiffeisen Centrobank AG	Tegetthoffstrasse l, 1020, Vienna, Republic of Austria
Raiffeisen–Leasing International GmbH	Am Stadtpark 9, 1030, Vienna, Republic of Austria
Raiffeisen-Leasing Finanzierungs GmbH (formerly Raiffeisen-Leasing Bank AG)	Mooslackengasse 12, 1190, Vienna, Republic of Austria
Raiffeisen Informatik Consulting GmbH	Lillienbrunngasse 7-9, A-1020, Vienna, Republic of Austria

Raiffeisen Kapitalanlage-Gesellschaft m.b.H (Raiffeisen Kag)	Mooslackengasse 12, 1190, Vienna, Republic of Austria
Ukrainian Processing Center	Moskovsky av., 9, Kyiv, 04073, Ukraine
Raiffeisen Bausparkassen Holding GmbH	Mooslackengasse 12, 1190 Vienna, Republic of Austria
RB International Finance (USA) LLC	1177 Avenue of The Americas, 5th Floor, New York, NY 10036 United States of America
STRABAG SE	Triglavstrasse 9, 9500 Villach, Republic of Austria
Kathrein Privatbank Aktiengesellschaft	Wipplingerstraße 25, A-1010 Vienna, Republic of Austria
RBI Retail Innovation	Str. Kniaziv Ostrozkykh 8, Kyiv, Ukraine

Note: The above list of "Other Entities" only discloses the entities with which Raiffeisenbank a.s. maintains active economic relations. It is not an exhaustive list of the entities controlled by the same controlling entity.

1.3. Description of Relations among Related Parties, Role of the Controlled Entity within the Relationship Structure, Method and Means of Control

The banking group of the parent company, Raiffeisen Bank International AG (RBI Group), is a leading banking group operating in the region of Central and Eastern Europe. In the individual states of the region, Raiffeisen Bank International AG renders banking services through a total of twelve individual majority-owned legal entities holding a banking license, so called Network Banks (see above for a list of such Network Banks). Raiffeisenbank a.s. is one of such Network Banks and its role is to provide banking services to both domestic and foreign clients in the Czech Republic in line with the group's strategy.

The controlling parties exercise their influence in the controlled entity by owning a 75% share in the controlled entity's registered capital and voting rights. In addition, some members of the Board of Directors of Raiffeisen Bank International AG are also members of the Supervisory Board of Raiffeisenbank a.s.

2. List of Contracts

2.1. List of Contracts with Controlling Entities

In addition to the contracts referred to above, the Bank and the controlling entities entered into other bank transactions in the course of 2023, predominantly loans and borrowings in the money market, guarantees and counter-guarantees, and fixed-term transactions, under which the Bank received or paid interest and fees.

Raiffeisen Bank International AG

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Subordinated Loan Contract	Raiffeisen Bank International AG	15 September 2008	Provision of a subordinated loan / payment of contractual interest
Amendment No. 1 to the Insurance Refund Agreement	Raiffeisen Bank International AG	20 December 2010	Change of contractual terms
Master Agreement on Cooperation in Risk Management and Reporting	Raiffeisen Bank International AG	1 January 2011	Definition of terms of cooperation in Risk Management and Reporting / payment of contractual fees
4 Service Agreements related to the Master Agreement on Cooperation in Risk Management and Reporting	Raiffeisen Bank International AG	1 January 2011	Detailed description of cooperation in the areas
Service Agreement for Workout (S/2010/01715)	Raiffeisen Bank International AG	1 January 2011	Stipulation of detailed terms of cooperation in Workout
Service Agreement	Raiffeisen Bank International AG	3 January 2011	Agreement on the provision of defined services in selected areas / payment of contractual fee
Agreement to Open a Correspondent Loro Account	Raiffeisen Bank International AG	28 March 2011	Opening of a correspondent account / payment of contractual fees
11 Service Descriptions related to the Master IT Cooperation Agreement (replaced by new versions in 2016)	Raiffeisen Bank International AG	31 October 2011	Detailed description of cooperation in respect of specific IT applications
STEP2 Indirect Participation Contract	Raiffeisen Bank International AG	7 November 2011	Definition of the terms of use of STEP2 services
Project Contract	Raiffeisen Bank International AG	11 November 2011	Analysis of the supply of software application / payment of contractual fees
Agreement to Open a Correspondent Loro Account	Raiffeisen Bank International AG	18 November 2011	Opening of a correspondent account / payment of contractual fees
Amendment No. 2 to the Insurance Refund Agreement	Raiffeisen Bank International AG	20 December 2011	Change of contractual terms
Project Contract	Raiffeisen Bank International AG	29 December 2011	Analysis of the supply of software application / payment of contractual fees
Service Agreement	Raiffeisen Bank International AG	1 January 2012	Agreement on services provided by the majority shareholder
Master Project and Consultancy Agreement	Raiffeisen Bank International AG	23 March 2012	Consulting in project management / payment of contractual price
Amendment to partial Service Agreement related to the Master Agreement on Cooperation in Risk Management and Reporting of 1 January 2011	Raiffeisen Bank International AG	12 June 2012	Stipulation of detailed terms for Rating Model Validation and Methods

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Service Level Agreement	Raiffeisen Bank International AG	25 June 2012	Definition of cooperation within the competence centre in Fixed Income / payment of contractual fees
Amendment to the Master Project and Consultancy Agreement and Service Agreement	Raiffeisen Bank International AG	30 June 2012	Change of contractual terms
Amendment to the Project Contract of 11 November 2011	Raiffeisen Bank International AG	1 July 2012	Change of contractual terms
Implementing Agreement to the Master Project Consultancy Agreement of 23 March 2012	Raiffeisen Bank International AG	27 August 2012	Detailed definition of terms of a payment system project
Master Service Agreement	Raiffeisen Bank International AG	30 September 2012	Agreement to provide defined transaction services / payment of contractual fee
Partial Service Agreement related to the Master Agreement on Cooperation in Risk Management and Reporting of 1 January 2011	Raiffeisen Bank International AG	16 October 2012	Definition of detailed contractual terms for Workout
Partial Service Agreement related to the Master Agreement on Cooperation in Risk Management and Reporting of 1 January 2011	Raiffeisen Bank International AG	7 November 2012	Definition of detailed contractual terms for Credit Management Corporate
Service Description RIAH	Raiffeisen Bank International AG	1 January 2013	Provision of RIAH services
Amendment to the Service Agreement of 2012	Raiffeisen Bank International AG	1 January 2013	Change of contractual terms
Service Description RIAH Raiffeisen International Access Hub (documentation replaced in 2016)	Raiffeisen Bank International AG	1 January 2013	New group remote access / payment of contractual fees
Risk Participation Confirmation	Raiffeisen Bank International AG	25 January 2013	Participation in credit risk / payment of contractual fees
Risk Participation Confirmation	Raiffeisen Bank International AG	31 July 2013	Participation in credit risk / payment of contractual fees
Services to Support International Operations in RBI Group	Raiffeisen Bank International AG	1 March 2013	Agreement on mutual support in Operations / payment of contractual fee
Agreement for rendering the Project FATCA between RBI and RBCZ	Raiffeisen Bank International AG	10 April 2013	Agreement on mutual cooperation in the FATCA Project / payment of contractual fees and remuneration
Service Agreement - Building a best fit Operations Target Operating Model	Raiffeisen Bank International AG	29 May 2013	Providing a service supporting international transactions in the RBI Group / payment of contractual fees
FATCA Support Services Agreement	Raiffeisen Bank International AG	20 November 2013	Norkom infrastructure use for FATCA process identification / payment of contractual fees
Transfer Agreement – Subordinate Loan Transfer	Raiffeisen Bank International AG	26 November 2013	Subordinate loan transfer from Raiffeisenbank Malta / payment of contractual interest
ISLA Global Master securities lending Agreement – schedule	Raiffeisen Bank International AG	19 December 2013	Master agreement on lending investment instruments / payment of contractual fee
Amendment to the 2012 Service Agreement	Raiffeisen Bank International AG	1 January 2014	Extension of provided services

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Multichannel customer acquisition and Digital CC capability building	Raiffeisen Bank International AG	27 January 2014	Agreement on multichannel customer acquisition and Digital CC capability building / payment of agreed fees
RBCZ Lean Study Stay 2014 Cooperation Agreement	Raiffeisen Bank International AG	24 February 2014	Cooperation between the contractor and client in the Lean Study Stay 2014 training event
Amendment to International Group Marketing Agreement	Raiffeisen Bank International AG	14 March 2014	Amendment to the International Group Marketing Agreement / payment of contractual fee
Agreement for Integrated Risk Management Services and Risk Management Balance	Raiffeisen Bank International AG	26 March 2014	RBI fees / payment of contractual fees
Share Incentive Program	Raiffeisen Bank International AG	1 April 2014	Board member option scheme
Master Agreement for dealings in fund shares	Raiffeisen Bank International AG	2 April 2014	Dealings in funds managed by RCM / payment of contractual fees
Amendment No. 1 to FATCA Project Agreement	Raiffeisen Bank International AG	7 April 2014	Specification of FATCA implementation support / payment of contractual fee
Service Agreement for HO Services	Raiffeisen Bank International AG	15 April 2014	Service agreement for HO Services / payment of contractual fees
Amendment No. 1 to Master Payment Card Processing Agreement	Raiffeisen Bank International AG	9 June 2014	Personal data protection update
One amendment to Service Description RIAH following the Master IT Cooperation Agreement concluded on 31 October 2011 (or 19 April 2016)	Raiffeisen Bank International AG	14 July 2014	Amendment regulates the price for the RIAH service from 2014 on
Agreement (ASLA) - Operations Center Model	Raiffeisen Bank International AG	27 August 2014	Operations Center Model agreement / payment of contractual fees
Service Level Agreement (Running Target Operating Model)	Raiffeisen Bank International AG	14 November 2014	Rules and conditions for certain types of transactions in the name of RBI
RDL032 Project Agreement	Raiffeisen Bank International AG	2 December 2014	Audit findings - Treasury Limits - BN-497 / payment of agreed fees
EUR 70,000,000 Subordinated Unsecured Additional Tier 1 Certificates	Raiffeisen Bank International AG RB Prag Beteiligungs GmbH	15 December 2014	Investment certificates 2014 / dividend coupon
Amendment to the 2012 Service Agreement	Raiffeisen Bank International AG	1 January 2015	Adjustment for 2015, partial changes in the field of provided services
Service Agreement for Risk Methods & Analytics	Raiffeisen Bank International AG	1 January 2015	Cooperation with RBI in the field of Risk Methods & Analytics
Service Agreement for Credit Risk Control	Raiffeisen Bank International AG	1 January 2015	Cooperation with RBI in the field of Credit Risk Control
New Limit Approval – overdraft limit	Raiffeisen Bank International AG	12 January 2015	New limit approval – overdraft limit / payment of contractual fees
Non-Disclosure Agreement	Raiffeisen Bank International AG	30 January 2015	Non-Disclosure Agreement
Market Data Distribution Agreement	Raiffeisen Bank International AG	2 March 2015	Agreement on the provision of services within Market Data / payment of contractual fees
Reimbursement Agreement	Raiffeisen Bank International AG	7 April 2015	"Rotation" programme within RBI

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Agreement for rendering the Project Brain 2 (Kamakura)	Raiffeisen Bank International AG	21 April 2015	Services offered by RBI to the bank as part of the implementation of the Kamakura system / payment of contractual remuneration
Raiffeisen Bank International AG limit approval – extending the maturity of the bank guarantee	Raiffeisen Bank International AG	6 May 2015	Raiffeisen Bank International AG limit approval – extending the maturity of the bank guarantee
Amendment to Market Data Distribution Agreement	Raiffeisen Bank International AG	16 June 2015	Change of yearly fees / payment of contractual fees
Project Collateral Fields Changes	Raiffeisen Bank International AG	28 July 2015	Addition of attributes for reconciliations of Notes / payment of contractual fees
Participation Certificate	Raiffeisen Bank International AG	28 August 2015	Risk participation / payment of contractual fees
Agreement for rendering the Project CPA rollout on Nearshored OFSAA Hub	Raiffeisen Bank International AG	9 September 2015	New Pricing Engine for RBI Corp Division / payment of contractual fees
Limit approval – non-funded participation	Raiffeisen Bank International AG	16 September 2015	Limit approval – non-funded participation / payment of contractual fees
Participation Certificate	Raiffeisen Bank International AG	28 September 2015	Risk participation / payment of contractual fees
Midas Core Banking System Agreement	Raiffeisen Bank International AG	30 September 2015	Sublicensing agreement on the provision of Midas Core Banking / payment of contractual fees
Limit approval – settlement limit increase	Raiffeisen Bank International AG	19 October 2015	Limit approval – settlement limit increase / payment of contractual fees
Micro Contract	Raiffeisen Bank International AG	12 November 2015	Agreement about the reimbursement of expenses related to marketing research data analysis / payment of contractual fees
FWR Contract	Raiffeisen Bank International AG	12 November 2015	Agreement about the reimbursement of expenses related to marketing research data analysis / payment of contractual fees
Limit approval – settlement limit increase	Raiffeisen Bank International AG	26 November 2015	Limit approval – settlement limit increase / payment of contractual fees
Agreement on automatic balance transfers	Raiffeisen Bank International AG	10 December 2015	Changes to mutual rights and obligations when making automatic balance between accounts administered by Raiffeisenbank a.s.
Agreement for rendering the CRS Group Program	Raiffeisen Bank International AG	16 December 2015	Mutual provision of services in the project Common Reporting Standard / payment of contractual fees
Cross Border Merchant Services Visa and Master Card Consolidated Settlement Agreement	Raiffeisen Bank International AG	1 January 2016	Service provided by the card accounting department in Olomouc for RBI
Amendment to the 2012 Service Agreement	Raiffeisen Bank International AG	1 January 2016	Update of amendments, change in supplies in the individual fields
Service Agreement for Credit Risk Control	Raiffeisen Bank International AG	1 January 2016	Update (specification) of the subject of provided services
New limit approval	Raiffeisen Bank International AG	19 January 2016	Overdraft limit
Extension of the maturity limit	Raiffeisen Bank International AG	9 February 2016	Non-funded participation (guarantee)

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Participation Certificate (Lasselsberger GmbH)	Raiffeisen Bank International AG	21 March 2016	Risk participation
Limit approval	Raiffeisen Bank International AG	29 March 2016	New limit on the guarantee issued
Master IT Cooperation Agreement	Raiffeisen Bank International AG	19 April 2016	Definition of terms of cooperation in IT services / payment of contractual fees
Limit approval	Raiffeisen Bank International AG	10 May 2016	Settlement limit increase
Amendment No. 1 to the Participation Certificate (Lasselsberger GmbH)	Raiffeisen Bank International AG	25 May 2016	Amendment of terms and conditions
Participation Certificate (Globus)	Raiffeisen Bank International AG	18 July 2016	Risk participation
Agreement for rendering the Project MAD II STOR	Raiffeisen Bank International AG	8 August 2016	Implementation of a group solution for the MADII/MAR project
Service Agreement - Provision of Program Management Services (Compliance)	Raiffeisen Bank International AG	18 August 2016	Compliance advisory and information support
Service Agreement (HR Services, S/2016/00437)	Raiffeisen Bank International AG	5 September 2016	Provision of Talent Management and Succession Planning services
Service Description Fraud Propensity Tool	Raiffeisen Bank International AG	20 September 2016	Fraud Propensity Tool service provided
Service Description Lotus Notes International Domino Hub (terminated as of 4 February 2020)	Raiffeisen Bank International AG	20 September 2016	Lotus Notes International Domino Hub service provided
Service Description TIGER Operating	Raiffeisen Bank International AG	20 September 2016	Tiger platform provided
Agreement FWR (research in the Czech Republic)	Raiffeisen Bank International AG	22 September 2016	Reimbursement of costs for processing analyses of research in the Czech Republic
Amendment No. 2 to the Participation Certificate (Lasselsberger GmbH)	Raiffeisen Bank International AG	23 September 2016	Amendment of terms and conditions
Service Description Midas Maintenance	Raiffeisen Bank International AG	27 September 2016	Midas Maintenance service provided
Amendment No. 1 to Project CRS (Agreement for rendering the CRS Group Program)	Raiffeisen Bank International AG	5 October 2016	Support for the CRS project from RBI
Agreement for rendering the Project "MiFID II – KIDs for PRIIPs"	Raiffeisen Bank International AG	31 August 2016	Implementation and integration regarding the group solution for the PRIIPS project
Agreement for rendering the Project MiFID II	Raiffeisen Bank International AG	20 December 2016	Implementation of a group solution for the MiFID II project
11 Service Descriptions related to the Master IT Cooperation Agreement	Raiffeisen Bank International AG	8 November 2016	Detailed description of cooperation in respect of specific IT applications
Amendment No. 3 to the Participation Certificate (Lasselsberger GmbH)	Raiffeisen Bank International AG	9 November 2016	Amendment of terms and conditions
Amendment No. 4 to the Participation Certificate (Lasselsberger GmbH)	Raiffeisen Bank International AG	16 November 2016	Amendment of terms and conditions
Agreement for rendering the Project RAP NWU Rollout	Raiffeisen Bank International AG	13 December 2016	Participation in the "Roll out Research Application" RBI group project
Participation Certificate (Steinhoff Möbel Holding Alpha GmbH)	Raiffeisen Bank International AG	16 December 2016	Risk participation
Service Level Agreement (AMA Service Level Agreement)	Raiffeisen Bank International AG	22 December 2016	Provision of services described in the agreement / payment of contractual fees

Legal act	Counterparty	Date concluded	Performance / Counter-performance
EUR 25,200,000 Subordinated Unsecured Additional Tier 1 Certificates	Raiffeisen Bank International AG RB Prag Beteiligungs GmbH	19 January 2017	Investment certificates 2017 / dividend coupon
Amendment of Service Agreement 2012	Raiffeisen Bank International AG	16 February 2017	Change of contractual fees
Service Description MIS Support and Maintenance	Raiffeisen Bank International AG	20 February 2017	Definition of more detailed terms of cooperation as part of the administration of and support for the MIS system
Amendment of RBCZ-2014-IT Benchmarking Study-01	Raiffeisen Bank International AG	28 February 2017	Change of contractual terms
Amendment No. 5 to the Participation Certificate (Lasselsberger GmbH)	Raiffeisen Bank International AG	13 March 2017	Change of risk participation terms
Service agreement for Integrated Risk Management	Raiffeisen Bank International AG	8 May 2017	Amendment of the existing SLA with RBI / payment of contractual fees
Amendment to International Group Marketing Agreement	Raiffeisen Bank International AG	9 May 2017	Amendment to the International Group Marketing Agreement / payment of contractual fee
Amendment No. 6 to the Participation Certificate (Lasselsberger GmbH)	Raiffeisen Bank International AG	26 June 2017	Change of risk participation terms
Appendix to Amendment of Service Agreement 2012	Raiffeisen Bank International AG	17 August 2017	Amendment to the Service Agreement, inclusion of a service from Tatra Asset Management
Amendment of Service Description CNI Maintenance	Raiffeisen Bank International AG	22 August 2017	Amendment to the valid CNI IT service agreement adjusting the annual service fee
Amendment of Service Description GCPP Solution	Raiffeisen Bank International AG	22 August 2017	Amendment to the valid GCPP IT service agreement adjusting the annual service fee from 1 January 2017 onwards
Gartner for Technical Professional Usage Agreement	Raiffeisen Bank International AG	22 August 2017	The agreement extends the use of the service from RBI for two years until 28 February 2019
Service Description Cyber Threat Intelligence Service	Raiffeisen Bank International AG	22 August 2017	A new version of the agreement, in which the allocation key for price calculation was amended (refer to Section 9.1 of the new version)
Service Description External Vulnerability Scan	Raiffeisen Bank International AG	22 August 2017	A new IT service sub-agreement falling under the valid Master Agreement S/2011/02204. The subject of the agreement includes regular vulnerability scans of systems available on-line and annual web application vulnerability scans.
Amendment of Service Description Midas Maintenance	Raiffeisen Bank International AG	22 August 2017	Amendment to the valid MIDAS Maintenance IT service agreement governing the annual service fee
Service Description MIS Support and Maintenance	Raiffeisen Bank International AG	22 August 2017	A new version of the agreement, in which the service was extended and the annual service fee for MIS support adjusted

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Service Description Online Banking Security Service	Raiffeisen Bank International AG	22 August 2017	A new version of the agreement, in which the allocation key for price calculation was amended
Service Description RIAH Raiffeisen International Access Hub	Raiffeisen Bank International AG	22 August 2017	Definition of more detailed terms of cooperation as part of the administration of and support for the RIAH system
Amendment of Service Description TIGER Operating	Raiffeisen Bank International AG	22 August 2017	Amendment to the valid TIGER IT service agreement adjusting the annual service fee from 1 January 2017 onwards
Amendment No. 2 to Project CRS (amendment to Agreement No. 5/2015/00444)	Raiffeisen Bank International AG	29 August 2017	Implementation of a group CRS solution
Amendment No. 1 to the Service Agreement (S/2016/00437)	Raiffeisen Bank International AG	31 August 2017	Change of contractual terms
Amendment of Service Description Fraud Propensity Tool	Raiffeisen Bank International AG	13 September 2017	Amendment to the FPT IT service agreement, adjusting the annual fee
Cost Sharing Agreement	Raiffeisen Bank International AG	16 October 2017	Processing of a satisfaction survey in the FWR segment
FX Raiffeisen	Raiffeisen Bank International AG	13 October 2017	Agreement on the provision of an electronic trading platform / cost sharing
Amendment of Service Description Lotus Notes International Domino HUB service (terminated with the agreement as of 4 February 2020)	Raiffeisen Bank International AG	19 October 2017	Amendment to the valid LN IT service agreement, adjusting the annual fee
Amendment of Service Agreement 2012	Raiffeisen Bank International AG	5 December 2017	Amendment of the services supplied in Raiffeisen Research / payment of contractual fees
Amendment No. 7 to the Participation Certificate (Lasselsberger GmbH)	Raiffeisen Bank International AG	12 December 2017	Change of contractual terms
Custody Agreement No. S/2017/00380	Raiffeisen Bank International AG	10 January 2018	Custody contract
Banknote/precious metal trading agreement	Raiffeisen Bank International AG	1 February 2018	Stipulation for trading with banknotes and precious metals. Specification of transport responsibilities
Statement of Work No. RBI-2018-Biometrics and Cryptography Consultancy-01	Raiffeisen Bank International AG	16 February 2018	Provision of Crypto & Biometric Competence Center Services
International Group Marketing Agreement	Raiffeisen Bank International AG	11 April 2018	Stipulation for marketing expenses
Letter of intent	Raiffeisen Bank International AG	18 April 2018	Participation in the joint project BCBS 239
Amendment of service agreement	Raiffeisen Bank International AG	10 June 2018	Provision of services under a service agreement
Service Level Agreement (GPS Operations) A Appendix 2 - Individual Agreement	Raiffeisen Bank International AG	26 June 2018	SLA - GPS operations and related data processing agreement pursuant to GDPR - Annex 2
Amendment of service agreement	Raiffeisen Bank International AG	23 July 2018	Addition of RAP maintenance and change of allocation key
FRAMEWORK SERVICE AGREEMENT In the Area of Information Technology S/2018/00280	Raiffeisen Bank International AG	27 July 2018	Master IT service agreement
Statement of Work	Raiffeisen Bank International AG	31 July 2018	SOW - project delivery to RBI group

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Amendment to IT Service Description MIS Support and Maintenance	Raiffeisen Bank International AG	27 August 2018	Amendment to the current IT service contract - annual price increase
Amendment to IT Service Description Fraud Propensity Tool	Raiffeisen Bank International AG	27 August 2018	Amendment to the current IT service contract - annual price decrease
Amendment to IT Service Description Market Data Distribution	Raiffeisen Bank International AG	27 August 2018	Amendment to the current IT service contract - annual price decrease
Amendment to IT Service Description TIGER Operating	Raiffeisen Bank International AG	27 August 2018	Amendment to the current IT service contract - annual price increase
Amendment to IT Service Description GCPP Solution	Raiffeisen Bank International AG	27 August 2018	Amendment to the current IT service contract - annual price decrease
Service Level Agreement - Group Risk Controlling	Raiffeisen Bank International AG	29 August 2018	Provision of services / payment of contractual fees
Appointment of agent to accept service of process in England and Wales + Schedule 1	Raiffeisen Bank International AG	31 August 2018	Meeting the Intercontinental Exchange requirements for membership
IT Service Description: RBI/RBCZ-2018-Digital Services	Raiffeisen Bank International AG	26 September 2018	Provision of PSD2 services / payment of contractual fees
Master Participation Agreement	Raiffeisen Bank International AG	1 October 2018	Master agreement on setting mutual conditions
IT Service Description PGP Tool	Raiffeisen Bank International AG	7 November 2018	Master agreement for the provision of IT services - PGP Tool
IT Service Description Corporate Network International (CNI)	Raiffeisen Bank International AG	8 November 2018	Master agreement for the provision of IT services - CNI
Amendment of IT Service Description Midas Maintenance	Raiffeisen Bank International AG	8 November 2018	Amendment to the valid MIDAS Maintenance IT service agreement governing the annual service fee
Security Service Usage Agreement	Raiffeisen Bank International AG	4 December 2018	Contract consolidates and replaces valid IT security contracts (Online Banking Security Service + External Vulnerability Scan + Cyber Threat Intelligence Service)
EUR 75,000,000 Subordinated loan agreement	Raiffeisen Bank International AG	10 December 2018	Subordinated loan agreement / payment of contractual interest
IT Statement of Work No. RBCZ-2018-RAP Centralized Research Distribution-01	Raiffeisen Bank International AG	28 December 2018	Implementation of Standardized Templates ("Economic update" & "Interest rate outlook") in Raiffeisen Research Application (RAP)
Service level agreement: Research	Raiffeisen Bank International AG	4 February 2019	Supply of defined researches / payment of contractual fees
Agreement on order processing in accordance with article 28 GDPR + Appendix 1	Raiffeisen Bank International AG	8 February 2019	GDPR agreement
Service level agreement – GPS Operations	Raiffeisen Bank International AG	23 April 2019	Master agreement on the provision of GPS centre services / payment of contractual fees
Amendment No. 01/2019 to the Framework Service Level Agreement in the Area of IT	Raiffeisen Bank International AG	14 May 2019	Amendment No. 1 to Master agreement
IT Service Description GCPP Support and Maintenance	Raiffeisen Bank International AG	14 May 2019	Agreement stipulating the terms and conditions of GCPP service / payment of contractual fees

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Amendment No. 01/2019 to the IT Service Description Fraud Propensity Tool	Raiffeisen Bank International AG	14 May 2019	Amendment No. 1 governing the Fraud Propensity Tool
Amendment No. 01/2019 to the IT Service Description RBCZ – 2016-MIS Support and Maintenance – 01	Raiffeisen Bank International AG	14 May 2019	Amendment modifying the services
Amendment No. 01/2019 of the IT Service Description RBI/RBCZ – 2018 – Digital Services	Raiffeisen Bank International AG	20 May 2019	Amendment to Master Agreement
IT Service Description T.I.G.E.R. Operating	Raiffeisen Bank International AG	22 May 2019	Service agreement / payment of contractual fees
Amendment No. 1/2019 to the Gartner for Technical Professional Usage Agreement	Raiffeisen Bank International AG	30 May 2019	Amendment governing database access
Service level agreement	Raiffeisen Bank International AG	1 June 2019	Master service agreement / payment of contractual fees
Service level agreement - Marketing	Raiffeisen Bank International AG	1 June 2019	Master service agreement / payment of contractual fees
Market Data Usage Agreement	Raiffeisen Bank International AG	14 June 2019	Agreement on contractual access to data and analyses / payment of contractual fees
Amendment No. 01/2019 to the Sublicense Agreement RBCZ-2015-SL Bank Fusion Midas-01	Raiffeisen Bank International AG	14 June 2019	Amendment No. 01/2019
Cost reimbursement agreement	Raiffeisen Bank International AG	19 June 2019	Provision of Blueprint services / payment of contractual fees
EUR 22,500,000 Subordinated loan agreement	Raiffeisen Bank International AG	24 June 2019	Subordinated debt agreement / payment of contractual interest
IT Service Description for PGP & POG	Raiffeisen Bank International AG	25 June 2019	PGP a POG service / payment of contractual fees
Security Service Usage Agreement	Raiffeisen Bank International AG	25 June 2019	Security Service Usage Agreement extension / payment of contractual fees
Framework agreement S/2019/00260	Raiffeisen Bank International AG	31 July 2019	Master agreement to replace original master agreements over time
Participation Certificate	Raiffeisen Bank International AG	28 August 2019	Risk participation
IT Service Description Midas Maintenance	Raiffeisen Bank International AG	3 September 2019	MIDAS system master agreement / payment of contractual fees
IT Service Description Archer Services	Raiffeisen Bank International AG	3 September 2019	Archer system master agreement / payment of contractual fees
Service level agreement: Contract Management System	Raiffeisen Bank International AG	6 September 2019	CMT system master agreement / payment of contractual fees
Placement Agreement	Raiffeisen Bank International AG	28 September 2019	Amendment to Master Agreement
Loro account maintenance agreement	Raiffeisen Bank International AG	30 September 2019	Account opening and maintenance agreement
Servicing Agreement	Raiffeisen Bank International AG	23 October 2019	Service agreement / payment of contractual fees
IT Project Contract – CPA Operation Optimization	Raiffeisen Bank International AG	5 November 2019	Agreement governing the CPA project / payment of contractual fees
Cost reimbursement agreement PRIIPS Trading Systems	Raiffeisen Bank International AG	5 November 2019	PRIIPS cost reimbursement / payment of contractual fees
Service level agreement: Procurement	Raiffeisen Bank International AG	6 November 2019	iProc system master agreement / payment of contractual fees

Legal act	Counterparty	Date concluded	Performance / Counter-performance
EUR 30,000,000 Subordinated Unsecured Additional Tier 1 Certificates with Temporary Write-down	Raiffeisen Bank International AG RLB OÖ Sektorholding GmbH	18 November 2019	Investment certificates 2019 / dividend coupon
IT Project Contract – Project COAST	Raiffeisen Bank International AG	16 December 2019	Agreement governing the COAST project / payment of contractual fees
Amendment No. 01/2019 to the cost reimbursement agreement PRIIPS Trading Systems	Raiffeisen Bank International AG	30 December 2019	Amendment / adjustment to financial performance
Project MIS Reporting Layer Implementation IT Project Contract	Raiffeisen Bank International AG	30 December 2019	Service agreement / payment of contractual fees
Statement of Work No. RBI-2020- Source Code Review Consultancy-01	Raiffeisen Bank International AG	31 December 2019	Supply of source code review from RBCZ to RBI / payment of contractual fees
Participation Certificate	Raiffeisen Bank International AG	30 January 2020	Risk participation
Supplement to the Contact Bank Agreement	Raiffeisen Bank International AG Raiifeisen Kapitalanlage G.m.b.H	26 March 2020	Contract amendment
IT Service Description Cloud Access Security Broker	Raiffeisen Bank International AG	14 April 2020	Master agreement for Cloud Access Security Broker service / payment of contractual fees
Statement of work – Voice of Employee	Raiffeisen Bank International AG	20 May 2020	Supply of Voice of Employee service / payment of contractual fees
Amendment No. 01/2020 to the IT Service Description RBCZ-2019-PGP/POG Tool-01	Raiffeisen Bank International AG	6 June 2020	Amendment to IT Service Description / payment of contractual fees
Service level agreement – GPS Operations	Raiffeisen Bank International AG	25 June 2020	GPS system master agreement / payment of contractual fees
Service level agreement – GPS Operations	Raiffeisen Bank International AG	2 July 2020	GPS system master agreement / payment of contractual fees
Amendment No. 01/2020 to the IT Service Description RBCZ-2019-Midas Maintanance-01	Raiffeisen Bank International AG	3 July 2020	Amendment to IT Service Description / payment of contractual fees
Amendment No. 01/2020 to the IT Service Description RBCZ-2016-Fraud Propensity Tool-01	Raiffeisen Bank International AG	6 July 2020	Amendment to IT Service Description / payment of contractual fees
Amendment No. 01/2020 to the IT Service Description RBCZ-2019-TIGER Operating-01	Raiffeisen Bank International AG	6 July 2020	Amendment to IT Service Description / payment of contractual fees
Amendment No. 01/2020 to the Usage Agreement RBCZ-2019-Security Services Usage Agreement-01	Raiffeisen Bank International AG	6 July 2020	Amendment to the Usage Agreement / payment of contractual fees
Amendment No. 01/2020 to the IT Service Description RBCZ-2016-Archer Services-01	Raiffeisen Bank International AG	21 July 2020	Amendment to IT Service Description / payment of contractual fees
Amendment No. 01/2020 to the Usage Agreement RBCZ-2019-Market Data Usage Agreement-01	Raiffeisen Bank International AG	21 July 2020	Amendment to the Usage Agreement / payment of contractual fees
Service level agreement M&A	Raiffeisen Bank International AG	22 July 2020	Contract for the provision of consulting services / payment of contractual fees
Statement of work – GPS RSC implementation	Raiffeisen Bank International AG	13 August 2020	Master agreement - Learning management module implementation / payment of contractual fees
Counter Guarantee	Raiffeisen Bank International AG	9 September 2020	Counter-guarantees
Amendment No. 01/2020 to the Framework Service Agreement In the Area of Information Technology	Raiffeisen Bank International AG	15 September 2020	Amendment to Master Agreement

Legal act	Counterparty	Date concluded	Performance / Counter-performance
IT Service Level Agreement: RBI/RBCZ-2020-Advanced Data Lake	Raiffeisen Bank International AG	17 September 2020	Master service agreement
Participation Certificate	Raiffeisen Bank International AG	5 October 2020	Risk participation
Amendment No. 01/2020 to the IT Service Description RBCZ-2019-GCPP Support and Maitenance-01	Raiffeisen Bank International AG	7 October 2020	Amendment to IT Service Description / payment of contractual fees
EUR 24,000,000 Subordinated Loan Agreement	Raiffeisen Bank International AG	16 November 2020	Subordinated debt agreement / payment of contractual interest
EUR 30,000,000 Subordinated Unsecured Additional Tier 1 Certificates with Temporary Write-down	Raiffeisen Bank International AG RLB OÖ Sektorholding GmbH	16 November 2020	Investment certificates 2020 / dividend coupon
Dealer Agreement	Raiffeisen Bank International AG	18 November 2020	Bond issue
Dealer Agreement	Raiffeisen Bank International AG	15 December 2020	Mortgage bond
The Sideletter to Financial Institutions, Country & Portfolio Management from 01.01.2016	Raiffeisen Bank International AG	1 January 2021	Stipulates a change in the sub-contractor
Service Level Agreement (Compliance)	Raiffeisen Bank International AG	11 January 2021	The agreement stipulates the terms and conditions of Compliance and AML services
Amendment No. 01/2021 to the IT Service Description RBCZ-2016-GCPP Solution-01	Raiffeisen Bank International AG	17 January 2021	Amendment No. 1
IT Statement of Work RBCZ-2020-Advanced Analytics – Customer 360	Raiffeisen Bank International AG	20 January 2021	Stipulates technical conditions of IT cooperation
Sideletter to SLA Group Risk Controlling	Raiffeisen Bank International AG	13 May 2021	Stipulates terms and conditions of cooperation in Risk Controlling
EUR 26,000,000 Subordinated Unsecured Additional Tier 1 Certificates with Temporary Write-down	Raiffeisen Bank International AG RLB OÖ Sektorholding GmbH	17 May 2021	Investment certificates 2021 / dividend coupon
EUR 9,000,000 Subordinated Loan Agreement	Raiffeisen Bank International AG	17 May 2021	Subordinated debt agreement / payment of contractual interest
Appointment of Joint Lead Managers and Joint Bookrunners	Raiffeisen Bank International AG	24 May 2021	Bond programme specifics / contractual fees
Sideletter to SLA Financial Institutions, Country & Portfolio Management	Raiffeisen Bank International AG	25 May 2021	Stipulates terms and conditions of cooperation in Public Cloud Services
Service Level Agreement for Cloud Enablement Service	Raiffeisen Bank International AG	1 June 2021	Stipulates terms and conditions of cooperation in Cloud Enablement Service
Subscription Agreement	Raiffeisen Bank International AG	7 June 2021	Bond programme specifics / contractual fees
Amendment No. 01/2021 to the IT Statement of Work Sanctioned Securities Monitoring Service	Raiffeisen Bank International AG	26 July 2021	Amendment No. 1
IT Statement of Work RBCZ-2021-Advanced Analytics – Customer 360	Raiffeisen Bank International AG	29 July 2021	Stipulates technical conditions of IT cooperation - Advanced Analytics
Amendment No. 01/2021 to the IT Service Description RBCZ-2020-CASB-01	Raiffeisen Bank International AG	3 August 2021	Amendment No. 1
Amendment No. 01/2021 to the IT Service Description RBCZ-2016-Fraud Propensity Tool-01	Raiffeisen Bank International AG	5 August 2021	Amendment No. 1

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Amendment No. 01/2021 to the IT Service Description RBCZ-2019-PGP/POG Tool-01	Raiffeisen Bank International AG	5 August 2021	Amendment No. 1
Statement of Work RBCZ	Raiffeisen Bank International AG	6 August 2021	Stipulates digital personalization rules / contractual fee
Amendment No. 01/2021 to the IT Service Description RBCZ-2019-Midas Maintenance-01	Raiffeisen Bank International AG	24 August 2021	Amendment No. 1
Amendment No. 01/2021 to the IT Service Description RBCZ-2019-FX Raiffeisen Sub White Label (FX Raiffeisen)-01	Raiffeisen Bank International AG	30 August 2021	Amendment No. 1
MIS Hosting and Support Agreement 2021	Raiffeisen Bank International AG	10 September 2021	Agreement governing payment of contractual fees for Pricing Engine CPA for RBI's Corporate Division and for ProMIS management information system
IT Project Contract (CPA Leasing)	Raiffeisen Bank International AG	20 September 2021	Stipulates terms and conditions of IT project cooperation - Leasing
Amendment No. 01/2021 to the Service Level Agreement Contract Management System	Raiffeisen Bank International AG	20 September 2021	Amendment No. 1
Placement Agreement	Raiffeisen Bank International AG	8 October 2021	Bond programme specifics / contractual fees
Amendment No. 01/2021 to the Service Service Description IT SD RBIHO RBCZ CNI 2020	Raiffeisen Bank International AG	19 October 2021	Amendment No. 1
IT Project Contract - Group Collaboration (IT PA RBIHO RBCZ Group Collaboration 2020)	Raiffeisen Bank International AG	19 October 2021	Specification of IT project terms
Security Service Usage Agreement	Raiffeisen Bank International AG	20 October 2021	Stipulates conditions of IT cooperation
Amendment No. 01/2021 to the IT Service Description RBCZ-2019-TIGER Operating-01	Raiffeisen Bank International AG	5 November 2021	Amendment No. 1
Amendment No. 01/2021 to the IT Service Description RBCZ-2018-Trading Systems – PRIIPs-01	Raiffeisen Bank International AG	5 November 2021	Amendment No. 1
IT Project Contract	Raiffeisen Bank International AG	10 November 2021	Stipulates terms and conditions of IT project cooperation / contractual fee
IT Project Contract - Cyber Defence Center (SOC) Onboarding (RBI-RBCZ-Cyber Defence Center (SOC) Onboarding)	Raiffeisen Bank International AG	10 November 2021	Specification of IT project terms
Statement of Work: GPS Onborading Module Project	Raiffeisen Bank International AG	11 November 2021	Stipulates conditions of cooperation
IT Service Description RBI Cyber Defense Center Service (RCDC)	Raiffeisen Bank International AG	18 November 2021	Stipulates terms and conditions of cooperation in Security Monitoring and Security Incident & Event Management (SIEM) / contractual fee
Service Description - Threat modelling service (RBI RBCZ – 2022 – Threat modelling service)	Raiffeisen Bank International AG	17 January 2022	Stipulates the scope and conditions of cooperation
Int. Retail Risk Management (HO-Charges) 2021	Raiffeisen Bank International AG	17 January 2022	Service Level Agreement (SLA) / S&M

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Amendment No. 02/2021 to the IT Service Description RBCZ-2019-Archer Services-01	Raiffeisen Bank International AG	1 February 2022	Amendment No. 02/2021 to the Archer Services Agreement
Cost Reimbursement Agreement FICO Debt Manager	Raiffeisen Bank International AG	1 February 2022	Stipulates the scope of cooperation
Cost Reimbursement Agreement Precognitive Strong Customer Authentication for Payment Software as a Service	Raiffeisen Bank International AG	2 March 2022	Stipulates the scope of cooperation
Cost Reimbursement Agreement – Digital Personalization MVP	Raiffeisen Bank International AG	9 March 2022	Stipulates the scope of cooperation
Participation Certificate	Raiffeisen Bank International AG	28 March 2022	Risk participation
Statement of Work – RBI Group Core IT – IT PMI Support	Raiffeisen Bank International AG	21 June 2022	Stipulates terms of cooperation in IT PMI Support
Participation certificate dated 23 June 2022	Raiffeisen Bank International AG	23 June 2022	Risk participation
Amendment No. 01/2022 to the IT Service Description RBCZ-2016-Fraud Propensity Tool-01	Raiffeisen Bank International AG	10 August 2022	Amendment No. 1
Dealer Agreement	Raiffeisen Bank International AG	8 September 2022	Dealer services related to the issuances under the EUR 5bn Note Programme
Mandate letter	Raiffeisen Bank International AG	9 September 2022	Appointment of Joint Lead Managers and Joint Bookrunners in relation to a proposed issuance of up to EUR 350mn Senior Non-Preferred MREL Eligible Sustainable Notes by Raiffeisenbank a.s.
Amendment No. 01/2022 to the IT Service Description RBCZ-2019-FX Raiffeisen Sub White Label (FX Raiffeisen)-01	Raiffeisen Bank International AG	13 September 2022	Amendment No. 1
Amendment No. 01/2022 to the IT Service Level Agreement – Advanced Analytics Data Lake CDR33808	Raiffeisen Bank International AG	24 October 2022	Amendment No. 1
IT Statement of Work RBCZ-2022-Advanced Analytics – Customer 360 CDR30634	Raiffeisen Bank International AG	24 October 2022	Stipulates conditions of cooperation in Advanced Analytics - Customer 360
Amendment No. 01/2022 to the IT Service Description for Frontend Analytics	Raiffeisen Bank International AG	8 December 2022	Amendment No. 1
Amendment No. 01/2022 to the IT Service Description RBCZ-2020-CASB-01	Raiffeisen Bank International AG	8 December 2022	Amendment No. 1
Participation Certificate	Raiffeisen Bank International AG	28 December 2022	Risk participation
Amendment No. 01/2022 to the Software Sublicense Agreement RBCZ-2006-Capstone-01	Raiffeisen Bank International AG	3 January 2023	Amendment No. 1
Amendment No. 02/2022 to the Service Level Agreement from Cloud Enablement Service	Raiffeisen Bank International AG	15 February 2023	Amendment No. 2
Service Level Agreement (SLA RBIHO RBCZ Mid-Market CC 2023 (1))	Raiffeisen Bank International AG	27 November 2023	Service Level Agreement regarding Competence Center services for medium-sized enterprises.

RLB OÖ Sektorholding GmbH

Legal act	Counterparty	Date concluded	Performance / Counter-performance
EUR 30,000,000 Subordinated Unsecured Additional Tier 1 Certificates with Temporary Write-down	RLB OÖ Sektorholding GmbH Raiffeisen Bank International AG	18 November 2019	Investment certificates 2019 / dividend coupon
EUR 30,000,000 Subordinated Unsecured Additional Tier 1 Certificates with Temporary Write-down	RLB OÖ Sektorholding GmbH Raiffeisen Bank International AG	16 November 2020	Investment certificates 2020 / dividend coupon
Subordinated Unsecured Additional Tier 1 Certificates with Temporary Write-down	RLB OÖ Sektorholding GmbH Raiffeisen Bank International AG	17 May 2021	Provision of AT1 certificates / contractual fee
Agreement on Referral of Client Relationships of the Privatbank business of RLB OÖ	RLB OÖ Sektorholding GmbH	5 October 2021	Assignment of Privatbank Praha credit portfolio
Agreement on Future Assignment of Receivables	RLB OÖ Sektorholding GmbH	5 October 2021	Client recommendations regarding deposit and investment products

Raiffeisenlandesbank Oberösterreich Aktiengesellschaft

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Agreement on the terms of the temporary secondment of employees for the purpose of performing work	Raiffeisenlandesbank Oberösterreich Aktiengesellschaft	3 January 1994	Secondment of experts for the temporary performance of work in order to strengthen cooperation
Contract for the provision of consulting services	Raiffeisenlandesbank Oberösterreich Aktiengesellschaft	4 January 2002	Contract for the provision of consulting services / payment of contractual fees
Amendment No. 1 to the Agreement on the terms of the temporary secondment of employees for the purpose of performing work	Raiffeisenlandesbank Oberösterreich Aktiengesellschaft	5 January 2004	Change of contractual terms
Amendment No. 1 to Contract for the provision of consulting services	Raiffeisenlandesbank Oberösterreich Aktiengesellschaft	3 January 2005	Change of contractual terms (fee)
Amendment No. 2 to Contract for the provision of consulting services	Raiffeisenlandesbank Oberösterreich Aktiengesellschaft	4 January 2006	Change of contractual terms (fee)
Amendment No. 3 to Contract for the provision of consulting services	Raiffeisenlandesbank Oberösterreich Aktiengesellschaft	3 January 2007	Change of contractual terms (fee)
Intercreditor Agreement	Raiffeisenlandesbank Oberösterreich Aktiengesellschaft	18 May 2010	Agreement among creditors – Biocel Paskov, a.s.
Shareholder's undertaking	Raiffeisenlandesbank Oberösterreich Aktiengesellschaft	18 May 2010	Agreement among shareholders – Biocel Paskov, a.s.
MultiCash Transfer Service Level Agreement	Raiffeisenlandesbank Oberösterreich Aktiengesellschaft	16 October 2010	Communication between RBCZ and RLBOOE through the MultiCash system – receipt of client payment orders
Bank guarantee – VOG, s.r.o.	Raiffeisenlandesbank Oberösterreich Aktiengesellschaft	10 August 2012	Bank guarantee
2002 Master Agreement ISDA	Raiffeisenlandesbank Oberösterreich Aktiengesellschaft	18 June 2013	Master Agreement
Schedule to the 2002 ISDA Master Agreement	Raiffeisenlandesbank Oberösterreich Aktiengesellschaft	18 June 2013	Master Agreement performance schedule

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Credit Support Annex	Raiffeisenlandesbank Oberösterreich Aktiengesellschaft	18 June 2013	Credit support
Agreement on the agreement on the terms of the temporary secondment of employees for the purpose of performing work	Raiffeisenlandesbank Oberösterreich Aktiengesellschaft	7 November 2016	Agreement on the temporary secondment of a specific employees – Large Corp, extension for one year
Amendment No. 11 to Bank Guarantee No. 906.408 (ARMA BAU s.r.o.)	Raiffeisenlandesbank Oberösterreich Aktiengesellschaft	22 February 2017	100% bank guarantee for an operating loan
2016 Credit Support Annex for Variation Margin (VM)	Raiffeisenlandesbank Oberösterreich Aktiengesellschaft	1 March 2017	Credit Support Annex to ISDA Master Agreement
Amendment No. 11 to Participation Certificate No. 021006/2009 (HABAU CZ s.r.o.)	Raiffeisenlandesbank Oberösterreich Aktiengesellschaft	30 March 2017	100% risk participation
Amendment No. 14 to Participation Certificate No. 10 (PERAPLAS ČESKO s.r.o.)	Raiffeisenlandesbank Oberösterreich Aktiengesellschaft	8 June 2017	100% risk participation
Agreement on the terms of the temporary secondment of employees for the purpose of performing work	Raiffeisenlandesbank Oberösterreich Aktiengesellschaft	9 October 2017	Secondment of experts for the temporary performance of work in order to strengthen cooperation
EUR 25,000,000 Subordinated loan agreement	Raiffeisenlandesbank Oberösterreich Aktiengesellschaft	11 December 2018	Subordinated debt agreement / payment of contractual interest
Eighteenth Amended Participation Certificate No. 020950/2007	Raiffeisenlandesbank Oberösterreich Aktiengesellschaft	7 May 2019	Contract amendment
EUR 7,500,000 Subordinated loan agreement	Raiffeisenlandesbank Oberösterreich Aktiengesellschaft	24 June 2019	Subordinated debt agreement / payment of contractual interest
Confidentiality agreement	Raiffeisenlandesbank Oberösterreich Aktiengesellschaft	16 January 2020	Non-Disclosure Agreement
Nineteenth Amended Participation Certificate No. 020950/2007	Raiffeisenlandesbank Oberösterreich Aktiengesellschaft	29 May 2020	Contract amendment
Fourth Amended Participation Certificate No. NDP/0004/NCRAM/01/24313246	Raiffeisenlandesbank Oberösterreich Aktiengesellschaft	29 June 2020	Amendment No. 4 to agreement
EUR 8,000,000 Subordinated loan agreement	Raiffeisenlandesbank Oberösterreich Aktiengesellschaft	18 November 2020	Subordinated debt agreement / payment of contractual interest
Änderung Nr. 19 zu Kreditbesicherungsgarantie Nr. 501.569	Raiffeisenlandesbank Oberösterreich Aktiengesellschaft	31 December 2020	Contract amendment
EUR 3,000,000 Subordinated Loan Agreement	Raiffeisenlandesbank Oberösterreich Aktiengesellschaft	20 May 2021	Subordinated debt agreement / payment of contractual interest
The Fifth Amended Participation Certificate No. NDP/0004/NCRAM/01/24313246	Raiffeisenlandesbank Oberösterreich Aktiengesellschaft	30 June 2021	Amendment No. 5 to agreement
Twenty-first Amended Participation Certificate No. 020950/2007	Raiffeisenlandesbank Oberösterreich Aktiengesellschaft	7 September 2021	Amendment No. 21 to agreement
Amendment to ISDA	Raiffeisenlandesbank Oberösterreich Aktiengesellschaft	1 January 2022	Agreement on amendment of the Credit Support Annex
Amendment to ISDA MASTER AGREEMENT	Raiffeisenlandesbank Oberösterreich Aktiengesellschaft	1 January 2022	Agreement on change of Paragraph 13. Governing Law and Jurisdiction letter

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Amendment to ISDA Master Agreement	Raiffeisenlandesbank Oberösterreich Aktiengesellschaft	3 February 2022	Agreement amendment - ISDA Master Agreement of 18 June 2013
Amendment to ISDA	Raiffeisenlandesbank Oberösterreich Aktiengesellschaft	3 February 2022	Agreement amendment - ISDA 2016 Credit support Annex of 1 March 2017
Twenty-second Amended Participation Certificate No. 020950/2007	Raiffeisenlandesbank Oberösterreich Aktiengesellschaft	10 June 2022	Risk participation
The seventh Amended Participation Certificate No. NDP/004/NCRAM/01/24313246	Raiffeisenlandesbank Oberösterreich Aktiengesellschaft	30 June 2022	Risk participation
Abänderung Nr. 21 zu Kreditbesicherungsgarantie für Loan Agreement „Uverova smlouva c. 020638/2001" Nr. 501569	Raiffeisenlandesbank Oberösterreich Aktiengesellschaft	21 December 2022	100% bank guarantee for an operating loan
The seventh amended participation Certificate No. NDP/0004/NCRAM/01/24313246	Raiffeisenlandesbank Oberösterreich Aktiengesellschaft	12 January 2023	Risk participation (AgroVation Kněžmost k.s.)
Twenty-third Amendment Participation Certificate No. 020950/2007	Raiffeisenlandesbank Oberösterreich Aktiengesellschaft	31 May 2023	Risk participation (Intersport ČR s.r.o.)
Abänderung Nr. 22 zu Garantie	Raiffeisenlandesbank Oberösterreich Aktiengesellschaft	8 November 2023	100% bank guarantee for an operating loan (efko cz s.r.o.)

In the reporting period, the controlled entity received or provided no other performance or counter-performance in the interest or at the instigation of the controlling entity or entities controlled by the controlling entity outside the scope of performance or counter-performance, which is customary within the controlled entity's relations with the controlling entity as the shareholder of the controlled entity.

2.2. List of Contracts with Other Related Parties

In the 2023 reporting period, Raiffeisenbank a.s. had relations with the following related parties:

Raiffeisen stavební spořitelna a.s.

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Account opening request	Raiffeisen stavební spořitelna a.s.	15 December 1993	Opening an account
Current account opening and maintenance agreement	Raiffeisen stavební spořitelna a.s.	13 June 2000	Opening and maintenance of a current account
Current investment account opening agreement	Raiffeisen stavební spořitelna a.s.	2 October 2001	Opening of a current investment account
Agreement to mediate purchase and sale of securities, settlement of securities transactions and management of securities + Annexes 1-5	Raiffeisen stavební spořitelna a.s.	10 April 2007	Acting as intermediary in purchase and sale of securities, settlement of securities transactions and management of securities
Treasury Master Agreement No. HS/02/TMAPO/02/49241257	Raiffeisen stavební spořitelna a.s.	29 February 2012	Agreement on rights and obligations related to transactions in the financial market
Amendment No. 1 to the Agreement to mediate purchase and sale of securities, settlement of securities transactions and management of securities of 10 April 2007	Raiffeisen stavební spořitelna a.s.	25 September 2013	Change of contractual terms
Direct Banking Service Agreement	Raiffeisen stavební spořitelna a.s.	15 November 2013	Agreement on direct banking services / payment of contractual fees

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Agreement to Provide X-business Internet Banking Services	Raiffeisen stavební spořitelna a.s.	3 February 2015	X-business internet banking / payment of contractual fees
Agreement to issue a debit card	Raiffeisen stavební spořitelna a.s.	18 January 2017	Payment card issue and maintenance
Tip brokerage agreement	Raiffeisen stavební spořitelna a.s.	10 October 2018	Brokerage agreement
Call centre service agreement	Raiffeisen stavební spořitelna a.s.	12 November 2018	Provision of call centre services
Amendment No. 1 to the Tip brokerage agreement of 10 October 2018	Raiffeisen stavební spořitelna a.s.	30 April 2019	Amendment No. 1 to the Tip brokerage agreement
Amendment No. 2 to the Tip brokerage agreement of 10 October 2018	Raiffeisen stavební spořitelna a.s.	18 November 2019	Amendment No. 2 to the Tip brokerage agreement
Amendment No. 3 to the Tip brokerage agreement of 10 October 2018	Raiffeisen stavební spořitelna a.s.	28 February 2020	Amendment No. 3 to the Agreement
Agreement to issue a debit card	Raiffeisen stavební spořitelna a.s.	10 July 2020	Payment card issue and maintenance
Cooperation agreement S/2020/00099	Raiffeisen stavební spořitelna a.s.	5 August 2020	Cooperation agreement - call centre / contractual fee
Cooperation agreement S/2020/00191	Raiffeisen stavební spořitelna a.s.	15 October 2020	Cooperation agreement - call centre / contractual fee
Non-Disclosure Agreement CDR10722	Raiffeisen stavební spořitelna a.s.	21 October 2020	Confidentiality Agreement
Amendment No. 4 to Tip brokerage agreement No. 37700019 of 10 October 2018	Raiffeisen stavební spořitelna a.s.	31 January 2021	Stipulates application of new conditions for awarding commission / contractual commission
Agreement on cooperation in the provision of information about active RSTS products to clients	Raiffeisen stavební spořitelna a.s.	15 February 2021	Enabled granting/withdrawing of online consent to data transfers / contractual sanctions for breaches
Master Agreement on Financial Market Trading	Raiffeisen stavební spořitelna a.s.	25 February 2021	Stipulates conditions under which the contracting parties may conclude financial transactions
Sales representation agreement	Raiffeisen stavební spořitelna a.s.	9 March 2021	Stipulates terms and conditions of financial product sales representation / contractual commission
Cooperation agreement	Raiffeisen stavební spořitelna a.s.	30 March 2021	Stipulates conditions of mutual assistance / contractual sanctions for breaches
Framework agreement on data protection and transfers	Raiffeisen stavební spořitelna a.s.	26 April 2021	Stipulates rules applicable to protection, transfers and treatment of data / contractual sanctions for breaches
Master service agreement	Raiffeisen stavební spořitelna a.s.	26 April 2021	Stipulates terms and conditions of mutual cooperation / contractual fee
Sales representation agreement CDR17260	Raiffeisen stavební spořitelna a.s.	28 April 2021	Stipulates terms and conditions of sales representation / contractual fee
Agreement on sublease of business premises	Raiffeisen stavební spořitelna a.s.	28 April 2021	Stipulates terms and conditions of sublease of non-residential premises / contractual fee
Agreement to provide services for OVS and archiving activities	Raiffeisen stavební spořitelna a.s.	29 April 2021	Stipulates terms and conditions of using OVS and archive services / contractual fee

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Agreement for Risk Controlling services	Raiffeisen stavební spořitelna a.s.	29 April 2021	Stipulates terms and conditions of using Risk Controlling services / contractual fee
Agreement for debt collection services	Raiffeisen stavební spořitelna a.s.	29 April 2021	Stipulates terms and conditions of using debt collection services / contractual fee
Agreement for services of complex loan processing functions (Back Office)	Raiffeisen stavební spořitelna a.s.	29 April 2021	Stipulates terms and conditions of using Back Office services / contractual fee
Service Agreement (Back Office)	Raiffeisen stavební spořitelna a.s.	29 April 2021	Service Agreement
Agreement to provide services for contact centre activities	Raiffeisen stavební spořitelna a.s.	29 April 2021	Stipulates terms and conditions of using contact centre services / contractual fee
Agreement to provide services for complex loan processing and underwriting functions (including credit risk management)	Raiffeisen stavební spořitelna a.s.	29 April 2021	Stipulates terms and conditions of using Retail risk services / contractual fee
Cooperation agreement for joint use of RB appraiser services	Raiffeisen stavební spořitelna a.s.	30 April 2021	Stipulates terms and conditions of using RB appraiser services / contractual fee
Agreement on sublease of non-residential premises and payment for services related to their use and preparation	Raiffeisen stavební spořitelna a.s.	20 May 2021	Stipulates terms and conditions of sublease of non-residential premises / contractual fee
Agreement for Internal Audit services	Raiffeisen stavební spořitelna a.s.	25 May 2021	Stipulates terms and conditions of using Internal Audit services / contractual fee
Service agreement (Marketing)	Raiffeisen stavební spořitelna a.s.	31 May 2021	Agreement for marketing services / contractual fee
Agreement for information security and BCM services	Raiffeisen stavební spořitelna a.s.	31 May 2021	Stipulates terms and conditions of using information security and BCM services / contractual fee
Agreement for CRM services	Raiffeisen stavební spořitelna a.s.	31 May 2021	Stipulates terms and conditions of using CRM services
Agreement for human resources agenda and management services	Raiffeisen stavební spořitelna a.s.	17 June 2021	Stipulates terms and conditions of using HR services / contractual fee
Agreement for early debt collection services	Raiffeisen stavební spořitelna a.s.	23 June 2021	Stipulates terms and conditions of cooperation in provision of early debt collection services / contractual fee
Amendment No. 1 to Agreement on sublease of non-residential premises and payment for services related to their use and preparation	Raiffeisen stavební spořitelna a.s.	30 June 2021	Amendment No. 1 to the Agreement on sublease of non-residential premises of 20 May 2021 / contractual fee
Agreement to provide services for selected compliance activities	Raiffeisen stavební spořitelna a.s.	30 June 2021	Stipulates terms and conditions of provided compliance activities / contractual fee
Cooperation agreement	Raiffeisen stavební spořitelna a.s.	20 July 2021	Stipulates terms and conditions of mutual cooperation
Cooperation agreement - risk acceptance	Raiffeisen stavební spořitelna a.s.	22 July 2021	Stipulates conditions of cooperation in risk acceptance
Agreement to provide IT services (OIT)	Raiffeisen stavební spořitelna a.s.	31 August 2021	Stipulates terms and conditions of using OIT services / contractual fee
Agreement to provide Analysis and Application Development services	Raiffeisen stavební spořitelna a.s.	31 August 2021	Stipulates terms and conditions of using AAD services / contractual fee

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Agreement on cooperation and processing of personal data	Raiffeisen stavební spořitelna a.s. Equa bank a.s.	31 August 2021	Stipulates terms and conditions of cooperation in offering and selling bank products / contractual commission
Agreement on assignment of Agreement for record management services	Raiffeisen stavební spořitelna a.s.	20 October 2021	Stipulates terms and conditions for free assignment of the Agreement with the assigned entity
Amendment No. 1 to the Agreement on sublease of business premises	Raiffeisen stavební spořitelna a.s.	15 December 2021	Amendment No. 1 to the Agreement on sublease of business premises
CZK 300,000,000 Subordinated Loan Agreement	Raiffeisen stavební spořitelna a.s.	22 December 2021	Provision of subordinated loan / payment of contractual interest
Amendment No. 1 to the Agreement on cooperation and processing of personal data	Raiffeisen stavební spořitelna a.s. (Equa bank a.s.)	30 December 2021	Amendment No. 1 to the Agreement
Agreement amending the Annexes	Raiffeisen stavební spořitelna a.s.	1 January 2022	Agreement to the Agreement to provide services for contact centre activities of 29 April 2021
Agreement amending the Annexes	Raiffeisen stavební spořitelna a.s.	1 January 2022	Agreement to the Agreement to provide services for OVS and archiving activities of 29 April 2021
Agreement amending the Annexes	Raiffeisen stavební spořitelna a.s.	1 January 2022	Agreement to the Agreement to provide Back Office services of 29 April 2021
Agreement amending the Annexes	Raiffeisen stavební spořitelna a.s.	1 January 2022	Agreement to the Agreement for services of complex loan processing functions of 29 April 2021
Agreement amending the Annexes	Raiffeisen stavební spořitelna a.s.	1 January 2022	Agreement to the Agreement for Risk Controlling services of 29 April 2021
Agreement amending the Annexes	Raiffeisen stavební spořitelna a.s.	1 January 2022	Agreement to the Agreement for debt collection services of 29 April 2021
Agreement amending the Annexes	Raiffeisen stavební spořitelna a.s.	1 January 2022	Agreement to the Agreement for Internal Audit services of 25 May 2021
Agreement amending the Annexes	Raiffeisen stavební spořitelna a.s.	1 January 2022	Agreement to the Agreement for marketing services of 31 May 2021
Agreement amending the Annexes	Raiffeisen stavební spořitelna a.s.	1 January 2022	Agreement to the Agreement for information security and BCM services of 31 May 2021
Agreement amending the Annexes	Raiffeisen stavební spořitelna a.s.	1 January 2022	Agreement to the Agreement for HR services of 17 June 2021
Agreement amending the Annexes	Raiffeisen stavební spořitelna a.s.	1 January 2022	Agreement to the Agreement for early debt collection services of 23 June 2021
Agreement amending the Annexes	Raiffeisen stavební spořitelna a.s.	1 January 2022	Agreement to the Agreement to provide services for selected compliance activities of 30 June 2021
Agreement amending the Annexes	Raiffeisen stavební spořitelna a.s.	1 January 2022	Agreement to the Agreement for CRM services of 31 May 2021
Agreement amending the Annexes	Raiffeisen stavební spořitelna a.s.	1 January 2022	Agreement to the Agreement to provide Analysis and Application Development services of 31 August 2021
Agreement amending the Annexes	Raiffeisen stavební spořitelna a.s.	1 January 2022	Agreement to the Agreement to provide IT services of 31 August 2021

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Commission Memorandum	Raiffeisen stavební spořitelna a.s.	8 February 2022	Commission Memorandum to the Agreement on cooperation and processing of personal data of 31 August 2021
MREL obligation agreement	Raiffeisen stavební spořitelna a.s.	1 March 2022	The agreement stipulates the terms for performance under an obligation
Agreement to establish MREL security interest	Raiffeisen stavební spořitelna a.s.	1 March 2022	The agreement stipulates the terms of security interest over collateral
Agreement amending the Annexes	Raiffeisen stavební spořitelna a.s.	7 March 2022	Agreement to the Agreement to provide services for selected compliance activities of 30 June 2021
Agreement amending the Annexes	Raiffeisen stavební spořitelna a.s.	7 March 2022	Agreement to the Agreement for services of complex loan processing functions of 29 April 2021
Debit card agreement	Raiffeisen stavební spořitelna a.s.	31 March 2022	Issue of RBCZ payment card
Agreement amending the Annex	Raiffeisen stavební spořitelna a.s.	5 April 2022	Agreement to the Agreement for debt collection services of 29 April 2021
Product Annex: "Product specifications and specific offering terms – current account"	Raiffeisen stavební spořitelna a.s.	2 May 2022	Specifications of the offered product
Escrow account agreement	Raiffeisen stavební spořitelna a.s.	29 June 2022	Stipulates the terms for opening an escrow account
Agreement amending the Annexes	Raiffeisen stavební spořitelna a.s.	1 July 2022	Agreement to the Agreement to provide services for contact centre activities of 29 April 2021
Agreement amending the Annexes	Raiffeisen stavební spořitelna a.s.	1 July 2022	Agreement to the Agreement to provide services for OVS and archiving activities of 29 April 2021
Agreement amending the Annexes	Raiffeisen stavební spořitelna a.s.	1 July 2022	Agreement to the Agreement to provide Back Office services of 29 April 2021
Agreement amending the Annexes	Raiffeisen stavební spořitelna a.s.	1 July 2022	Agreement to the Agreement for services of complex loan processing functions of 29 April 2021
Agreement amending the Annexes	Raiffeisen stavební spořitelna a.s.	1 July 2022	Agreement to the Agreement for Risk Controlling services of 29 April 2021
Agreement amending the Annexes	Raiffeisen stavební spořitelna a.s.	1 July 2022	Agreement to the Agreement for debt collection services of 29 April 2021
Agreement amending the Annexes	Raiffeisen stavební spořitelna a.s.	1 July 2022	Agreement to the Agreement for Internal Audit services of 25 May 2021
Agreement amending the Annexes	Raiffeisen stavební spořitelna a.s.	1 July 2022	Agreement to the Agreement for marketing services of 31 May 2021
Agreement amending the Annexes	Raiffeisen stavební spořitelna a.s.	1 July 2022	Agreement to the Agreement for information security and BCM services of 31 May 2021
Agreement amending the Annexes	Raiffeisen stavební spořitelna a.s.	1 July 2022	Agreement to the Agreement for CRM services of 31 May 2021
Agreement amending the Annexes	Raiffeisen stavební spořitelna a.s.	1 July 2022	Agreement to the Agreement for HR services of 17 June 2021

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Agreement amending the Annexes	Raiffeisen stavební spořitelna a.s.	1 July 2022	Agreement to the Agreement for early debt collection services of 23 June 2021
Agreement amending the Annexes	Raiffeisen stavební spořitelna a.s.	1 July 2022	Agreement to the Agreement to provide services for selected compliance activities of 30 June 2021
Debit card agreement	Raiffeisen stavební spořitelna a.s.	18 July 2022	The agreement creates a debit card for the client
Agreement amending the Annexes	Raiffeisen stavební spořitelna a.s.	1 August 2022	Agreement to the Agreement to provide services for selected compliance activities of 30 June 2021
Debit card agreement	Raiffeisen stavební spořitelna a.s.	29 August 2022	Issue of RBCZ payment card
Debit card agreement	Raiffeisen stavební spořitelna a.s.	8 September 2022	Issue of RBCZ payment card
Amendment No. 1 to Sales representation agreement CDR 17260 of 28 April 2021	Raiffeisen stavební spořitelna a.s.	13 October 2022	Complements the terms and conditions of sales representation in consumer loans / contractual commission
Product Annex: "Product specifications and specific offering terms – PI credit products"	Raiffeisen stavební spořitelna a.s.	13 October 2022	Specifications of the offered product
Agreement amending the terms	Raiffeisen stavební spořitelna a.s.	18 October 2022	Agreement to the Agreement to provide services for OVS and archiving activities of 29 April 2021
Agreement amending the terms	Raiffeisen stavební spořitelna a.s.	31 October 2022	Agreement to the Agreement for information security and BCM services of 31 May 2021
MREL obligation agreement	Raiffeisen stavební spořitelna a.s.	15 December 2022	The agreement stipulates the terms for performance under an obligation
Agreement to establish MREL security interest	Raiffeisen stavební spořitelna a.s.	15 December 2022	The agreement stipulates the terms of security interest over collateral
Agreement to accede to insurance	Raiffeisen stavební spořitelna a.s.	28 December 2022	Stipulates terms and conditions for acceding to insurance
Agreement to amend the Annexes to the Service Agreement (Back Office) of 29 April 2021	Raiffeisen stavební spořitelna a.s.	1 January 2023	Agreement to the Back Office Service Agreement
Agreement to amend the Annexes to the Agreement for information security and BCM services of 31 May 2021	Raiffeisen stavební spořitelna a.s.	1 January 2023	Agreement to the Agreement for information security and BCM services
Agreement to amend the Annexes to the Agreement for information security and BCM services of 31 May 2021	Raiffeisen stavební spořitelna a.s.	1 April 2023	Agreement to the Agreement for information security and BCM services
Amendment No. 2 to Sales representation agreement CDR17260 of 28 April 2021	Raiffeisen stavební spořitelna a.s.	4 April 2023	Complements the terms and conditions of sales representation in consumer loans / contractual commission
Contract for the provision of a surcharge outside the registered capital	Raiffeisen stavební spořitelna a.s.	18 April 2023	Contract for the provision of a surcharge outside the registered capital
Electronic Banking Agreement	Raiffeisen stavební spořitelna a.s.	20 April 2023	Electronic Banking Agreement
Service Agreement (balance sheet management)	Raiffeisen stavební spořitelna a.s.	30 May 2023	Service Agreement (balance sheet management)

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Agreement to amend the Annexes to the Agreement to provide IT services of 31 August 2021	Raiffeisen stavební spořitelna a.s.	1 June 2023	Agreement to the Agreement to provide IT services
Amendment No. 3 to Sales representation agreement CDR17260 of 28 April 2021	Raiffeisen stavební spořitelna a.s.	12 June 2023	Complements the terms and conditions of sales representation in consumer loans / contractual commission
Agreement to amend the Annexes to the Service Agreement (Back Office) of 29 April 2021	Raiffeisen stavební spořitelna a.s.	21 June 2023	Agreement to the Back Office Service Agreement
Agreement to amend the terms of the Agreement to provide services for OVS and archiving activities of 29 April 2021	Raiffeisen stavební spořitelna a.s.	1 July 2023	Agreement to the Agreement to provide services for OVS and archiving activities
Agreement to amend the Annexes to the Agreement for Risk Controlling services of 29 April 2021	Raiffeisen stavební spořitelna a.s.	1 July 2023	Agreement to the Agreement for Risk Controlling services
Agreement to amend the Annexes to the Agreement for services of complex loan processing functions of 29 April 2021	Raiffeisen stavební spořitelna a.s.	21 July 2023	Agreement to the Agreement for services of complex loan processing functions
Agreement to amend the Annexes to the Agreement to provide services for selected compliance activities of 30 June 2021	Raiffeisen stavební spořitelna a.s.	21 July 2023	Agreement to the Agreement to provide services for selected compliance activities
Agreement to amend the Annexes to the Agreement for HR services of 17 June 2021	Raiffeisen stavební spořitelna a.s.	21 July 2023	Agreement to the Agreement for HR services of 17 June 2021
Agreement to amend the Annexes to the Agreement for loan debt collection services of 29 April 2021	Raiffeisen stavební spořitelna a.s.	21 July 2023	Agreement to the Agreement for loan debt collection services
Agreement to amend the Annexes to the Agreement for early debt collection services of 23 June 2021	Raiffeisen stavební spořitelna a.s.	27 July 2023	Agreement to the Agreement for early debt collection services
Amendment No. 2 to the Agreement on sublease of business premises of 28 April 2021	Raiffeisen stavební spořitelna a.s.	31 July 2023	Amendment No. 2 to the Agreement on sublease of business premises
Agreement to amend the Annexes to the Agreement to provide services for OVS and archiving activities of 29 April 2021	Raiffeisen stavební spořitelna a.s.	2 August 2023	Agreement to the Agreement to provide services for OVS and archiving activities
Agreement to amend the Annexes to the Agreement for marketing services of 31 May 2021	Raiffeisen stavební spořitelna a.s.	2 August 2023	Agreement to the Agreement for marketing services
Agreement to amend the Annexes to the Agreement for CRM services of 31 May 2021	Raiffeisen stavební spořitelna a.s.	2 August 2023	Agreement to the Agreement for CRM services
Agreement to amend the Annexes to the Agreement for Internal Audit services of 25 May 2021	Raiffeisen stavební spořitelna a.s.	14 August 2023	Agreement to the Agreement for Internal Audit services

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Agreement to amend the Annexes to the Agreement to provide Analysis and Application Development services of 31 August 2021	Raiffeisen stavební spořitelna a.s.	28 August 2023	Agreement to the Agreement to provide Analysis and Application Development services
Agreement to amend the Annexes to the Agreement for Risk Controlling services of 29 April 2021	Raiffeisen stavební spořitelna a.s.	12 September 2023	Agreement to the Agreement for Risk Controlling services
Debit card agreement	Raiffeisen stavební spořitelna a.s.	13 September 2023	Provision of a debit card
Agreement to amend the Annexes to the Agreement to provide services for contact centre activities of 29 April 2021	Raiffeisen stavební spořitelna a.s.	2 November 2023	Agreement to the Agreement to provide services for contact centre activities
Agreement to amend the Annexes to the Service Agreement (Back Office) of 29 April 2021	Raiffeisen stavební spořitelna a.s.	21 November 2023	Agreement to the Back Office Service Agreement
Agreement to amend the Annexes to the Service Agreement (Back Office) of 29 April 2021	Raiffeisen stavební spořitelna a.s.	22 November 2023	Agreement to the Back Office Service Agreement
Agreement No. 6 to amend the Annexes to the Agreement for archiving, comprehensive scanning, facility management, technical Customer operations support services of 29 April 2021 (CDR50902)	Raiffeisen stavební spořitelna a.s.	12 December 2023	Agreement No. 6 to the Agreement
Agreement to amend the Annexes to the Agreement to provide IT services of 31 August 2021	Raiffeisen stavební spořitelna a.s.	1 January 2024	Agreement to the Agreement to provide IT services with effect from 1. 1. 2023
Agreement to amend the Annexes to the Agreement to provide IT services of 31 August 2021	Raiffeisen stavební spořitelna a.s.	26 January 2024	Agreement to the Agreement to provide IT services with effect from 1. 4. 2023
Agreement to amend the Annexes to the Agreement to provide IT services of 31 August 2021	Raiffeisen stavební spořitelna a.s.	26 January 2024	Agreement to the Agreement to provide IT services with effect from 1. 10. 2023

Raiffeisen – Leasing, s.r.o.

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Contract for the Sublease of Non-Residential Premises	Raiffeisen – Leasing, s.r.o.	28 August 2008	Sublease of non-residential premises / payment of rent
Amendment No. 1 to the Contract on the Sublease of Non-Residential Premises of 28 August 2008	Raiffeisen – Leasing, s.r.o.	15 June 2009	Change of contractual terms
Amendment No. 2 to the Contract on the Sublease of Non-Residential Premises of 28 August 2008	Raiffeisen – Leasing, s.r.o.	1 December 2009	Change of contractual terms
Cooperation agreement	Raiffeisen – Leasing, s.r.o.	13 December 2010	Definition of mutual cooperation in the provision of payment cards / payment of contractual commission

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Amendment No. 3 to the Contract on the Sublease of Non-Residential Premises of 28 August 2008	Raiffeisen – Leasing, s.r.o.	28 March 2011	Change of contractual terms
Loan agreement	Raiffeisen – Leasing, s.r.o.	28 March 2011	Provision of a loan / payment of contractual interest
Agreement on automatic balance transfers	Raiffeisen – Leasing, s.r.o.	28 April 2011	Cash pooling
Account agreement	Raiffeisen – Leasing, s.r.o.	21 July 2011	Agreement to open special accounts for clients of Raiffeisen-Leasing, s.r.o.
Account agreement	Raiffeisen – Leasing, s.r.o.	8 August 2011	Agreement to open special accounts for clients of Raiffeisen-Leasing, s.r.o.
Account agreement	Raiffeisen – Leasing, s.r.o.	11 July 2011	Agreement to open special accounts for clients of Raiffeisen-Leasing, s.r.o.
Treasury Master Agreement	Raiffeisen – Leasing, s.r.o.	20 February 2012	Agreement on rights and obligations related to transactions in the financial market
Personal Data Processing and Confidentiality Agreement	Raiffeisen – Leasing, s.r.o.	1 March 2012	Agreement on the processing of personal data and confidentiality as part of mutual business cooperation
Amendment No. 4 to the Contract on the Sublease of Non-Residential Premises of 28 August 2008	Raiffeisen – Leasing, s.r.o.	29 June 2012	Change of contractual terms
Agreement on Cooperation in Client Data Exchange	Raiffeisen – Leasing, s.r.o.	6 August 2012	Stipulation of rights and obligations in exchanging data for the purpose of business cooperation
Agreement on FTP Access	Raiffeisen – Leasing, s.r.o.	6 August 2012	Agreement on the use of a server for mutual exchange of data
Loan Contract No. 110157/2012/01	Raiffeisen – Leasing, s.r.o.	27 September 2012	Provision of a credit limit / payment of contractual interest
Amendment No. 1 to Loan Contract No. 110157/2012/01 of 27 September 2012	Raiffeisen – Leasing, s.r.o.	16 November 2012	Change of contractual terms
Amendment No. 1 to the Agreement on Cooperation in Client Data Exchange S/2012/02973	Raiffeisen – Leasing, s.r.o.	27 March 2013	Stipulation of rights and obligations of contracting parties in exchanging information
Non-exclusive sales representation agreement	Raiffeisen – Leasing, s.r.o.	18 April 2013	Stipulation of rights and obligations under non-exclusive sales representation / payment of contractual commissions
Amendment No. 5 to the Contract on the Sublease of Non-Residential Premises	Raiffeisen – Leasing, s.r.o.	28 June 2013	Change of contractual terms / payment of rent
Amendment No. 6 to the Contract on the Sublease of Non-Residential Premises	Raiffeisen – Leasing, s.r.o.	11 February 2014	Amendment No. 6 to the Contract on the Sublease of Non-Residential Premises
Amendment No. 7 to the Contract on the Sublease of Non-Residential Premises	Raiffeisen – Leasing, s.r.o.	24 November 2014	Amendment No. 7 to the Contract on the Sublease of Non-Residential Premises
Master service agreement	Raiffeisen – Leasing, s.r.o.	14 January 2015	Provision of payroll accounting and filing services / payment of contractual fees

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Amendment No. 12 to Loan Contract No. 110157/2012/01 of 27 September 2012	Raiffeisen – Leasing, s.r.o.	21 April 2015	Provision of a credit limit / payment of contractual interest
Agreement on risk participation and the provision of a special-purpose loan	Raiffeisen – Leasing, s.r.o.	15 May 2015	Agreement on risk participation and the provision of a special-purpose loan / payment of instalments and the participation share
Amendment No. 13 to Loan Contract No. 110157/2012/01	Raiffeisen – Leasing, s.r.o.	22 June 2015	Provision of a credit limit / payment of contractual interest
Escrow account agreement	Raiffeisen – Leasing, s.r.o.	24 June 2015	Opening and maintenance of an escrow account
Amendment No. 1 to Escrow Account Agreement	Raiffeisen – Leasing, s.r.o.	14 July 2015	Opening and maintenance of an escrow account
Limit approval – review of the loan and treasury line including its extension and increase	Raiffeisen – Leasing, s.r.o.	27 July 2015	Limit approval – review of the loan and treasury line including its extension and increase
Amendment No. 15 to Loan Contract No. 110157/2012/01	Raiffeisen – Leasing, s.r.o.	29 July 2015	Provision of a credit limit / payment of contractual interest
Amendment No. 14 to Loan Contract No. 110157/2012/01	Raiffeisen – Leasing, s.r.o.	31 July 2015	Provision of a credit limit / payment of contractual interest
Amendment No. 16 to Loan Contract No. 110157/2012/01	Raiffeisen – Leasing, s.r.o.	17 August 2015	Provision of a credit limit / payment of contractual interest
Contract on the opening and maintenance of account No. 5170012066 (EUR)	Raiffeisen – Leasing, s.r.o.	24 August 2015	Account opening and maintenance
Master Agreement – RB car fleet management	Raiffeisen – Leasing, s.r.o.	30 September 2015	RB car fleet management / payment of contractual fees
Amendment No. 17 to Loan Contract No. 110157/2012/01	Raiffeisen – Leasing, s.r.o.	30 September 2015	Provision of a credit limit / payment of contractual interest
Amendment No. 1 to the Non-exclusive sales representation agreement	Raiffeisen – Leasing, s.r.o.	29 October 2015	Sales representation / payment of contractual commissions
Contract on the opening and maintenance of account No. 5170012293 (EUR)	Raiffeisen – Leasing, s.r.o.	26 November 2015	Account opening and maintenance
Master agreement on risk participation and the provision of special-purpose loans	Raiffeisen – Leasing, s.r.o.	30 November 2015	Risk participation
Agreement on Cooperation in Compliance, Fraud Risk Management, Information Security and Physical Security	Raiffeisen – Leasing, s.r.o.	28 December 2015	Cooperation in the area of Compliance & Security / payment of contractual remuneration
Liability participation agreement S/2016/00211	Raiffeisen – Leasing, s.r.o.	4 January 2016	Participation in the liability of CEEC Research, s.r.o. / payment of the contractual amount
Agreement on Communication via the JIRA Application	Raiffeisen – Leasing, s.r.o.	21 March 2016	Inserting comments on audit tasks in the Follow Up Internal Audit Application in JIRA
Agreement on Confidentiality and Protection of Personal Data	Raiffeisen – Leasing, s.r.o.	25 November 2016	Personal Data Processing and Confidentiality Agreement and agreement on certain other arrangements
Amendment No. 18 to Loan Contract No. 110157/2012/01	Raiffeisen – Leasing, s.r.o.	29 April 2016	Provision of a credit limit / payment of contractual interest
Amendment No. 19 to Loan Contract No. 110157/2012/01	Raiffeisen – Leasing, s.r.o.	6 June 2016	Provision of a credit limit / payment of contractual interest

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Amendment No. 20 to Loan Contract No. 110157/2012/01	Raiffeisen – Leasing, s.r.o.	17 June 2016	Provision of a credit limit / payment of contractual interest
Amendment No. 21 to Loan Contract No. 110157/2012/01	Raiffeisen – Leasing, s.r.o.	29 July 2016	Provision of a credit limit / payment of contractual interest
Risk Participation Agreement Reg. No. PD/61467863/01/2016	Raiffeisen – Leasing, s.r.o.	23 June 2016	Risk participation / payment of contractual interest
Sub-license agreement	Raiffeisen – Leasing, s.r.o.	9 September 2016	Definition of the right to registered trademarks / payment of a contractual fee
Amendment No. 1 to the Liability Participation Agreement	Raiffeisen – Leasing, s.r.o.	7 November 2016	Extension of the contractual relationship for 2017
Amendment No. 8 to the Contract on the Sublease of Non-Residential Premises	Raiffeisen – Leasing, s.r.o.	16 December 2016	Change of the subject of sublease / change of rent
Confidentiality Agreement in Czech/English	Raiffeisen – Leasing, s.r.o.	31 January 2017	Rules governing the disclosure, use and protection of confidential information
Amendment No. 2 to the Non-exclusive sales representation agreement	Raiffeisen – Leasing, s.r.o.	15 February 2017	Sales representation / payment of contractual commissions
Agreement on risk participation and the provision of a special-purpose loan (SEVEROTISK, s.r.o.)	Raiffeisen – Leasing, s.r.o.	11 August 2017	Risk participation / payment of contractual interest
Agreement on risk participation and the provision of a special-purpose loan No. NDP/0001//01/29058481	Raiffeisen – Leasing, s.r.o.	17 August 2017	Lease participation of the client – FRAIKIN ČESKÁ REPUBLIKA, S.R.O. / payment of contractual interest
Electronic Banking Agreement	Raiffeisen – Leasing, s.r.o.	25 August 2017	Installation of the international e-Banking system (MultiCash 3.2) / payment of contractual fees
Amendment No. 2 to the Liability Participation Agreement	Raiffeisen – Leasing, s.r.o.	1 December 2017	Extension of the contractual relationship for 2018
Amendment No. 1 to the Master agreement on risk participation and the provision of special-purpose loans	Raiffeisen – Leasing, s.r.o.	12 December 2017	Change of contractual terms
Agreement on risk participation and the provision of a special-purpose loan (BENTELER Automotive Kláštěrec, s.r.o.)	Raiffeisen – Leasing, s.r.o.	28 December 2017	Risk participation / payment of contractual interest
Amendment No. 1 to the Agreement on risk participation and the provision of a special-purpose loan	Raiffeisen – Leasing, s.r.o.	25 January 2018	Change of contractual terms
Lease Contract No. 5019002659	Raiffeisen – Leasing, s.r.o.	25 January 2018	Provision of lease / payment of contractual interest
Agreement on risk participation and the provision of a special-purpose loan	Raiffeisen – Leasing, s.r.o.	1 February 2018	Risk participation / payment of contractual interest
Agreement on risk participation and the provision of a special-purpose loan	Raiffeisen – Leasing, s.r.o.	27 March 2018	Risk participation / payment of contractual interest
Master service agreement and Annexes 1-9	Raiffeisen – Leasing, s.r.o.	28 March 2018	Outsourcing of certain RLCZ services to RBCZ
Amendment No. 3 to the Non-exclusive sales representation agreement	Raiffeisen – Leasing, s.r.o.	3 April 2018	Change of contractual terms
Lease Contract No. 5019002671	Raiffeisen – Leasing, s.r.o.	30 April 2018	Provision of lease / payment of contractual interest
Lease Contract No. 5019002672	Raiffeisen – Leasing, s.r.o.	30 April 2018	Provision of lease / payment of contractual interest

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Lease Contract No. 5019002955	Raiffeisen – Leasing, s.r.o.	11 May 2018	Provision of lease / payment of contractual interest
Amendment No. 9 to the Contract on the Sublease of Non-Residential Premises of 28 August 2008	Raiffeisen – Leasing, s.r.o.	1 July 2018	Sublease of non-residential premises
Agreement on risk participation and the provision of a special-purpose loan No. 7108001799	Raiffeisen – Leasing, s.r.o.	11 July 2018	Risk participation / payment of contractual interest
Agreement on risk participation and the provision of a special-purpose loan No. 7108001800	Raiffeisen – Leasing, s.r.o.	11 July 2018	Risk participation / payment of contractual interest
Agreement on risk participation and the provision of a special-purpose loan No. 7108001801	Raiffeisen – Leasing, s.r.o.	12 July 2018	Risk participation / payment of contractual interest
Amendment No. 1 to the Agreement on risk participation and the provision of a special-purpose loan No. 7108001800	Raiffeisen – Leasing, s.r.o.	27 July 2018	Change of contractual terms
Lease Contract No. 5019003260	Raiffeisen – Leasing, s.r.o.	28 August 2018	Provision of lease / payment of contractual interest
Lease Contract No. 5019003354	Raiffeisen – Leasing, s.r.o.	28 August 2018	Provision of lease / payment of contractual interest
Lease Contract No. 5019003351	Raiffeisen – Leasing, s.r.o.	28 August 2018	Provision of lease / payment of contractual interest
Amendment No. 2 to the Agreement on risk participation and the provision of a special-purpose loan	Raiffeisen – Leasing, s.r.o.	19 September 2018	Change of contractual terms
Amendment No. 4 to the Non-exclusive sales representation agreement	Raiffeisen – Leasing, s.r.o.	1 October 2018	Change of contractual terms
Lease Contract No. 5019003393	Raiffeisen – Leasing, s.r.o.	1 October 2018	Provision of lease / payment of contractual interest
Lease Contract No. 5019003394	Raiffeisen – Leasing, s.r.o.	1 October 2018	Provision of lease / payment of contractual interest
Amendment No. 25 to Loan Contract No. 110157/2012/01	Raiffeisen – Leasing, s.r.o.	18 October 2018	Provision of a credit limit / payment of contractual interest
Lease Contract No. 5019003395	Raiffeisen – Leasing, s.r.o.	1 November 2018	Provision of lease / payment of contractual interest
Lease Contract No. 5019003396	Raiffeisen – Leasing, s.r.o.	1 November 2018	Provision of lease / payment of contractual interest
Lease Contract No. 5019003259	Raiffeisen – Leasing, s.r.o.	1 November 2018	Provision of lease / payment of contractual interest
Amendment No. 26 to Loan Contract No. 110157/2012/01	Raiffeisen – Leasing, s.r.o.	5 November 2018	Provision of a credit limit / payment of contractual interest
Amendment No. 2 to the Agreement on risk participation and the provision of a special-purpose loan No. 7108001800	Raiffeisen – Leasing, s.r.o.	21 November 2018	Change of contractual terms
Annex 10 to the Master service agreement	Raiffeisen – Leasing, s.r.o.	7 December 2018	Treasury services
Personal Data Processing Agreement	Raiffeisen – Leasing, s.r.o.	14 December 2018	Personal Data Processing Agreement
Personal Data Processing Agreement	Raiffeisen – Leasing, s.r.o.	14 December 2018	Personal Data Processing Agreement
Amendment No. 27 to Loan Contract No. 110157/2012/01	Raiffeisen – Leasing, s.r.o.	17 December 2018	Provision of a credit limit / payment of contractual interest
Annex 11 to the Master service agreement - Market risk management services	Raiffeisen – Leasing, s.r.o.	1 January 2019	Annex 11 - Service specifications / payment of contractual fees

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Lease Contract No. 5019003687	Raiffeisen – Leasing, s.r.o.	2 January 2019	Provision of lease / payment of contractual interest
Amendment No. 2 to the Master agreement on risk participation and the provision of special-purpose loans, reg. No. PD/01/2015/61467863	Raiffeisen – Leasing, s.r.o.	28 January 2019	Change of contractual terms
Lease Contract No. 5019003842	Raiffeisen – Leasing, s.r.o.	26 February 2019	Provision of lease / payment of contractual interest
Lease Contract No. 5019003846	Raiffeisen – Leasing, s.r.o.	26 February 2019	Provision of lease / payment of contractual interest
Lease Contract No. 5019003845	Raiffeisen – Leasing, s.r.o.	26 February 2019	Provision of lease / payment of contractual interest
Lease Contract No. 5019003844	Raiffeisen – Leasing, s.r.o.	26 February 2019	Provision of lease / payment of contractual interest
Lease Contract No. 5019003843	Raiffeisen – Leasing, s.r.o.	26 February 2019	Provision of lease / payment of contractual interest
Amendment No. 3 to the Agreement on risk participation and the provision of a special-purpose loan	Raiffeisen – Leasing, s.r.o.	8 April 2019	Amendment No. 3
Amendment to the Master Financial Market Trading Agreement CMA/0001/APR405/02/61467863	Raiffeisen – Leasing, s.r.o.	17 April 2019	Amendment to the Master agreement - amendment of special provisions
Lease Contract No. 5019004065	Raiffeisen – Leasing, s.r.o.	2 May 2019	Provision of lease / payment of contractual interest
Amendment No. 28 to Loan Contract No. 110157/2012/01	Raiffeisen – Leasing, s.r.o.	14 May 2019	Amendment to Loan Contract
Annex 12 to the Master service agreement - Client centre services	Raiffeisen – Leasing, s.r.o.	23 May 2019	Annex 1 - Service specifications / payment of contractual fees
Account opening and maintenance agreement No. 5170013966	Raiffeisen – Leasing, s.r.o.	10 June 2019	Account opening and maintenance
Account opening and maintenance agreement No. 5170013974	Raiffeisen – Leasing, s.r.o.	10 June 2019	Account opening and maintenance
Annex 13 to the Master service agreement - Operation risk management services	Raiffeisen – Leasing, s.r.o.	13 June 2019	Annex 13 - Service specifications / payment of contractual fees
Amendment No. 4 to the Agreement on risk participation and the provision of a special-purpose loan	Raiffeisen – Leasing, s.r.o.	13 June 2019	Amendment No. 4
Lease Contract No. 5019004191	Raiffeisen – Leasing, s.r.o.	17 June 2019	Provision of lease / payment of contractual interest
Lease Contract No. 5019004197	Raiffeisen – Leasing, s.r.o.	12 July 2019	Provision of lease / payment of contractual interest
Account opening and maintenance agreement No. 5170014029	Raiffeisen – Leasing, s.r.o.	15 July 2019	Account opening and maintenance
Participation Certificate	Raiffeisen – Leasing, s.r.o.	20 August 2019	50% leasing participation
Agreement on risk participation and the provision of a special-purpose loan LS/7008005192	Raiffeisen – Leasing, s.r.o.	21 August 2019	Risk participation and special-purpose loan
Lease Contract No. 5019004369	Raiffeisen – Leasing, s.r.o.	22 August 2019	Provision of lease / payment of contractual interest
Lease Contract No. 5019004538	Raiffeisen – Leasing, s.r.o.	24 September 2019	Provision of lease / payment of contractual interest
Amendment No. 5 to the Agreement on risk participation and the provision of a special-purpose loan	Raiffeisen – Leasing, s.r.o.	27 September 2019	Amendment No. 5 to the Agreement on risk participation and the provision of a special-purpose loan

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Lease Contract No. 5019004490	Raiffeisen – Leasing, s.r.o.	1 October 2019	Provision of lease / payment of contractual interest
Lease Contract No. 5019004491	Raiffeisen – Leasing, s.r.o.	1 October 2019	Provision of lease / payment of contractual interest
Lease Contract No. 5019004492	Raiffeisen – Leasing, s.r.o.	1 October 2019	Provision of lease / payment of contractual interest
Lease Contract No. 5019004539	Raiffeisen – Leasing, s.r.o.	7 October 2019	Provision of lease / payment of contractual interest
Lease Contract No. 5019004245	Raiffeisen – Leasing, s.r.o.	11 October 2019	Provision of lease / payment of contractual interest
Lease Contract No. 5019004243	Raiffeisen – Leasing, s.r.o.	11 October 2019	Provision of lease / payment of contractual interest
Lease Contract No. 5019004370	Raiffeisen – Leasing, s.r.o.	11 October 2019	Provision of lease / payment of contractual interest
Lease Contract No. 5019004241	Raiffeisen – Leasing, s.r.o.	11 October 2019	Provision of lease / payment of contractual interest
Lease Contract No. 5019004242	Raiffeisen – Leasing, s.r.o.	11 October 2019	Provision of lease / payment of contractual interest
Lease Contract No. 5019004246	Raiffeisen – Leasing, s.r.o.	16 October 2019	Provision of lease / payment of contractual interest
Lease Contract No. 5019004247	Raiffeisen – Leasing, s.r.o.	21 October 2019	Provision of lease / payment of contractual interest
Lease Contract No. 5019004248	Raiffeisen – Leasing, s.r.o.	21 October 2019	Provision of lease / payment of contractual interest
Lease Contract No. 5019004249	Raiffeisen – Leasing, s.r.o.	21 October 2019	Provision of lease / payment of contractual interest
Lease Contract No. 5019004250	Raiffeisen – Leasing, s.r.o.	21 October 2019	Provision of lease / payment of contractual interest
Lease Contract No. 5019004258	Raiffeisen – Leasing, s.r.o.	21 October 2019	Provision of lease / payment of contractual interest
Account opening and maintenance agreement No. 5170014037	Raiffeisen – Leasing, s.r.o.	23 October 2019	Account opening and maintenance
Lease Contract No. 5019004259	Raiffeisen – Leasing, s.r.o.	23 October 2019	Provision of lease / payment of contractual interest
Lease Contract No. 5019004251	Raiffeisen – Leasing, s.r.o.	23 October 2019	Provision of lease / payment of contractual interest
Lease Contract No. 5019004252	Raiffeisen – Leasing, s.r.o.	23 October 2019	Provision of lease / payment of contractual interest
Lease Contract No. 5019004264	Raiffeisen – Leasing, s.r.o.	24 October 2019	Provision of lease / payment of contractual interest
Lease Contract No. 5019004261	Raiffeisen – Leasing, s.r.o.	24 October 2019	Provision of lease / payment of contractual interest
Lease Contract No. 5019004260	Raiffeisen – Leasing, s.r.o.	24 October 2019	Provision of lease / payment of contractual interest
Lease Contract No. 5019004253	Raiffeisen – Leasing, s.r.o.	24 October 2019	Provision of lease / payment of contractual interest
Lease Contract No. 5019004254	Raiffeisen – Leasing, s.r.o.	25 October 2019	Provision of lease / payment of contractual interest
Lease Contract No. 5019004262	Raiffeisen – Leasing, s.r.o.	25 October 2019	Provision of lease / payment of contractual interest
Lease Contract No. 5019004263	Raiffeisen – Leasing, s.r.o.	25 October 2019	Provision of lease / payment of contractual interest
Lease Contract No. 5019004265	Raiffeisen – Leasing, s.r.o.	29 October 2019	Provision of a lease/payment of contractual interest
Agreement on risk participation and the provision of a special-purpose loan	Raiffeisen – Leasing, s.r.o.	29 October 2019	Risk participation and provision of a special-purpose loan
Lease Contract No. 5019004266	Raiffeisen – Leasing, s.r.o.	4 November 2019	Provision of lease / payment of contractual interest
Lease Contract No. 5019004267	Raiffeisen – Leasing, s.r.o.	4 November 2019	Provision of lease / payment of contractual interest
Lease Contract No. 5019004268	Raiffeisen – Leasing, s.r.o.	4 November 2019	Provision of lease / payment of contractual interest

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Lease Contract No. 5019004255	Raiffeisen – Leasing, s.r.o.	4 November 2019	Provision of lease / payment of contractual interest
Lease Contract No. 5019004607	Raiffeisen – Leasing, s.r.o.	6 November 2019	Provision of lease / payment of contractual interest
Lease Contract No. 5019004636	Raiffeisen – Leasing, s.r.o.	6 November 2019	Provision of lease / payment of contractual interest
Lease Contract No. 5019004256	Raiffeisen – Leasing, s.r.o.	8 November 2019	Provision of lease / payment of contractual interest
Annex 14 to the Master agreement on personal data protection services	Raiffeisen – Leasing, s.r.o.	14 November 2019	Data Protection Officer / payment of fixed fee
Lease Contract No. 5019004375	Raiffeisen – Leasing, s.r.o.	19 November 2019	Provision of lease / payment of contractual interest
Lease Contract No. 5019004371	Raiffeisen – Leasing, s.r.o.	19 November 2019	Provision of lease / payment of contractual interest
Lease Contract No. 5019004372	Raiffeisen – Leasing, s.r.o.	19 November 2019	Provision of lease / payment of contractual interest
Lease Contract No. 5019004373	Raiffeisen – Leasing, s.r.o.	19 November 2019	Provision of lease / payment of contractual interest
Lease Contract No. 5019004374	Raiffeisen – Leasing, s.r.o.	19 November 2019	Provision of lease / payment of contractual interest
Lease Contract No. 5019004269	Raiffeisen – Leasing, s.r.o.	19 November 2019	Provision of lease / payment of contractual interest
Lease Contract No. 5019004270	Raiffeisen – Leasing, s.r.o.	19 November 2019	Provision of lease / payment of contractual interest
Lease Contract No. 5019004257	Raiffeisen – Leasing, s.r.o.	19 November 2019	Provision of lease / payment of contractual interest
Amendment No. 1 to the Master service agreement S/2017/00498	Raiffeisen – Leasing, s.r.o.	26 November 2019	Amendment No. 1 to Master agreement
Agreement on risk participation and the provision of a special-purpose loan	Raiffeisen – Leasing, s.r.o.	26 November 2019	Trilateral agreement with Raiffeisen FinCorp, s.r.o. on risk participation and provision of a special-purpose loan
Lease Contract No. 5019004600	Raiffeisen – Leasing, s.r.o.	12 December 2019	Provision of lease / payment of contractual interest
Lease Contract No. 5019004635	Raiffeisen – Leasing, s.r.o.	12 December 2019	Provision of lease / payment of contractual interest
Lease Contract No. 5019004650	Raiffeisen – Leasing, s.r.o.	12 December 2019	Provision of lease / payment of contractual interest
Lease Contract No. 5019004272	Raiffeisen – Leasing, s.r.o.	12 December 2019	Provision of lease / payment of contractual interest
Lease Contract No. 5019004652	Raiffeisen – Leasing, s.r.o.	12 December 2019	Provision of lease / payment of contractual interest
Lease Contract No. 5019004271	Raiffeisen – Leasing, s.r.o.	12 December 2019	Provision of lease / payment of contractual interest
Lease Contract No. 5019004386	Raiffeisen – Leasing, s.r.o.	12 December 2019	Provision of lease / payment of contractual interest
Lease Contract No. 5019004425	Raiffeisen – Leasing, s.r.o.	12 December 2019	Provision of lease / payment of contractual interest
Agreement on risk participation and the provision of a special-purpose loan	Raiffeisen – Leasing, s.r.o.	23 December 2019	Risk participation and provision of a special-purpose loan
Agreement on risk participation and the provision of a special-purpose loan	Raiffeisen – Leasing, s.r.o.	23 December 2019	Risk participation and provision of a special-purpose loan
Lease Contract No. 5019004649	Raiffeisen – Leasing, s.r.o.	8 January 2020	Provision of lease / payment of contractual interest
Lease Contract No. 5019004692	Raiffeisen – Leasing, s.r.o.	20 January 2020	Provision of lease / payment of contractual interest
Lease Contract No. 5019004694	Raiffeisen – Leasing, s.r.o.	20 January 2020	Provision of lease / payment of contractual interest
Lease Contract No. 5019004695	Raiffeisen – Leasing, s.r.o.	20 January 2020	Provision of lease / payment of contractual interest

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Lease Contract No. 5019004696	Raiffeisen – Leasing, s.r.o.	20 January 2020	Provision of lease / payment of contractual interest
Lease Contract No. 5019004697	Raiffeisen – Leasing, s.r.o.	20 January 2020	Provision of lease / payment of contractual interest
Lease Contract No. 5019004698	Raiffeisen – Leasing, s.r.o.	20 January 2020	Provision of lease / payment of contractual interest
Lease Contract No. 5019004699	Raiffeisen – Leasing, s.r.o.	20 January 2020	Provision of lease / payment of contractual interest
Lease Contract No. 5019004608	Raiffeisen – Leasing, s.r.o.	20 January 2020	Provision of lease / payment of contractual interest
Lease Contract No. 5019004609	Raiffeisen – Leasing, s.r.o.	20 January 2020	Provision of lease / payment of contractual interest
Lease Contract No. 5019004610	Raiffeisen – Leasing, s.r.o.	20 January 2020	Provision of lease / payment of contractual interest
Lease Contract No. 5019004611	Raiffeisen – Leasing, s.r.o.	20 January 2020	Provision of lease / payment of contractual interest
Lease Contract No. 5019004612	Raiffeisen – Leasing, s.r.o.	20 January 2020	Provision of lease / payment of contractual interest
Lease Contract No. 5019004613	Raiffeisen – Leasing, s.r.o.	20 January 2020	Provision of lease / payment of contractual interest
Lease Contract No. 5019004614	Raiffeisen – Leasing, s.r.o.	20 January 2020	Provision of lease / payment of contractual interest
Lease Contract No. 5019004615	Raiffeisen – Leasing, s.r.o.	20 January 2020	Provision of lease / payment of contractual interest
Lease Contract No. 5019004616	Raiffeisen – Leasing, s.r.o.	20 January 2020	Provision of lease / payment of contractual interest
Lease Contract No. 5019004617	Raiffeisen – Leasing, s.r.o.	20 January 2020	Provision of lease / payment of contractual interest
Lease Contract No. 5019004689	Raiffeisen – Leasing, s.r.o.	20 January 2020	Provision of lease / payment of contractual interest
Lease Contract No. 5019004690	Raiffeisen – Leasing, s.r.o.	20 January 2020	Provision of lease / payment of contractual interest
Lease Contract No. 5019004691	Raiffeisen – Leasing, s.r.o.	20 January 2020	Provision of lease / payment of contractual interest
Lease Contract No. 5019004693	Raiffeisen – Leasing, s.r.o.	20 January 2020	Provision of lease / payment of contractual interest
Lease Contract No. 5019004700	Raiffeisen – Leasing, s.r.o.	20 January 2020	Provision of lease / payment of contractual interest
Amendment No. 1 to Lease Contract No. 5019003354	Raiffeisen – Leasing, s.r.o.	24 January 2020	Lease contract amendment
Amendment No. 1 to Lease Contract No. 5019003351	Raiffeisen – Leasing, s.r.o.	24 January 2020	Lease contract amendment
Amendment No. 1 to Lease Contract No. 5019004065	Raiffeisen – Leasing, s.r.o.	24 January 2020	Lease contract amendment
Amendment No. 1 to Lease Contract No. 5019004191	Raiffeisen – Leasing, s.r.o.	24 January 2020	Lease contract amendment
Amendment No. 1 to Lease Contract No. 5019004267	Raiffeisen – Leasing, s.r.o.	24 January 2020	Lease contract amendment
Amendment No. 1 to Lease Contract No. 5019002955	Raiffeisen – Leasing, s.r.o.	24 January 2020	Lease contract amendment
Amendment No. 1 to Lease Contract No. 5019002672	Raiffeisen – Leasing, s.r.o.	24 January 2020	Lease contract amendment
Amendment No. 1 to Lease Contract No. 5019002671	Raiffeisen – Leasing, s.r.o.	24 January 2020	Lease contract amendment
Lease Contract No. 5019004701	Raiffeisen – Leasing, s.r.o.	6 February 2020	Provision of lease / payment of contractual interest
Lease Contract No. 5019004702	Raiffeisen – Leasing, s.r.o.	6 February 2020	Provision of lease / payment of contractual interest
Lease Contract No. 5019004703	Raiffeisen – Leasing, s.r.o.	6 February 2020	Provision of lease / payment of contractual interest
Lease Contract No. 5019004704	Raiffeisen – Leasing, s.r.o.	6 February 2020	Provision of lease / payment of contractual interest
Lease Contract No. 5019004705	Raiffeisen – Leasing, s.r.o.	6 February 2020	Provision of lease / payment of contractual interest

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Lease Contract No. 5019004706	Raiffeisen – Leasing, s.r.o.	6 February 2020	Provision of lease / payment of contractual interest
Lease Contract No. 5019004707	Raiffeisen – Leasing, s.r.o.	6 February 2020	Provision of lease / payment of contractual interest
Lease Contract No. 5019004708	Raiffeisen – Leasing, s.r.o.	6 February 2020	Provision of lease / payment of contractual interest
Lease Contract No. 5019004709	Raiffeisen – Leasing, s.r.o.	6 February 2020	Provision of lease / payment of contractual interest
Lease Contract No. 5019005106	Raiffeisen – Leasing, s.r.o.	14 February 2020	Provision of lease / payment of contractual interest
Lease Contract No. 5019005107	Raiffeisen – Leasing, s.r.o.	14 February 2020	Provision of lease / payment of contractual interest
Lease Contract No. 5019005108	Raiffeisen – Leasing, s.r.o.	14 February 2020	Provision of lease / payment of contractual interest
Lease Contract No. 5019005109	Raiffeisen – Leasing, s.r.o.	14 February 2020	Provision of lease / payment of contractual interest
Lease Contract No. 5019005110	Raiffeisen – Leasing, s.r.o.	14 February 2020	Provision of lease / payment of contractual interest
Lease Contract No. 5019005111	Raiffeisen – Leasing, s.r.o.	14 February 2020	Provision of lease / payment of contractual interest
Lease Contract No. 5019005112	Raiffeisen – Leasing, s.r.o.	14 February 2020	Provision of lease / payment of contractual interest
Lease Contract No. 5019005095	Raiffeisen – Leasing, s.r.o.	14 February 2020	Provision of lease / payment of contractual interest
Lease Contract No. 5019005136	Raiffeisen – Leasing, s.r.o.	14 February 2020	Provision of lease / payment of contractual interest
Lease Contract No. 5019005096	Raiffeisen – Leasing, s.r.o.	14 February 2020	Provision of lease / payment of contractual interest
Lease Contract No. 5019005097	Raiffeisen – Leasing, s.r.o.	14 February 2020	Provision of lease / payment of contractual interest
Lease Contract No. 5019005098	Raiffeisen – Leasing, s.r.o.	14 February 2020	Provision of lease / payment of contractual interest
Lease Contract No. 5019005099	Raiffeisen – Leasing, s.r.o.	14 February 2020	Provision of lease / payment of contractual interest
Lease Contract No. 5019005100	Raiffeisen – Leasing, s.r.o.	14 February 2020	Provision of lease / payment of contractual interest
Lease Contract No. 5019005101	Raiffeisen – Leasing, s.r.o.	14 February 2020	Provision of lease / payment of contractual interest
Lease Contract No. 5019005102	Raiffeisen – Leasing, s.r.o.	14 February 2020	Provision of lease / payment of contractual interest
Lease Contract No. 5019005103	Raiffeisen – Leasing, s.r.o.	14 February 2020	Provision of lease / payment of contractual interest
Lease Contract No. 5019005104	Raiffeisen – Leasing, s.r.o.	14 February 2020	Provision of lease / payment of contractual interest
Lease Contract No. 5019005105	Raiffeisen – Leasing, s.r.o.	14 February 2020	Provision of lease / payment of contractual interest
Lease Contract No. 5019005113	Raiffeisen – Leasing, s.r.o.	14 February 2020	Provision of lease / payment of contractual interest
Lease Contract No. 5019005114	Raiffeisen – Leasing, s.r.o.	14 February 2020	Provision of lease / payment of contractual interest
Lease Contract No. 5019005115	Raiffeisen – Leasing, s.r.o.	14 February 2020	Provision of lease / payment of contractual interest
Lease Contract No. 5019005116	Raiffeisen – Leasing, s.r.o.	14 February 2020	Provision of lease / payment of contractual interest
Lease Contract No. 5019005117	Raiffeisen – Leasing, s.r.o.	14 February 2020	Provision of lease / payment of contractual interest
Lease Contract No. 5019005118	Raiffeisen – Leasing, s.r.o.	14 February 2020	Provision of lease / payment of contractual interest
Lease Contract No. 5019005119	Raiffeisen – Leasing, s.r.o.	14 February 2020	Provision of lease / payment of contractual interest
Lease Contract No. 5019005120	Raiffeisen – Leasing, s.r.o.	14 February 2020	Provision of lease / payment of contractual interest
Lease Contract No. 5019005121	Raiffeisen – Leasing, s.r.o.	14 February 2020	Provision of lease / payment of contractual interest

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Lease Contract No. 5019005122	Raiffeisen – Leasing, s.r.o.	14 February 2020	Provision of lease / payment of contractual interest
Lease Contract No. 5019005123	Raiffeisen – Leasing, s.r.o.	14 February 2020	Provision of lease / payment of contractual interest
Lease Contract No. 5019005124	Raiffeisen – Leasing, s.r.o.	14 February 2020	Provision of lease / payment of contractual interest
Lease Contract No. 5019005125	Raiffeisen – Leasing, s.r.o.	14 February 2020	Provision of lease / payment of contractual interest
Lease Contract No. 5019005126	Raiffeisen – Leasing, s.r.o.	14 February 2020	Provision of lease / payment of contractual interest
Lease Contract No. 5019005127	Raiffeisen – Leasing, s.r.o.	14 February 2020	Provision of lease / payment of contractual interest
Lease Contract No. 5019005128	Raiffeisen – Leasing, s.r.o.	14 February 2020	Provision of lease / payment of contractual interest
Lease Contract No. 5019005129	Raiffeisen – Leasing, s.r.o.	14 February 2020	Provision of lease / payment of contractual interest
Lease Contract No. 5019005130	Raiffeisen – Leasing, s.r.o.	14 February 2020	Provision of lease / payment of contractual interest
Lease Contract No. 5019005131	Raiffeisen – Leasing, s.r.o.	14 February 2020	Provision of lease / payment of contractual interest
Lease Contract No. 5019005132	Raiffeisen – Leasing, s.r.o.	14 February 2020	Provision of lease / payment of contractual interest
Lease Contract No. 5019005133	Raiffeisen – Leasing, s.r.o.	14 February 2020	Provision of lease / payment of contractual interest
Lease Contract No. 5019005134	Raiffeisen – Leasing, s.r.o.	14 February 2020	Provision of lease / payment of contractual interest
Lease Contract No. 5019005135	Raiffeisen – Leasing, s.r.o.	14 February 2020	Provision of lease / payment of contractual interest
Agreement to Provide X-business Internet Banking Services No. 600090	Raiffeisen – Leasing, s.r.o.	18 March 2020	Stipulates terms and conditions for providing internet banking services
Annex 7 to Master Service Agreement between Raiffeisenbank a.s. and Raiffeisen – Leasing a.s.	Raiffeisen – Leasing, s.r.o.	31 March 2020	Annex to the Master Agreement
Agreement on risk participation and the provision of a special-purpose loan, reg. No. 7168000018	Raiffeisen – Leasing, s.r.o.	8 April 2020	Agreement on risk participation and the provision of a special-purpose loan / payment of instalments and the participation share
Agreement on risk participation and the provision of a special-purpose loan, reg. No. 7168000037	Raiffeisen – Leasing, s.r.o.	11 May 2020	Agreement on risk participation and the provision of a special-purpose loan / payment of instalments and the participation share
Agreement on risk participation and the provision of a special-purpose loan, reg. No. 7168000038	Raiffeisen – Leasing, s.r.o.	11 May 2020	Agreement on risk participation and the provision of a special-purpose loan / payment of instalments and the participation share
Agreement on risk participation and the provision of a special-purpose loan, reg. No. 7168000052	Raiffeisen – Leasing, s.r.o.	11 May 2020	Agreement on risk participation and the provision of a special-purpose loan / payment of instalments and the participation share
Amendment No. 3 to the Master service agreement S/2017/00498	Raiffeisen – Leasing, s.r.o.	12 May 2020	Amendment to Master Agreement
Lease Contract No. 5019004921	Raiffeisen – Leasing, s.r.o.	10 June 2020	Provision of lease / payment of contractual interest
Lease Contract No. 5019004924	Raiffeisen – Leasing, s.r.o.	10 June 2020	Provision of lease / payment of contractual interest
Lease Contract No. 5019004925	Raiffeisen – Leasing, s.r.o.	10 June 2020	Provision of lease / payment of contractual interest

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Lease Contract No. 5019004923	Raiffeisen – Leasing, s.r.o.	18 June 2020	Provision of lease / payment of contractual interest
Lease Contract No. 5019004926	Raiffeisen – Leasing, s.r.o.	19 June 2020	Provision of lease / payment of contractual interest
Amendment No. 2 to the Agreement on Cooperation in Client Data Exchange S/2012/02973	Raiffeisen – Leasing, s.r.o.	24 June 2020	Amendment to the Cooperation agreement
Amendment No. 2 to the Master service agreement S/2017/00498	Raiffeisen – Leasing, s.r.o.	7 July 2020	Amendment to Master Agreement
Lease Contract No. 5019004922	Raiffeisen – Leasing, s.r.o.	21 July 2020	Provision of lease / payment of contractual interest
Agreement on risk participation and the provision of a special-purpose loan 7004003612	Raiffeisen – Leasing, s.r.o.	12 August 2020	50% leasing participation
Agreement on risk participation and the provision of a special-purpose loan 7004003613	Raiffeisen – Leasing, s.r.o.	13 August 2020	50% leasing participation
Amendment No. 1 to Lease Contract No. 5019003846	Raiffeisen – Leasing, s.r.o.	31 August 2020	Lease contract amendment
Amendment No. 10 to the Contract on the Sublease of Non-Residential Premises	Raiffeisen – Leasing, s.r.o.	8 September 2020	Amendment to the Sublease agreement
Annex 15 to Master Service Agreement between Raiffeisenbank a.s. and Raiffeisen – Leasing s.r.o.	Raiffeisen – Leasing, s.r.o.	26 November 2020	Annex to the Master Agreement
Amendment No. 1 to the Agreement on risk participation and the provision of a special-purpose loan reg. No. 7008005192	Raiffeisen – Leasing, s.r.o.	12 February 2021	Amendment No. 1 to the Agreement (Leo Expres)
Amendment No. 5 to the Non-exclusive sales representation agreement	Raiffeisen – Leasing, s.r.o.	2 March 2021	Amendment modifies Articles I.11, I.12 and I.13 of the Agreement
Amendment No. 1 to the Agreement on risk participation and the provision of a special-purpose loan	Raiffeisen – Leasing, s.r.o.	7 April 2021	Amendment No. 1 to the Agreement (Gaudí Group)
Amendment No. 6 to the Non-exclusive sales representation agreement	Raiffeisen – Leasing, s.r.o.	21 April 2021	Amendment modifies the Article on commission amount
Amendment No. 1 to the Agreement on risk participation and the provision of a special-purpose loan	Raiffeisen – Leasing, s.r.o. Raiffeisen FinCorp, s.r.o.	3 May 2021	Amendment No. 1 to the Agreement (Farářství 3 (formerly KAPMC, now Theia Property))
Agreement on risk participation and the provision of a special-purpose loan, reg. No. 7104001204	Raiffeisen – Leasing, s.r.o.	12 May 2021	Agreement on risk participation and the provision of a special-purpose loan / payment of instalments and the participation share
Annex 3 to the Master service agreement between RBCZ and RLCZ	Raiffeisen – Leasing, s.r.o.	13 May 2021	Specifies details of information security and BCM services
Amendment No. 2 to the Agreement on risk participation and the provision of a special-purpose loan	Raiffeisen – Leasing, s.r.o.	17 June 2021	Amendment No. 2 to the Agreement (Tevarial Hold a.s.)
Amendment No. 2 to the Agreement on risk participation and the provision of a special-purpose loan	Raiffeisen – Leasing, s.r.o.	17 June 2021	Amendment No. 2 to the Agreement (Gaudí Group)

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Agreement to forward information in mutual cooperation CDR13474	Raiffeisen – Leasing, s.r.o.	30 June 2021	Forwarding of data from data warehouses
Amendment No. 1 to the Agreement on risk participation and the provision of a special-purpose loan	Raiffeisen – Leasing, s.r.o. Raiffeisen FinCorp, s.r.o.	30 June 2021	Amendment No. 1 to the Agreement (Smilova (Theia Property))
Amendment No. 32 to Loan Contract No. 110157/2012/01	Raiffeisen – Leasing, s.r.o.	19 July 2021	Provision of a credit limit / payment of contractual interest
Framework agreement on data protection and transfers CDR19980	Raiffeisen – Leasing, s.r.o.	4 August 2021	Stipulates binding rules for data protection and transfers
Special agreement No. 16 CDR19980	Raiffeisen – Leasing, s.r.o.	23 August 2021	Specifies details of transfers and protection of data specified in Annex 14 to the Framework agreement
Agreement on risk participation and the provision of a special-purpose loan, reg. No. 7000800006	Raiffeisen – Leasing, s.r.o.	19 November 2021	Agreement on risk participation and the provision of a special-purpose loan / payment of instalments and the participation share
Agreement on risk participation and the provision of a special-purpose loan, reg. No. 7000800001	Raiffeisen – Leasing, s.r.o.	19 November 2021	Agreement on risk participation and the provision of a special-purpose loan / payment of instalments and the participation share
Agreement on risk participation and the provision of a special-purpose loan, reg. No. 7000800002	Raiffeisen – Leasing, s.r.o.	19 November 2021	Agreement on risk participation and the provision of a special-purpose loan / payment of instalments and the participation share
Agreement on risk participation and the provision of a special-purpose loan, reg. No. 7000800003	Raiffeisen – Leasing, s.r.o.	19 November 2021	Agreement on risk participation and the provision of a special-purpose loan / payment of instalments and the participation share
Agreement on risk participation and the provision of a special-purpose loan, reg. No. 7000800004	Raiffeisen – Leasing, s.r.o.	30 November 2021	Agreement on risk participation and the provision of a special-purpose loan / payment of instalments and the participation share
Agreement to accede to insurance (UNIQA pojišťovna)	Raiffeisen – Leasing, s.r.o.	8 December 2021	Stipulates terms and conditions for acceding to insurance
Special agreement No. 6 CDR19980	Raiffeisen – Leasing, s.r.o.	15 December 2021	Specifies details of Compliance and Financial Crime Management data transfers and protection
Special agreement No. 13 CDR19980	Raiffeisen – Leasing, s.r.o.	27 December 2021	Specifies details for client centre data transfers and protection
Special agreement No. 4 CDR19980	Raiffeisen – Leasing, s.r.o.	29 December 2021	Specifies details for internal audit data transfers and protection
Special agreement No. 9 CDR19980	Raiffeisen – Leasing, s.r.o.	29 December 2021	Specifies details for filing data transfers and protection
Amendment to Lease Contracts	Raiffeisen – Leasing, s.r.o.	1 January 2022	Amendment to Lease Contracts
Agreement on risk participation and the provision of a special-purpose loan, reg. No. 7000800005	Raiffeisen – Leasing, s.r.o.	5 January 2022	Agreement on risk participation and the provision of a special-purpose loan / payment of instalments and the participation share

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Special agreement No. 11 under Article I, paragraph 5 of the Framework agreement on data protection and transfers	Raiffeisen – Leasing, s.r.o.	17 January 2022	Separate contract under the Framework Agreement
Annex 16 to the Master agreement for OSH, fire protection and inspection services	Raiffeisen – Leasing, s.r.o.	21 February 2022	Annex 16 to the Master Agreement
Special agreement No. 5 under Article I, paragraph 5 of the Framework agreement on data protection and transfers No. CDR19980	Raiffeisen – Leasing, s.r.o.	28 March 2022	Separate contract under the Framework Agreement
Agreement on risk participation and the provision of a special-purpose loan, reg. No. 7100800002	Raiffeisen – Leasing, s.r.o.	30 March 2022	Agreement on risk participation and the provision of a special-purpose loan / payment of instalments and the participation share
Annex 4 to the Master Agreement for Compliance and Financial Crime Management Services	Raiffeisen – Leasing, s.r.o.	17 May 2022	Annex 4 to the Master Agreement
Special agreement No. 7 under Article I, paragraph 5 of the Framework agreement on data protection and transfers No. CDR19980	Raiffeisen – Leasing, s.r.o.	10 June 2022	Separate contract under the Framework Agreement
Amendment No. 33 to Loan Contract No. 110157/2012/01	Raiffeisen – Leasing, s.r.o.	29 June 2022	The amendment extends the credit limit under the agreement of 27 September 2012
Master agreement for financing in the form of operating lease with services	Raiffeisen – Leasing, s.r.o.	19 July 2022	Master Agreement
Agreement to pledge a share in a limited liability company	Raiffeisen – Leasing, s.r.o.	22 July 2022	Agreement to pledge a share
Agreement on risk participation and the provision of a special-purpose loan (Aiolos)	Raiffeisen – Leasing, s.r.o.	22 July 2022	Risk participation agreement
Annex 10 to Master Service Agreement between Raiffeisenbank a.s. and Raiffeisen – Leasing s.r.o.	Raiffeisen – Leasing, s.r.o.	7 September 2022	Specification of provided Treasury services
Special agreement No. 12 under Article I, paragraph 5 of the Framework agreement on data protection and transfers No. CDR19980	Raiffeisen – Leasing, s.r.o.	7 September 2022	Separate contract under the Framework Agreement
Agreement to pledge a share in a limited liability company	Raiffeisen – Leasing, s.r.o.	22 July 2022	Agreement to pledge a share
Agreement on risk participation and the provision of a special-purpose loan (Aiolos Property, s.r.o.)	Raiffeisen – Leasing, s.r.o.	22 July 2022	Risk participation agreement
Agreement on risk participation and the provision of a special-purpose loan	Raiffeisen – Leasing, s.r.o. Raiffeisen FinCorp, s.r.o.	23 September 2022	Risk participation and provision of a loan
Annex 7 to the Master service agreement	Raiffeisen – Leasing, s.r.o.	3 October 2022	Annex 7 to the Agreement
Debit card agreement	Raiffeisen – Leasing, s.r.o.	12 October 2022	The agreement creates a debit card for the client
Annex 3 to the Master agreement for Security services	Raiffeisen – Leasing, s.r.o.	2 November 2022	Amendment No. 3 to the Agreement

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Annex 2 to the Master service agreement - Internal audit services	Raiffeisen – Leasing, s.r.o.	7 November 2022	Amendment No. 2 to the Agreement
Amendment to Lease Contracts	Raiffeisen – Leasing, s.r.o.	1 December 2022	Collective amendment to change the price and type of assistance provided to management vehicles
Amendment to Lease Contracts	Raiffeisen – Leasing, s.r.o.	1 December 2022	Collective amendment to change the price and type of assistance provided to other vehicles
Cooperation agreement	Raiffeisen - Leasing, s.r.o.	12 December 2022	Stipulates terms and conditions of cooperation in financial product sales / contractual commission
Product Annex 1: "Product specifications and specific offering terms – MICRO credit products" to the Cooperation agreement of 12 December 2022	Raiffeisen - Leasing, s.r.o.	12 December 2022	Amendment No. 1 to the Cooperation agreement
Special agreement No. 19 under Article I, paragraph 5 of the Framework agreement on data protection and transfers	Raiffeisen - Leasing, s.r.o.	12 December 2022	Concluded in respect of the Cooperation agreement - specifies the transferred personal data
Agreement on risk participation and the provision of a special-purpose loan, reg. No. 7100800080	Raiffeisen - Leasing, s.r.o.	20 December 2022	Agreement on risk participation and the provision of a special-purpose loan / payment of instalments and the participation share
Annex 2 to Master Service Agreement between Raiffeisenbank a.s. and Raiffeisen – Leasing s.r.o. Internal audit services	Raiffeisen - Leasing, s.r.o.	9 January 2023	Annex 2 to the IA Master Agreement
Termination of Debit card agreement	Raiffeisen - Leasing, s.r.o.	17 January 2023	Agreement termination
Termination of Debit card agreement	Raiffeisen - Leasing, s.r.o.	17 January 2023	Agreement termination
Agreement on the terms of account balance interest	Raiffeisen - Leasing, s.r.o.	1 March 2023	The agreement stipulates the interest applied to the account balance (CZK)
Agreement on the terms of account balance interest	Raiffeisen - Leasing, s.r.o.	1 March 2023	The agreement stipulates the interest applied to the account balance (EUR)
Annex 9 to Master Service Agreement between Raiffeisenbank a.s. and Raiffeisen – Leasing s.r.o. Risk management services	Raiffeisen - Leasing, s.r.o.	7 March 2023	Annex 9 to the Risk management master agreement
Debit card agreement	Raiffeisen - Leasing, s.r.o.	13 March 2023	Provision of a debit card
Amendment No. 2 to the Agreement on risk participation and the provision of a special-purpose loan reg. No. LS/7008005192	Raiffeisen - Leasing, s.r.o.	13 April 2023	Amendment to the participation agreement
Contract for the provision of a surcharge outside the registered capital	Raiffeisen - Leasing, s.r.o.	18 April 2023	RLCZ capital injection
Amendment No. 3 to the Agreement on risk participation and the provision of a special-purpose loan reg. No. LS/7008005192	Raiffeisen - Leasing, s.r.o.	25 April 2023	Amendment to the participation agreement

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Agreement on risk participation and the provision of a special-purpose loan	Raiffeisen - Leasing, s.r.o. Raiffeisen FinCorp, s.r.o.	27 April 2023	Risk participation
Debit card agreement	Raiffeisen - Leasing, s.r.o.	28 April 2023	Provision of a debit card
Termination of Debit card agreement	Raiffeisen - Leasing, s.r.o.	28 April 2023	Agreement termination
Amendment No. 1 to the Agreement on risk participation and the provision of a special-purpose loan	Raiffeisen - Leasing, s.r.o. Raiffeisen FinCorp, s.r.o.	10 May 2023	Amendment No. 1 to the Agreement of 27 April 2023
Special agreement No. 8 under Article I, paragraph 5 of the Framework agreement on data protection and transfers No. CDR19980	Raiffeisen - Leasing, s.r.o.	26 May 2023	Special agreement on data protection and transfers
Cooperation agreement CDR42863	Raiffeisen - Leasing, s.r.o.	31 May 2023	Cooperation agreement; The agreement Annexes deal with the particular segments - Annex 2 deals with the terms and cooperation in SE&MM
Cooperation agreement CDR42898	Raiffeisen - Leasing, s.r.o.	31 May 2023	Cooperation agreement; The agreement Annexes deal with the particular segments - Annex 1 deals with the terms and cooperation in SE&MM. This agreement replaces the Cooperation Agreement of 12 May 2021.
Amendment No. 34 to Loan Contract No. 110157/2012/1	Raiffeisen - Leasing, s.r.o.	1 June 2023	Introduction of a call option for the bank
Amendment No. 35 to Loan Contract No. 110157/2012/1	Raiffeisen - Leasing, s.r.o.	28 June 2023	RLCZ credit limit increase
Special agreement No. 20 under Article I, paragraph 5 of the Framework agreement on data protection and transfers No. CDR19980	Raiffeisen - Leasing, s.r.o.	1 June 2023	Special agreement on data protection and transfers
Agreement on the exercise of rights and obligations	Raiffeisen - Leasing, s.r.o.	8 June 2023	Agreement on the exercise of rights and obligations
Cooperation agreement for the "Unconverted applications" pilot project	Raiffeisen - Leasing, s.r.o.	1 August 2023	Pilot project agreement
Annex 5 to the HO Private Banking cooperation agreement	Raiffeisen - Leasing, s.r.o.	15 August 2023	Annex 5 to the Private banking agreement
Annex 8 to the Master agreement for IT services	Raiffeisen - Leasing, s.r.o.	1 October 2023	Annex 8 to the IT master agreement
Annex 4 to the PI segment cooperation agreement	Raiffeisen - Leasing, s.r.o.	4 October 2023	Annex 4 to the PI segment agreement
Special agreement No. 21 under Article I, paragraph 5 of the Framework agreement on data protection and transfers No. CDR19980	Raiffeisen - Leasing, s.r.o.	4 October 2023	Special agreement No. 21 on data protection and transfers
Agreement on risk participation and the provision of a special-purpose loan	Raiffeisen - Leasing, s.r.o.	5 October 2023	Risk participation
Amendment No. 36 to Loan Contract No. 110157/2012/01	Raiffeisen - Leasing, s.r.o.	29 November 2023	Amendment to Loan Contract

In addition to the contracts mentioned above, Raiffeisenbank a.s. and Raiffeisen – Leasing s.r.o. entered into 55 lease contracts for fleet vehicles, 8 early termination agreements and 43 amendments to existing lease contracts for fleet vehicles during 2023.

Raiffeisen Direct Investments CZ s.r.o.

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Agreement to accede to insurance	Raiffeisen Direct Investments CZ s.r.o. UNIQA pojišťovna, a.s.	8 December 2021	Stipulates terms and conditions for acceding to insurance
Agreement to discharge liability No. 5170013915	Raiffeisen Direct Investments CZ s.r.o.	20 July 2022	The agreement closes an account

As of 31 December 2023, Raiffeisenbank a.s. was related to a total of 134 companies (see the list in Chapter 1.2) indirectly through Raiffeisen-Leasing, s.r.o., with which it concluded contracts for the opening and maintenance of a current account. On the basis of such contracts, it received standard contractual fees from and paid standard contractual interest to the companies. Also, Raiffeisenbank a.s. concluded contracts for the use of electronic banking, or authorisation to use electronic banking, with these companies, based on which it received standard contractual fees from the above companies. The bank has also concluded loan or lease contracts with some of the above companies, based on which it received current interest. Furthermore, Raiffeisenbank a.s. has several Treasury Master Agreements with these companies, the subject-matter of which is the provision of trades concluded on the money and capital markets and payment of contractual fees.

Raiffeisenbank a.s. also provides the Multicash platform to the above companies.

In 2023, Raiffeisenbank a.s. connected accounts to the Multicash installation for the following companies:

Agave Property, s.r.o., Beskydská brána s.r.o., Bytové družstvo Žerotínova 58, Clio Property, s.r.o., Doris Property, s.r.o., Dota Property, s.r.o., Ephyra Property, s.r.o., Galene Property, s.r.o., Melite Property, s.r.o., Neso Property, s.r.o., OC Chrpa a.s., Panope Property, s.r.o., Plutos Property, s.r.o., Sao Property, s.r.o.

Raiffeisen FinCorp, s.r.o.

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Master agreement on banking loan products, reg. No. 114429/2014/01	Raiffeisen FinCorp, s.r.o.	29 October 2014	Master agreement on the provision of a credit limit / payment of contractual interest
Amendment No. 1 to the Master agreement on banking loan products, reg. No. 114429/2014/01	Raiffeisen FinCorp, s.r.o.	11 December 2014	Provision of a credit limit / payment of contractual interest
Treasury Master Agreement	Raiffeisen FinCorp, s.r.o.	26 February 2015	Agreement on rights and obligations related to transactions in the financial market
Amendment to Treasury master agreement	Raiffeisen FinCorp, s.r.o.	26 February 2015	Agreement on rights and obligations related to transactions in the financial market
Amendment No. 2 to the Master agreement on banking loan products	Raiffeisen FinCorp, s.r.o.	31 March 2015	Provision of a credit limit / payment of contractual interest
Guarantor's statement	Raiffeisen FinCorp, s.r.o.	11 May 2015	Security to a liability
Amendment No. 3 to the Master agreement on banking loan products	Raiffeisen FinCorp, s.r.o.	22 June 2015	Provision of a credit limit / payment of contractual interest
Amendment No. 1 to the Guarantor's statement	Raiffeisen FinCorp, s.r.o.	22 June 2015	Security to a liability
Amendment No. 4 to the Master agreement on banking loan products	Raiffeisen FinCorp, s.r.o.	31 July 2015	Provision of a credit limit / payment of contractual interest
Amendment No. 5 to the Master agreement on banking loan products	Raiffeisen FinCorp, s.r.o.	17 August 2015	Amendment to Annex 2 of the Agreement
Amendment No. 6 to the Master agreement on banking loan products	Raiffeisen FinCorp, s.r.o.	29 April 2016	Amended Article VIII, paragraph 5 of the Agreement

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Amendment No. 7 to the Master agreement on banking loan products	Raiffeisen FinCorp, s.r.o.	31 May 2016	Amended Article I, paragraph 6 of the Agreement
Amendment No. 8 to the Master agreement on banking loan products	Raiffeisen FinCorp, s.r.o.	29 July 2016	Provision of a credit limit of up to 4,000,000,000 CZK
Amendment No. 2 to the Guarantor's statement	Raiffeisen FinCorp, s.r.o.	29 July 2016	Change of contractual terms
Limit approval	Raiffeisen FinCorp, s.r.o.	16 February 2016	Review of the loan and treasury line including its extension and increase
Approval of limit for Raiffeisen FinCorp and Raiffeisen-Leasing	Raiffeisen FinCorp, s.r.o.	26 July 2016	Review of the loan and treasury line including its extension and increase
Amendment No. 9 to the Master agreement on banking loan products	Raiffeisen FinCorp, s.r.o.	12 June 2017	Provision of a credit limit / payment of contractual interest
Master Agreement on Financial Market Trading CMA/0001/APR405/02/27903362	Raiffeisen FinCorp, s.r.o.	27 December 2017	Agreement on Financial Market Trading
Arrangement to the Master service agreement	Raiffeisen FinCorp, s.r.o.	28 March 2018	Outsourcing some services to RBCZ
Amendment No. 10 to the Master agreement on banking loan products	Raiffeisen FinCorp, s.r.o.	18 October 2018	Provision of a credit limit / payment of contractual interest
Amendment No. 11 to the Master agreement on banking loan products	Raiffeisen FinCorp, s.r.o.	17 December 2018	Amended Article III, paragraphs 3, 4, 5 of the Agreement
Agreement to terminate the contractual relationship under Master agreement reg. No. 114429/2014/01	Raiffeisen FinCorp, s.r.o.	30 April 2019	Agreement to terminate the contractual relationship
Amendment No. 4 to loan agreement relating to E-Gate	Raiffeisen FinCorp, s.r.o. PPF Gate a.s. Komerční banka, a.s.	21 April 2021	Amendment No. 4 to loan agreement
Amendment No. 1 to the Agreement on risk participation and the provision of a special-purpose loan	Raiffeisen FinCorp, s.r.o. Raiffeisen - Leasing, s.r.o.	3 May 2021	Amendment No. 1 to the Agreement Farářství 3 (formerly KAPMC, now Theia Property)
Amendment No. 1 to the Agreement on risk participation and the provision of a special-purpose loan	Raiffeisen FinCorp, s.r.o. Raiffeisen - Leasing, s.r.o.	30 June 2021	Amendment No. 1 to the Agreement (Smilova (Theia Property))
Agreement on risk participation and the provision of a special-purpose loan	Raiffeisen FinCorp, s.r.o. Raiffeisen - Leasing, s.r.o.	23 September 2022	Risk participation and provision of a special-purpose loan
Agreement on the terms of account balance interest	Raiffeisen FinCorp, s.r.o.	27 February 2023	The agreement stipulates the interest applied to the account balance
Agreement on risk participation and the provision of a special-purpose loan	Raiffeisen FinCorp, s.r.o. Raiffeisen - Leasing, s.r.o.	27 April 2023	Risk participation
Amendment No. 1 to the Agreement on risk participation and the provision of a special-purpose loan	Raiffeisen FinCorp, s.r.o. Raiffeisen - Leasing, s.r.o.	10 May 2023	Amendment No. 1 to the Agreement of 27 April 2023

Raiffeisen investiční společnost a.s.

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Master RIS service agreement S/2013/00482	Raiffeisen investiční společnost a.s.	1 January 2013	Provision of RIS services / payment of contractual remunerations and fees
Current account opening and maintenance agreement No. 5170010300/5500	Raiffeisen investiční společnost a.s.	23 January 2013	Maintenance of current account No. 5170010300/5500
Agreement on Cooperation in Preparation of Tax Returns for VAT Group	Raiffeisen investiční společnost a.s.	14 February 2013	Stipulation of mutual rights and obligations of VAT group members
Contract for the Sublease of Non-Residential Premises	Raiffeisen investiční společnost a.s.	29 March 2013	Contract for the sublease of non-residential premises / payment of rent
Confidentiality Agreement	Raiffeisen investiční společnost a.s.	17 June 2013	Confidentiality Agreement
Amendment No. 1 to the Contract on the Sublease of Non-Residential Premises	Raiffeisen investiční společnost a.s.	1 January 2014	Amendment to the Contract for the Sublease of Non-Residential Premises / payment of rent
Amendment No. 1 to the Agreement on Cooperation in Preparation of Tax Returns for VAT Group	Raiffeisen investiční společnost a.s.	13 May 2014	Stipulation of contact details
Agreement on Certain Issues Related to Management of Qualified Investor Fund	Raiffeisen investiční společnost a.s.	18 July 2014	Cooperation, compulsory disclosure in management of Leonardo, open-end mutual fund
Investment Instrument Brokerage Agreement	Raiffeisen investiční společnost a.s.	5 December 2014	Brokerage of purchases and sales of investment instruments / payment of contractual fee
Amendment No. 1 to the Master service agreement S/2013/00482	Raiffeisen investiční společnost a.s.	16 March 2015	The amendment amends existing Annex 2, part 1 / payment of contractual fee
Agreement to Provide Outsourcing Services in RIS Risk Management	Raiffeisen investiční společnost a.s.	30 July 2015	Agreement to Provide Outsourcing Services in RIS Risk Management / payment of contractual fee
Compliance Cooperation Agreement	Raiffeisen investiční společnost a.s.	3 December 2015	Stipulation of the conditions of RB cooperation in Compliance and FRM / payment of contractual remuneration
Amendment No. 2 to the Master service agreement S/2013/00482	Raiffeisen investiční společnost a.s.	1 January 2016	The amendment updates Annexes 1 through 8 of the Agreement
Amendment No. 2 to the Agreement on Cooperation in Preparation of Tax Returns for VAT Group	Raiffeisen investiční společnost a.s.	11 May 2016	Added obligation to submit data for controlling reports
Confidentiality Agreement	Raiffeisen investiční společnost a.s.	19 May 2016	Subject of the Agreement are rights and obligations of RB and RIS
Sub-license agreement S/2016/00440	Raiffeisen investiční společnost a.s.	1 September 2016	Sub-License agreement on registered trademarks
Contract for the provision of outsourced internal audit services to Raiffeisen investiční společnost a.s.	Raiffeisen investiční společnost a.s.	22 September 2016	Outsourcing of internal audit services
Amendment No. 2 to the Contract on the Sublease of Non-Residential Premises	Raiffeisen investiční společnost a.s.	11 November 2016	Change of the subject of the sublease / change of rent
Amendment No. 3 to the Master service agreement S/2013/00482	Raiffeisen investiční společnost a.s.	1 January 2017	The amendment updates Annex 2

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Amendment No. 3 to the Contract on the Sublease of Non-Residential Premises	Raiffeisen investiční společnost a.s.	1 January 2017	Amendment to the Contract for the Sublease of Non-Residential Premises / payment of rent
Sub-license agreement S/2016/00665	Raiffeisen investiční společnost a.s.	9 January 2017	License for using the rights to the ASPI system service / payment of the contractual fee
Amendment No. 1 to the Compliance Cooperation Contract S/2015/3649	Raiffeisen investiční společnost a.s.	20 June 2017	The amendments adds other services provided by RB to RIS and amends the authorised persons
Agreement on Provision of Information Systems and Technology Services S/2017/00499	Raiffeisen investiční společnost a.s.	18 January 2018	Contract for the provision of IT services for RIS / payment of contractual remuneration
Contract on the Registration and Settlement of Trades S/2017/00492	Raiffeisen investiční společnost a.s.	22 January 2018	The contract governs the rights and obligations of the parties relating to the settlement of units between RBCZ and RIS
Distribution agreement S/2017/00476	Raiffeisen investiční společnost a.s.	13 March 2018	New RIS mutual fund distribution agreement
Personal Data Processing and Transfer Agreement (Controller-Controller)	Raiffeisen investiční společnost a.s.	25 May 2018	Cooperation and personal data transfers between controllers (RB/RIS)
Agreement to Provide Outsourcing Services in RIS Risk Management, Amendment No. 1	Raiffeisen investiční společnost a.s.	25 May 2018	Amendment to the Agreement to Provide Outsourcing Services in RIS Risk Management
Confidentiality Agreement, Amendment No. 1	Raiffeisen investiční společnost a.s.	25 May 2018	Amendment to the Confidentiality Agreement
Personal Data Processing Agreement S/2018/3808	Raiffeisen investiční společnost a.s.	25 May 2018	Personal Data Processing Agreement
Amendment to the Investment Instrument Brokerage Agreement	Raiffeisen investiční společnost a.s.	29 May 2018	Change of fee for acceptance of Order
Distribution agreement S/2017/00476, Amendment No. 1	Raiffeisen investiční společnost a.s.	1 June 2018	Amendment to the Distribution agreement
Contract for the provision of outsourced internal audit services to RIS, Amendment No. 1	Raiffeisen investiční společnost a.s.	5 June 2018	Amendment to the Contract for the provision of outsourced internal audit services
Amendment No. 4 to the Contract on the Sublease of Non-Residential Premises	Raiffeisen investiční společnost a.s.	29 June 2018	Amendment of rent
Amendment No. 1 to the Agreement on Provision of Information Systems and Technology Services S/2018/0340	Raiffeisen investiční společnost a.s.	23 May 2019	Annex 1, 2, 4 updated
Amendment No. 1 to the Personal Data Processing and Transfer Agreement	Raiffeisen investiční společnost a.s.	31 July 2019	Annex 1 updated
Agreement on access to Capital Markets Compliance Value Stream service via the Compliance Cockpit IT system	Raiffeisen investiční společnost a.s.	1 August 2019	RB authorization to use CMC via IT system / contractual fee
Agreement to pay fee for the asset management investment service	Raiffeisen investiční společnost a.s.	1 September 2019	Provision of investment service / payment of contractual fees
Distribution agreement S/2017/00476, Amendment No. 2	Raiffeisen investiční společnost a.s.	31 October 2019	Amendment to the Distribution agreement
Change in authorization rights - changed signature specimen (current account opening and maintenance agreement)	Raiffeisen investiční společnost a.s.	3 December 2019	Changed - added signatures to the signature specimen

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Agreement to discharge liability - Current account opening and maintenance agreement 5170010685/5500	Raiffeisen investiční společnost a.s.	14 February 2020	Discharge of liability, closing of current account
Annex 6,Change in authorization (signing) rights - Current account opening and maintenance agreement 5170010300/5500	Raiffeisen investiční společnost a.s.	26 February 2020	Update of signing rights to the current account
Annex 7, Authorization for electronic account access via X-business internet banking (REF HP1)	Raiffeisen investiční společnost a.s.	12 June 2020	Annex 7 to Agreement No. 600108 - REF HP1 accounts (1091102495/5500 and 5170013683/5500)
Agreement to Provide X-business Internet Banking Services (Agreement 600108)	Raiffeisen investiční společnost a.s.	12 June 2020	Agreement to Provide X-business Internet Banking Services (Agreement 600108)
Annex 6, Change in signing rights - Current account opening and maintenance agreement 5170010300/5500	Raiffeisen investiční společnost a.s.	9 July 2020	Removal of signing rights
Annex 6, Change in signing rights - Current account opening and maintenance agreement 5170010300/5500	Raiffeisen investiční společnost a.s.	9 July 2020	Issue of a new PEK and added users to current account 5170010300/5500
Amendment No. 2 to the Personal Data Processing and Transfer Agreement, Personal Data Processing Agreement	Raiffeisen investiční společnost a.s.	1 September 2020	Amendment to the existing agreement
Amendment No. 5 to the Contract on the Sublease of Non-Residential Premises	Raiffeisen investiční společnost a.s.	1 October 2020	Change of the subject of the sublease / change of rent
Amendment No. 2 to the Agreement on Provision of Information Systems and Technology Services S/2017/00499	Raiffeisen investiční společnost a.s.	26 November 2020	Amendment No. 2 to the Agreement on the provision of IS and IT services
Amendment No. 3 - Distribution agreement S/2017/00476	Raiffeisen investiční společnost a.s.	1 January 2021	Amendment No. 3 – amended Article 2.1.1 and Annex 1
Amendment No. 3 to the Agreement on the provision of IS and IT services	Raiffeisen investiční společnost a.s.	1 January 2021	Amended Annexes 1 and 4 to the Agreement
New PEK issued, users added (Agreement to Provide X-business Internet Banking Services (Agreement 600108))	Raiffeisen investiční společnost a.s.	12 May 2021	Issue of a new PEK and added users to current account 5170010300/5500 and 1091102495/5500
Amendment No. 2 to the Investment Instrument Brokerage Agreement	Raiffeisen investiční společnost a.s.	29 June 2021	Change of fee for acceptance of Order - stocks and ETF
Updated signing authorizations - (Agreement to Provide X-business Internet Banking Services (Agreement 600108))	Raiffeisen investiční společnost a.s.	14 July 2021	Removal of existing Electronic signature holder - all accounts
Authorization for electronic access to Accounts via X-business internet banking - (Agreement to Provide X-business Internet Banking Services (Agreement 600108))	Raiffeisen investiční společnost a.s.	14 July 2021	Opening of internet banking system services for Client (Park Porubka)
Direct Banking Service Agreement	Raiffeisen investiční společnost a.s.	20 July 2021	Modification of Direct banking services provided to Client
Record of set up access rights to account No. 5170010300/5500	Raiffeisen investiční společnost a.s.	20 July 2021	List of persons with access rights

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Distribution agreement - Amendment No. 4	Raiffeisen investiční společnost a.s.	1 October 2021	Amendment No. 4 to existing Distribution agreement - amount of distributor's fee / contractual fee
Authorization for electronic access to Accounts via X-business internet banking - (Agreement to Provide X-business Internet Banking Services (Agreement 600108))	Raiffeisen investiční společnost a.s.	26 October 2021	Opening of internet banking system services for Client (DCH Real)
Agreement to accede to insurance (UNIQA pojišťovna)	Raiffeisen investiční společnost a.s.	8 December 2021	Stipulates terms and conditions for acceding to insurance
Amendment No. 4 - Agreement on Provision of Information Systems and Technology Services S/2018/0340	Raiffeisen investiční společnost a.s.	1 January 2022	The amendment stipulates the billing frequency and amends Annex 4
Amendment No. 5 - Distribution agreement S/2017/00476	Raiffeisen investiční společnost a.s.	1 January 2022	Amendment No. 5 to existing Distribution agreement - amount of distributor's fee / contractual fee
Master Agreement CMA_01_29146739	Raiffeisen investiční společnost a.s.	18 January 2022	Master Agreement replacing the Master financial market trading agreement of 28 February 2017
Electronic Banking Agreement	Raiffeisen investiční společnost a.s.	1 March 2022	The agreement establishes Multicash for the client
Sabre depositary agreement	Raiffeisen investiční společnost a.s.	14 June 2022	Depositary agreement - Sabre
FWR Funds depositary agreement	Raiffeisen investiční společnost a.s.	14 June 2022	Depositary agreement – FWR funds
FWR Funds and Sabre custody agreement	Raiffeisen investiční společnost a.s.	1 July 2022	Custody agreement
FWR Strategy 15 Fund agreement	Raiffeisen investiční společnost a.s.	1 July 2022	Opening an asset and financial account with RB – RB depositary for RIS fund
FWR Strategy 30 Fund agreement	Raiffeisen investiční společnost a.s.	1 July 2022	Opening an asset and financial account with RB – RB depositary for RIS fund
FWR Strategy 60 Fund agreement	Raiffeisen investiční společnost a.s.	1 July 2022	Opening an asset and financial account with RB – RB depositary for RIS fund
FWR Strategy 30U Fund agreement	Raiffeisen investiční společnost a.s.	1 July 2022	Opening an asset and financial account with RB – RB depositary for RIS fund
FWR Strategy 45ESG Fund agreement	Raiffeisen investiční společnost a.s.	1 July 2022	Opening an asset and financial account with RB – RB depositary for RIS fund
FWR Strategy 30E Fund agreement	Raiffeisen investiční společnost a.s.	1 July 2022	Opening an asset and financial account with RB – RB depositary for RIS fund
Sabre Fund agreement	Raiffeisen investiční společnost a.s.	1 July 2022	Opening an asset and financial account with RB – RB depositary for RIS fund
Master Agreement on Financial Market Trading	Raiffeisen investiční společnost a.s.	18 July 2022	The agreement enables financial market trading
Amendment No. 1 - FWR Funds and Sabre custody agreement	Raiffeisen investiční společnost a.s.	25 July 2022	Custody agreement – updated pricelist annexes
Amendment No. 1 - Depositary agreement	Raiffeisen investiční společnost a.s.	4 August 2022	Depositary agreement – updated depositary fee
Amendment No. 5 to the Agreement on the provision of IS and IT services	Raiffeisen investiční společnost a.s.	29 December 2022	Amendment adding RB's obligation to comply with ESMA; amended Annexes 1 and 4

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Amendment No. 2 to the Contract for the provision of outsourced internal audit services	Raiffeisen investiční společnost a.s.	2 January 2023	Internal audit services
Depositary agreement	Raiffeisen investiční společnost a.s.	18 May 2023	The agreement establishes depositary services for funds managed by Raiffeisen investiční společnost a.s.
Depositary agreement	Raiffeisen investiční společnost a.s.	18 May 2023	The agreement establishes depositary services for funds managed by Raiffeisen investiční společnost a.s. (FWR Private Equity Fund I)
Agreement to provide banking and other services	Raiffeisen investiční společnost a.s.	1 June 2023	Opening a financial account for FWR Private Equity Fund I/EUR
Agreement to provide banking and other services	Raiffeisen investiční společnost a.s.	1 June 2023	Opening a financial account for Zářijový zajištěný OPF CZK/EUR
Agreement to provide banking and other services	Raiffeisen investiční společnost a.s.	1 June 2023	Opening a financial account for Strategie progresivní OPF CZK/EUR/USD
Agreement to provide banking and other services	Raiffeisen investiční společnost a.s.	1 June 2023	Opening a financial account for Realitní OPF CZK/EUR
Agreement to provide banking and other services	Raiffeisen investiční společnost a.s.	1 June 2023	Opening a financial account for Květnový zajištěný OPF CZK/EUR
Agreement to provide banking and other services	Raiffeisen investiční společnost a.s.	1 June 2023	Opening a financial account for Alternativní OPF CZK/EUR/USD
Agreement to provide banking and other services	Raiffeisen investiční společnost a.s.	1 June 2023	Opening a financial account for Březnový zajištěný OPF CZK/EUR
Agreement to provide banking and other services	Raiffeisen investiční společnost a.s.	1 June 2023	Opening a financial account for FWR Strategy 75 OPF CZK/EUR/USD
Depositary agreement	Raiffeisen investiční společnost a.s.	4 September 2023	The agreement establishes depositary services for funds managed by Raiffeisen investiční společnost a.s.
Depositary agreement	Raiffeisen investiční společnost a.s.	4 September 2023	The agreement establishes depositary services for a fund managed by Raiffeisen investiční společnost a.s.
Agreement to cease fax communications	Raiffeisen investiční společnost a.s.	21 September 2023	Agreement to cease fax communications
Amendment No. 1 to the Depositary agreement	Raiffeisen investiční společnost a.s.	1 October 2023	The Amendment stipulates the rate for calculating the depository's annual fee. Amends the agreements of 18 May 2023
Agreement to provide banking and other services	Raiffeisen investiční společnost a.s.	2 October 2023	Opening a financial account for High-yield dluhopisový OPF CZK/EUR
Agreement to provide banking and other services	Raiffeisen investiční společnost a.s.	2 October 2023	Opening a financial account for Fond globálních trhů OPF CZK/EUR
Agreement to provide banking and other services	Raiffeisen investiční společnost a.s.	2 October 2023	Opening a financial account for Fond udržitelného rozvoje OPF CZK/EUR
Agreement to provide banking and other services	Raiffeisen investiční společnost a.s.	2 October 2023	Opening a financial account for Fond amerických akcií OPF CZK/EUR
Agreement to provide banking and other services	Raiffeisen investiční společnost a.s.	2 October 2023	Opening a financial account for Fond emerging markets akcií OPF CZK/EUR

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Agreement to provide banking and other services	Raiffeisen investiční společnost a.s.	2 October 2023	Opening a financial account for Fond evropských akcií OPF CZK/EUR
Agreement to provide banking and other services	Raiffeisen investiční společnost a.s.	13 November 2023	Opening a financial account for Chráněný OPF CZK/EUR/USD
Agreement to provide banking and other services	Raiffeisen investiční společnost a.s.	13 November 2023	Opening a financial account for FWR Private Equity Fund II,CZK/EUR
Agreement to accede to insurance	Raiffeisen investiční společnost a.s.	15 November 2023	Stipulates terms and conditions for acceding to insurance
Amendment No. 1 to the Depositary agreement	Raiffeisen investiční společnost a.s.	4 December 2023	The Amendment stipulates the rate for calculating the depository's annual fee. Amends the agreements of 4 September 2023
Authorization for electronic account access via X-business internet banking under Agreement No. 600108	Raiffeisen investiční společnost a.s.	4 December 2023	Account added for Chráněný fund – CZK/EUR/USD
Agreement on Provision of Information Systems and Technology Services	Raiffeisen investiční společnost a.s.	19 December 2023	Stipulates the terms and conditions for the provision of IT services
Authorization for electronic account access via X-business internet banking under Agreement No. 600108	Raiffeisen investiční společnost a.s.	27 December 2023	Adding an account for FWR Private Equity Fund II – CZK/EUR
Agreement to terminate Sub-License Agreement	Raiffeisen investiční společnost a.s.	31 December 2023	Agreement termination

Equa Sales & Distribution s.r.o. v likvidaci

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Sublease agreement	Equa Sales & Distribution s.r.o. Equa bank a.s.	15 July 2014	Sublease agreement as amended / payment of rent
Service agreement	Equa Sales & Distribution s.r.o. Equa bank a.s.	1 August 2014	Service agreement as amended / payment of contractual fee
Outsourcing agreement for sales and service activities	Equa Sales & Distribution s.r.o. Equa bank a.s.	4 August 2014	Specification of outsourced activities
Agreement on cooperation and processing of personal data	Equa Sales & Distribution s.r.o. Equa bank a.s.	30 November 2016	Agreement as amended / stipulation of rights and obligations in providing cooperation
Amendment No. 7 to the Outsourcing agreement for sales and service activities	Equa Sales & Distribution s.r.o.	7 March 2022	Update of the Outsourcing agreement for sales and service activities originally concluded between Equa bank a.s. and Equa Sales & Distribution s.r.o. (RB is the legal successor of EQB)
Amendment No. 8 to the Service Agreement of 1 August 2014	Equa Sales & Distribution s.r.o.	27 April 2022	Amendment No. 8 to the Service Agreement
Amendment No. 6 to the Sublease Agreement of 25 May 2015	Equa Sales & Distribution s.r.o.	10 May 2022	Amendment No. 6 to the Agreement
Settlement agreement in connection with transfer of the branch network	Equa Sales & Distribution s.r.o.	2 June 2022	Settlement in connection with transfer of the branch network
Amendment No. 7 to the Sublease Agreement of 25 May 2015	Equa Sales & Distribution s.r.o.	29 September 2022	Amendment No. 7 to the Sublease Agreement
Amendment No. 9 to the Service Agreement of 1 August 2014 (CDR36681)	Equa Sales & Distribution s.r.o. v likvidaci	7 November 2022	Amendment No. 9 to the Service Agreement

AKCENTA CZ a.s.

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Agreement to Provide X-business Internet Banking Services	AKCENTA CZ a.s.	22 March 2019	Stipulates terms and conditions for accessing internet banking services and support
Master Agreement on Financial Market Trading No. CMA/0001/APR405/01/25163 680	AKCENTA CZ a.s.	17 September 2019	Stipulates terms and conditions of cooperation and financial market trading
Electronic Banking Agreement	AKCENTA CZ a.s.	9 October 2019	Stipulates terms and conditions of electronic banking use and support
Amendment to the Master Financial Market Trading Agreement No. CMA/0001/APR405/01/25163 680 of 17 September 2019	AKCENTA CZ a.s.	1 September 2021	Amendment to Master Agreement
Agreement to disclose information about beneficial owners of funds held on accounts (account No. 12301337)	AKCENTA CZ a.s.	11 January 2022	Agreement on registration of client account beneficial owners
Agreement to disclose information about beneficial owners of funds held on accounts (account No. 12301257)	AKCENTA CZ a.s.	11 January 2022	Agreement on registration of client account beneficial owners
Agreement to disclose information about beneficial owners of funds held on accounts (account No. 12301265)	AKCENTA CZ a.s.	11 January 2022	Agreement on registration of client account beneficial owners
Agreement to disclose information about beneficial owners of funds held on accounts (account No. 12301273)	AKCENTA CZ a.s.	11 January 2022	Agreement on registration of client account beneficial owners
Agreement to disclose information about beneficial owners of funds held on accounts (account No. 12301310)	AKCENTA CZ a.s.	11 January 2022	Agreement on registration of client account beneficial owners
Agreement to disclose information about beneficial owners of funds held on accounts (account No. 12301281)	AKCENTA CZ a.s.	11 January 2022	Agreement on registration of client account beneficial owners
Agreement to disclose information about beneficial owners of funds held on accounts (account No. 12301302)	AKCENTA CZ a.s.	11 January 2022	Agreement on registration of client account beneficial owners
Agreement to disclose information about beneficial owners of funds held on accounts (account No. 12301329)	AKCENTA CZ a.s.	11 January 2022	Agreement on registration of client account beneficial owners
Amendment No. 1 to Account opening and maintenance agreement No. 12301257	AKCENTA CZ a.s.	11 January 2022	The Amendment amends the agreement to open and maintain account No. 12301257/5500
Amendment No. 1 to Account opening and maintenance agreement No. 12301265	AKCENTA CZ a.s.	11 January 2022	The document contains a pricing amendment to the Agreement of 11 January 2022
Amendment No. 1 to Account opening and maintenance agreement No. 12301273	AKCENTA CZ a.s.	11 January 2022	The document contains a pricing amendment to the Agreement of 11 January 2022
Amendment No. 1 to Account opening and maintenance agreement No. 12301281	AKCENTA CZ a.s.	11 January 2022	The document contains a pricing amendment to the Agreement of 11 January 2022

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Amendment No. 1 to Account opening and maintenance agreement No. 12301302	AKCENTA CZ a.s.	11 January 2022	The document contains a pricing amendment to the Agreement of 11 January 2022
Amendment No. 1 to Account opening and maintenance agreement No. 12301310	AKCENTA CZ a.s.	11 January 2022	The document contains a pricing amendment to the Agreement of 11 January 2022
Amendment No. 1 to Account opening and maintenance agreement No. 12301329	AKCENTA CZ a.s.	11 January 2022	The document contains a pricing amendment to the Agreement of 11 January 2022
Amendment No. 1 to Account opening and maintenance agreement No. 12301337	AKCENTA CZ a.s.	11 January 2022	The document contains a pricing amendment to the Agreement of 11 January 2022
Agreement to provide banking and other services to account No. 12301257	AKCENTA CZ a.s.	11 January 2022	Agreement to open a current account and on other banking services
Agreement to provide banking and other services to account No. 12301265	AKCENTA CZ a.s.	11 January 2022	Agreement to open a current account and on other banking services
Agreement to provide banking and other services to account No. 12301273	AKCENTA CZ a.s.	11 January 2022	Agreement to open a current account and on other banking services
Agreement to provide banking and other services to account No. 12301281	AKCENTA CZ a.s.	11 January 2022	Agreement to open a current account and on other banking services
Agreement to provide banking and other services to account No. 12301302	AKCENTA CZ a.s.	11 January 2022	Agreement to open a current account and on other banking services
Agreement to provide banking and other services to account No. 12301310	AKCENTA CZ a.s.	11 January 2022	Agreement to open a current account and on other banking services
Agreement to provide banking and other services to account No. 12301329	AKCENTA CZ a.s.	11 January 2022	Agreement to open a current account and on other banking services
Agreement to provide banking and other services to account No. 12301337	AKCENTA CZ a.s.	11 January 2022	Agreement to open a current account and on other banking services
Confidentiality Agreement	AKCENTA CZ a.s.	20 March 2022	Stipulation of confidentiality terms and conditions
Agreement to provide banking and other services to account No. 136101361	AKCENTA CZ a.s.	27 May 2022	Agreement to open a current account and on other banking services
Agreement to provide banking and other services to account No. 137101371	AKCENTA CZ a.s.	27 May 2022	Agreement to open a current account and on other banking services
Agreement to disclose information about beneficial owners of funds held on accounts	AKCENTA CZ a.s.	27 May 2022	Agreement on registration of client account beneficial owners
Amendment No. 1 to Account opening and maintenance agreement No. 136101361	AKCENTA CZ a.s.	27 May 2022	The document contains a pricing amendment to the Agreement of 27 May 2022
Amendment No. 1 to Account opening and maintenance agreement No. 137101371	AKCENTA CZ a.s.	27 May 2022	The document contains a pricing amendment to the Agreement of 27 May 2022

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Business Cooperation Agreement	AKCENTA CZ a.s.	13 September 2022	The partner mediates the client contact and particular transaction and negotiates with the client; the partner does not conclude any particular transaction or banking product. The partner is entitled to receive a commission for successful recommendation, i.e. when a loan agreement is signed and the loan is drawn.
Agreement to discharge liability	AKCENTA CZ a.s.	6 December 2022	The agreement closes HRK account
Sales representation agreement	AKCENTA CZ a.s.	14 December 2022	Stipulates terms and conditions of financial product sales representation / contractual commission
Annex 1: "Product specifications and specific offering terms – MICRO credit products" to the Sales representation agreement of 14 December 2022	AKCENTA CZ a.s.	14 December 2022	Amendment No. 1 to the Sales representation agreement
Agreement to provide banking and other services	AKCENTA CZ a.s.	1 February 2023	The agreement opens a current account for the client
Agreement to provide banking and other services	AKCENTA CZ a.s.	1 February 2023	The agreement opens a current account for the client
Agreement to disclose information about beneficial owners of funds held on accounts	AKCENTA CZ a.s.	1 February 2023	Agreement on registration of client account beneficial owners
Agreement to disclose information about beneficial owners of funds held on accounts	AKCENTA CZ a.s.	1 February 2023	Agreement on registration of client account beneficial owners
Amendment No. 1 to the Agreement to provide banking and other services	AKCENTA CZ a.s.	1 February 2023	The document contains a pricing amendment to the Agreement of 1 February 2023
Agreement on the terms of account balance interest	AKCENTA CZ a.s.	1 February 2023	The agreement stipulates the interest applied to the balance of account No. 123012378 (CZK)
Agreement to provide banking and other services	AKCENTA CZ a.s.	13 April 2023	The agreement opens a current account for the client
Agreement to provide banking and other services	AKCENTA CZ a.s.	13 April 2023	The agreement opens a current account for the client
Agreement to disclose information about beneficial owners of funds held on accounts	AKCENTA CZ a.s.	13 April 2023	Agreement on registration of client account beneficial owners
Agreement to disclose information about beneficial owners of funds held on accounts	AKCENTA CZ a.s.	13 April 2023	Agreement on registration of client account beneficial owners
Amendment No. 1 to the Agreement to provide banking and other services	AKCENTA CZ a.s.	13 April 2023	The document contains a pricing amendment to the Agreement of 13 April 2023
Agreement on the terms of account balance interest	AKCENTA CZ a.s.	8 June 2023	The agreement stipulates the interest applied to the balance of account No. 5170013800 (EUR)
Agreement on the terms of account balance interest	AKCENTA CZ a.s.	27 June 2023	The agreement stipulates the interest applied to the balance of account No. 136101361 (USD)
Agreement to provide banking and other services	AKCENTA CZ a.s.	14 August 2023	The agreement opens a current account for the client

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Agreement to provide banking and other services	AKCENTA CZ a.s.	14 August 2023	The agreement opens a current account for the client
Agreement to disclose information about beneficial owners of funds held on accounts	AKCENTA CZ a.s.	14 August 2023	Agreement on registration of client account beneficial owners
Agreement to disclose information about beneficial owners of funds held on accounts	AKCENTA CZ a.s.	14 August 2023	Agreement on registration of client account beneficial owners
Amendment No. 1 to the Agreement to provide banking and other services	AKCENTA CZ a.s.	14 August 2023	The document contains a pricing amendment to the Agreement of 14 August 2023
Cooperation agreement	AKCENTA CZ a.s.	22 June 2023	Cooperation agreement
Master service agreement	AKCENTA CZ a.s.	30 June 2023	Service agreement
Framework agreement on data protection and transfers	AKCENTA CZ a.s.	30 June 2023	Agreement on data protection and transfers
Service Level Agreement for Cloud Enablement Service	AKCENTA CZ a.s.	22 August 2023	SLA for Cloud Enablement Service

Raiffeisen Bank Zrt.

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Agreement to Open a Nostro Account	Raiffeisen Bank Zrt.	2 August 2001	Maintenance of a nostro account / payment of contractual fees
Agreement to Open and Maintain a Securities Account	Raiffeisen Bank Zrt.	11 July 2005	Definition of conditions of maintenance of RBCZ's securities account in Hungary / payment of contractual fees
ISDA Master Agreement	Raiffeisen Bank Zrt.	29 April 2011	Master Agreement stipulating mutual terms and conditions of money market trading
Schedule to the ISDA Master Agreement	Raiffeisen Bank Zrt.	29 April 2011	Definition of detailed terms and conditions of money market trading
Approval of a new Money Market limit	Raiffeisen Bank Zrt.	22 March 2016	New limit approval
Global Master Repurchase Agreement + Annexes	Raiffeisen Bank Zrt.	3 April 2019	Treasury REPO operations agreement
Loro Account Agreement	Raiffeisen Bank Zrt.	15 November 2019	Account opening and maintenance agreement
ISDA Agreement	Raiffeisen Bank Zrt.	2 September 2022	The agreement enables financial market trading

Raiffeisen banka a.d.

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Loan agreement	Raiffeisen banka a.d.	21 December 2004	Provision of a loan / payment of contractual interest
Amendment No. 1 to Loan Contract of 21 December 2004	Raiffeisen banka a.d.	30 March 2005	Stipulation of contractual relations until 30 April 2005
Loan agreement	Raiffeisen banka a.d.	14 June 2005	Provision of a loan / payment of contractual interest

Raiffeisenbank Austria d. d.

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Agreement to Open a Nostro Account	Raiffeisenbank Austria d. d.	21 May 2001	Maintenance of a nostro account / payment of contractual fees
ISDA Master Agreement	Raiffeisenbank Austria d. d.	8 June 2011	Master Agreement stipulating mutual terms and conditions of money market trading
Schedule to the ISDA Master Agreement	Raiffeisenbank Austria d.d.	8 June 2011	Definition of detailed terms and conditions of money market trading
Agreement to Open a Correspondent Account	Raiffeisenbank Austria d.d.	18 May 2011	Maintenance of a correspondent account / payment of contractual fees
Overdraft nostro limit increase	Raiffeisenbank Austria d.d.	30 September 2015	Overdraft nostro limit increase / payment of contractual fees
ISDA Master Agreement	Raiffeisenbank Austria d.d.	2 January 2023	Agreement for creating derivative transactions

Tatra Banka, a.s.

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Risk Participation Agreement	Tatra Banka, a.s.	18 May 2005	Participation in credit risk / payment of contractual fees
Risk Participation Agreement	Tatra Banka, a.s.	18 August 2005	Participation in credit risk / payment of contractual fees
Risk Participation Agreement	Tatra Banka, a.s.	16 November 2005	Participation in credit risk / payment of contractual fees
Contract for Pledge on Government Bonds	Tatra Banka, a.s.	19 May 2005	Establishment of security interest over bonds
Amendment No. 1 to the Contract for Pledge on Government Bonds of 19 May 2005	Tatra Banka, a.s.	16 November 2005	Stipulation of rights and obligations
Syndicated investment loan agreement	Tatra Banka, a.s.	12 December 2005	Provision of a loan / payment of contractual interest
Risk Participation Confirmation	Tatra Banka, a.s.	30 October 2006	Participation in credit risk / payment of contractual fees
Risk Participation Confirmation	Tatra Banka, a.s.	30 October 2006	Participation in credit risk / payment of contractual fees
Risk Participation Confirmation	Tatra Banka, a.s.	30 October 2006	Participation in credit risk / payment of contractual fees
Risk Participation Confirmation	Tatra Banka, a.s.	7 December 2006	Participation in credit risk / payment of contractual fees
Risk Participation Confirmation	Tatra Banka, a.s.	18 December 2006	Participation in credit risk / payment of contractual fees
Risk Participation Confirmation	Tatra Banka, a.s.	21 December 2006	Participation in credit risk / payment of contractual fees
Risk Participation Confirmation	Tatra Banka, a.s.	21 December 2006	Participation in credit risk / payment of contractual fees
Risk Participation Confirmation	Tatra Banka, a.s.	30 October 2007	Participation in credit risk / payment of contractual fees
Risk Participation Confirmation	Tatra Banka, a.s.	22 November 2007	Participation in credit risk / payment of contractual fees
Risk Participation Confirmation	Tatra Banka, a.s.	27 February 2008	Participation in credit risk / payment of contractual fees
Risk Participation Confirmation	Tatra Banka, a.s.	8 December 2008	Participation in credit risk / payment of contractual fees
Risk Participation Confirmation	Tatra Banka, a.s.	19 December 2008	Participation in credit risk / payment of contractual fees
Risk Participation Confirmation	Tatra Banka, a.s.	19 December 2008	Participation in credit risk / payment of contractual fees

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Risk Participation Confirmation	Tatra Banka, a.s.	26 August 2008	Participation in credit risk / payment of contractual fees
Amendment No. 5 to the Agreement on Shared Use of Banker's Almanac On-line of 15 June 2004	Tatra Banka, a.s.	8 June 2009	Prolongation of the agreement
Amendment No. 6 to the Agreement on Shared Use of Banker's Almanac On-line of 15 June 2004	Tatra Banka, a.s.	16 December 2009	Agreement on joint order
Confidentiality Agreement	Tatra Banka, a.s.	4 May 2010	Agreement on confidentiality as part of potential mutual cooperation
Cooperation agreement	Tatra Banka, a.s.	1 August 2010	Agreement on conditions for transfer of information and access to premises
Agreement on Communication via the JIRA Application	Tatra Banka, a.s.	6 October 2010	Agreement to allow for mutual communication through a shared application
ISDA Master Agreement	Tatra Banka, a.s.	5 October 2011	Master Agreement stipulating mutual terms and conditions of money market trading
Schedule to the ISDA Master Agreement	Tatra Banka, a.s.	5 October 2011	Definition of detailed terms and conditions of money market trading
Risk Participation Confirmation	Tatra Banka, a.s.	5 February 2013	Participation in credit risk / payment of contractual fees
Risk Participation Confirmation	Tatra Banka, a.s.	26 September 2013	Participation in credit risk / payment of contractual fees
Amendment No. 7 to the Agreement on Shared Use of Banker's Almanac On-line of 15 June 2004	Tatra Banka, a.s.	19 December 2013	Amendment No. 7 to the Agreement on Shared Use of Banker's Almanac / payment of contractual remuneration
Risk Participation Confirmation	Tatra Banka, a.s.	20 December 2013	Participation in credit risk / payment of contractual fees
Amendment No. 8 to the Agreement on Shared Use of Banker's Almanac On-line	Tatra Banka, a.s.	29 April 2014	Amendment No. 8 to the Agreement on Shared Use of Banker's Almanac On-line / payment of contractual remuneration
Amendment No. 9 to the Agreement on Shared Use of Banker's Almanac On-line	Tatra Banka, a.s.	25 July 2014	Amendment No. 9 to the Agreement on Shared Use of Banker's Almanac On-line
Agreement to Provide Information Technology Services	Tatra Banka, a.s.	1 May 2015	Provision of IT Services / payment of contractual remuneration
Agreement to Provide Confidential Information	Tatra Banka, a.s.	21 May 2015	Provision of confidential information
Agreement on Communication via the Citrix application	Tatra Banka, a.s.	3 June 2015	Communication agreement
Agreement on Communication via the Sharepoint application	Tatra Banka, a.s.	3 June 2015	Communication agreement
Sublicensing Agreement on the Use of Finance Planning for Premium Banking Programs	Tatra Banka, a.s.	30 September 2015	Use of premium banking programs / payment of contractual remuneration
Limit increase – funded participation	Tatra Banka, a.s.	19 October 2015	Limit increase – funded participation / payment of contractual fees
Limit approval – non-funded participation	Tatra Banka, a.s.	9 December 2015	Limit approval – non-funded participation / payment of contractual fees
Amendment No. 10 to the Agreement on Shared Use of Banker's Almanac On-line	Tatra Banka, a.s.	15 December 2015	Amendment No. 10 to the Agreement on Shared Use of Banker's Almanac On-line

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Master agreement (employee rotation between RBCZ and TBSK)	Tatra Banka, a.s.	20 July 2016	Conditions of the so called Rotation Programme between RBCZ and TBSK
Agreement on Cooperation in Mergers & Acquisitions	Tatra Banka, a.s.	29 September 2016	Mergers & Acquisitions services / payment of contractual fees
IT Service Agreement between Raiffeisenbank a.s. and Tatra banka, a.s.	Tatra Banka, a.s.	31 October 2016	Provision of services of a SOC supervision centre
Participation Certificate (Penta - VLM)	Tatra Banka, a.s.	13 January 2016	Risk participation
Amendment No. 11 to the Agreement on Shared Use of Banker's Almanac On-line	Tatra Banka, a.s.	21 August 2017	Amendment No. 11 to the Agreement on Shared Use of Banker's Almanac On-line
Amendment No. 1 to the Agreement on Cooperation in Mergers & Acquisitions	Tatra Banka, a.s.	27 September 2017	Change of terms – extension of the contract validity
Contract for the provision of the AS400 platform administration services	Tatra Banka, a.s.	23 October 2017	AS400 platform administration and provision of services / payment of contractual fees
Amendment No. 12 to the Agreement on Shared Use of Banker's Almanac On-line	Tatra Banka, a.s.	31 January 2018	Amendment No. 12 to the Agreement on Shared Use of Banker's Almanac On-line
EUR 300,000,000 Term Facility, Capex Facility and Revolving Facility Agreement	Tatra Banka, a.s.	17 April 2018	Refinancing of the Key-Plastic Indebtedness and any other Existing Financial Indebtedness The direct or indirect financing of any Qualifying permitted Acquisition and the refinancing of Financial Indebtedness The Financing of general corporate purposes of the Group (incl. working capital purposes) (excl. Permitted Acquisitions)
Confidential Information Exchange Agreement	Tatra Banka, a.s.	22 August 2018	Confidential Information Exchange Agreement
Participation Certificate	Tatra Banka, a.s.	21 September 2018	Risk participation
Amendment No. 13 to the Agreement on Shared Use of Banker's Almanac On-line	Tatra Banka, a.s.	11 December 2018	Amendment No. 13 to the Agreement on Shared Use of Banker's Almanac On-line
Amendment Agreement relating to the EUR 300,000,000 Term Facility, Capex Facility and Revolving Facility Agreement of 17 April 2018	Tatra Banka, a.s.	29 January 2019	Amendment to the Facilities Agreement
Amendment No. 1 to the Contract for the provision of the AS400 platform administration services	Tatra Banka, a.s.	6 May 2019	Amendment No. 1 to the platform administration service agreement
Amendment No. 14 to the Agreement on Shared Use of Banker's Almanac On-line	Tatra Banka, a.s.	15 November 2019	Amendment No. 14 to the Agreement on Shared Use of Banker's Almanac On-line
Intercreditor Agreement	Tatra Banka, a.s.	30 June 2020	Ranking before an Exit or liquidation of the Company Ranking in case of an exit or liquidation of the Company
Amendment and Restatement Agreement No. 2 to the EUR 335,000,000 Term Facility, Capex Facility and Revolving Facility Agreement	Tatra Banka, a.s.	30 June 2020	Implementation of a rehabilitation plan
Amendment Agreement – ISDA Master Agreement of 5 October 2011	Tatra Banka, a.s.	26 February 2021	Definition of detailed terms and conditions of money market trading

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Amendment No. 1 to IT Service Agreement between Raiffeisenbank a.s. and Tatra banka, a.s.	Tatra Banka, a.s.	10 March 2021	Amended Annex 4, point 1.2
Participation Certificate No. 2/08602506	Tatra Banka, a.s.	21 October 2021	Risk participation
Participation Certificate No. 1/08602506	Tatra Banka, a.s.	21 October 2021	Risk participation
Participation Certificate	Tatra Banka, a.s.	10 February 2022	Risk participation
Amendment No. 17 to the Agreement on Shared Use of Banker's Almanac On-line of 15 June 2004, No. S/2008/1196	Tatra Banka, a.s.	15 November 2022	Amendment No. 17 to the Agreement of 15 June 2004
ISDA Master Agreement	Tatra Banka, a.s.	15 March 2023	Agreement for creating derivative transactions
Participation Certificate	Tatra Banka, a.s.	21 November 2023	Risk participation (CD Cargo)

Tatra Asset Management, správ. spol., a.s.

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Agreement on Communication via the Sharepoint Portal application	Tatra Asset Management, správ. spol., a.s.	15 July 2012	Agreement to allow for mutual communication through a shared application

Tatra-Leasing, s.r.o.

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Amendment No. 2 to the Master agreement on banking loan products, reg. No. 041005/2020/01	Tatra-Leasing, s.r.o.	11 November 2022	The amendment extends the credit limit under the agreement of 14 September 2020

Regional Card Processing Centre, s.r.o.

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Framework Agreement on Payment Card Processing Services	Regional Card Processing Centre, s.r.o.	1 January 2011	Provision of payment card processing / payment of contractual fee
Amendment No. 1 to the Framework Agreement on Payment Card Processing Services of 2011	Regional Card Processing Centre, s.r.o.	9 June 2014	Amendment to the agreement changing the data processing and storing method
Statement of Work	Regional Card Processing Centre, s.r.o.	12 November 2015	Contract defining the extent of work, schedule, price and acceptance criteria of RPC deliveries for a project
Agreement on Communication via the JIRA Application	Regional Card Processing Centre, s.r.o.	9 May 2016	JIRA contract for application access
Statement of Work	Regional Card Processing Centre, s.r.o.	30 November 2016	New interface between Wincor Nixdorf and RPC for the authorisation of ONUS transactions
Amendment No. 2 to the Framework Agreement on Payment Card Processing Services of 2011, S/2009/00199	Regional Card Processing Centre, s.r.o.	2 March 2018	Change of contractual terms
Amendment No. 3 to the Framework Agreement on Payment Card Processing Services of 2011, S/2009/00199	Regional Card Processing Centre, s.r.o.	30 May 2018	Change of contractual terms

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Agreement on order processing in accordance with Article 28 of GDPR	Regional Card Processing Centre, s.r.o.	5 June 2018	Agreement on data processing in compliance with GDPR
Statement of Work	Regional Card Processing Centre, s.r.o.	30 November 2019	Implementation of NFC mobile payments / payment of contractual remuneration
Amendment No. 4 to Framework Agreement on Payment Cards Processing Services S/2009/00199	Regional Card Processing Centre, s.r.o.	25 September 2020	Change of contractual terms
Side Letter Single Resolution Mechanism (SRM)	Regional Card Processing Centre, s.r.o.	29 June 2021	Stipulates conditions of SRM cooperation
Statement of Work	Regional Card Processing Centre, s.r.o.	30 November 2021	Implementation of RaiPay Group Solution 2021 / contractual fee

Raiffeisen Bank S.A.

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Agreement to Open a Nostro Account	Raiffeisen Bank S.A.	19 August 2005	Maintenance of a nostro account / payment of contractual fees
Participation Certificate	Raiffeisen Bank S.A.	8 July 2019	Risk participation
Global Master Repurchase Agreement	Raiffeisen Bank S.A.	18 January 2021	Repurchase agreement
Participation Certificate	Raiffeisen Bank S.A.	8 December 2022	Risk participation

Raiffeisen Centrobank AG

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Agreement to Open and Maintain a Current and Correspondent Account	Raiffeisen Centrobank AG	23 October 2007	Opening and maintenance of a current and correspondent account / payment of contractual fees
Distribution Agreement	Raiffeisen Centrobank AG	27 June 2012	Agreement on joint distribution of structured products / payment of contractual commission
Amendment No. 1 to the Distribution Agreement of 27 June 2012	Raiffeisen Centrobank AG	9 October 2012	Change of contractual terms
Amendment No. 2 to the Distribution Agreement	Raiffeisen Centrobank AG	9 October 2012	Change of contractual terms
Cost Sharing Agreement	Raiffeisen Centrobank AG	9 October 2012	Agreement on sharing costs of joint distribution
ISDA 2002 Master Agreement	Raiffeisen Centrobank AG	23 April 2014	ISDA Master Agreement (International Swaps and Derivatives Association)
ISDA Schedule to the 2002 Master Agreement	Raiffeisen Centrobank AG	23 April 2014	ISDA Master Agreement plan
ISDA Credit Support Annex to the Schedule to the 2002 Master Agreement	Raiffeisen Centrobank AG	23 April 2014	Amendment to the ISDA Master Agreement
New limit approval	Raiffeisen Centrobank AG	29 March 2016	Money Market limit for treasury operations
Agreement on opening and maintenance of an account	Raiffeisen Centrobank AG	14 December 2021	Opening and maintenance of a current account
Termination Agreement of ISDA 2002 Master Agreement	Raiffeisen Centrobank AG	30 June 2022	Agreement - no transactions under the ISDA 2002 agreement (signed on 23 April 2014)

Raiffeisen – Leasing International GmbH

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Creditor Agreement	Raiffeisen – Leasing International GmbH	10 March 2005	Agreement on joint steps towards debtors
Syndicate Agreement	Raiffeisen – Leasing International GmbH	3 May 2004	Agreement on cooperation in Corporate Governance
Amendment to the Creditor Agreement of 10 March 2005	Raiffeisen – Leasing International GmbH RLRE Kappa Property, s.r.o. RLRE Lambda Property s.r.o.	24 June 2005	Amendment to the contractual relationships
Agreement on Joint Refinancing	Raiffeisen – Leasing International GmbH RLRE Kappa Property, s.r.o. RLRE Lambda Property s.r.o.	21 October 2005	Agreement on participation in loan refinancing
Escrow account agreement	Raiffeisen – Leasing International GmbH RLRE Kappa Property, s.r.o. RLRE Lambda Property s.r.o.	24 October 2005	Opening of an account with specific conditions of disposal of funds
Creditor Agreement	Raiffeisen – Leasing International GmbH RLRE Kappa Property, s.r.o. RLRE Lambda Property, s.r.o.	29 December 2004	Agreement on joint future steps
Escrow account agreement	Raiffeisen – Leasing International GmbH RLRE Kappa Property, s.r.o. RLRE Lambda Property s.r.o.	29 December 2004	Opening of an account with specific conditions of disposal of funds

Raiffeisen – Leasing Finanzierungs GmbH (formerly Raiffeisen – Leasing Bank AG)

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Contract for the Establishment of Pledge on Receivables from Deposits	Raiffeisen-Leasing Bank AG	27 January 2005	Establishment of security interest over receivables from deposits

Centralised Raiffeisen International Services and Payments S.R.L. (CRISP)

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Cooperation framework agreement	Centralised Raiffeisen International Services and Payments S.R.L.	18 June 2007	SWIFT access settings / payment of contractual fees
Agreement on Data Processing and Protection	Centralised Raiffeisen International Services and Payments S.R.L.	18 June 2007	Agreement on the handling and protection of data
Annex No. 3 to Cooperation Framework Agreement	Centralised Raiffeisen International Services and Payments S.R.L.	8 February 2008	Cooperation in the FiSa group programme determining fees for screening of transactions for sanctioned parties
Annex No. 4a to Cooperation Framework Agreement	Centralised Raiffeisen International Services and Payments S.R.L.	12 August 2009	Specification of services for the use of a common platform for international payments
Confidentiality Agreement	Centralised Raiffeisen International Services and Payments S.R.L.	20 January 2010	Agreement on confidentiality as part of potential mutual cooperation
Annex No. 5 to Cooperation Framework Agreement	Centralised Raiffeisen International Services and Payments S.R.L.	27 August 2010	Specification of services for the use of a common platform for international payments
Annex No. 4 to Cooperation Framework Agreement	Centralised Raiffeisen International Services and Payments S.R.L.	12 November 2010	Specification of services for the use of a common platform for international payments

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Amendment No. 1 to Annex No. 4 to Cooperation Framework Agreement	Centralised Raiffeisen International Services and Payments S.R.L.	6 December 2012	Specification of services for the use of a common platform for international payments
Amendment No. 2 to Annex 4 to Cooperation Framework Agreement	Centralised Raiffeisen International Services and Payments S.R.L.	18 August 2014	Amendment to the Framework Agreement, stipulating times guaranteed by CRISP for cases of SWIFT service downtime
Amendment No. 2 to Annex 2 to Cooperation Framework Agreement	Centralised Raiffeisen International Services and Payments S.R.L	18 August 2014	Amendment to the Framework Agreement, stipulating times guaranteed by CRISP for cases of SWIFT service downtime
Annex 6 to the Cooperation agreement	Centralised Raiffeisen International Services and Payments S.R.L	8 January 2015	iReg hosting and support – Fatca Reporting Support Services
Chapter 11 of Annex 6 to the Cooperation agreement	Centralised Raiffeisen International Services and Payments S.R.L	8 January 2015	iReg hosting and support – Fatca Reporting Support Services
Annex 7 to the Framework agreement	Centralised Raiffeisen International Services and Payments S.R.L	2 December 2016	Provision of services in the field of MAD II/MAR
Service Description, Enclosure No. 8 CRS Reporting Support Services	Centralised Raiffeisen International Services and Payments S.R.L	27 February 2017	Service agreement on a group solution for creating a file for the multilateral exchange of CRS information - iReg
Annex 8 to Framework Agreement	Centralised Raiffeisen International Services and Payments S.R.L	27 February 2017	More detailed description of CRS Reporting and Security measures
Chapter 10 of Annex 8 to Framework Agreement	Centralised Raiffeisen International Services and Payments S.R.L	27 February 2017	More detailed description of CRS Reporting and Security measures
Agreement on order processing in accordance with Article 28 of GDPR	Centralised Raiffeisen International Services and Payments S.R.L	14 June 2018	Agreement with the provider or payment and Compliance services to comply with the obligations arising from GDPR
Addendum No. 2 to Framework Service Level Agreement dated 18 June 2007	Centralised Raiffeisen International Services and Payments S.R.L	29 June 2018	Addendum to Framework Cooperation Agreement
Addendum 1 to Enclosure No. 7 Compliance Cockpit Support Services	Centralised Raiffeisen International Services and Payments S.R.L	6 September 2018	Addendum to Compliance Cockpit Support Services Agreement
Addendum 7 to Enclosure No. 2 to Framework Agreement	Centralised Raiffeisen International Services and Payments S.R.L	31 January 2019	Addendum to Framework Cooperation Agreement
Addendum No. 4 to Enclosure No. 4 to Framework Agreement	Centralised Raiffeisen International Services and Payments S.R.L	31 January 2019	Addendum to Framework Cooperation Agreement
Non-Disclosure Agreement S/2019/00051	Centralised Raiffeisen International Services and Payments S.R.L	15 February 2019	Protection of sensitive data on the contractor's part
Enclosure No. 9 to Framework Service Level Agreement	Centralised Raiffeisen International Services and Payments S.R.L	10 June 2019	Addendum to Framework Cooperation Agreement
Addendum 8 to Enclosure No. 2 to Framework Agreement on Centralised Raiffeisen International Services & Payments	Centralised Raiffeisen International Services and Payments S.R.L	3 February 2020	Addendum to Framework Cooperation Agreement
Addendum 2 to Enclosure No. 6 to Framework Agreement on Centralised Raiffeisen International Services & Payments	Centralised Raiffeisen International Services and Payments S.R.L	3 February 2020	Addendum to Framework Cooperation Agreement

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Addendum 5 to Enclosure No. 5 to Framework Agreement on Centralised Raiffeisen International Services & Payments	Centralised Raiffeisen International Services and Payments S.R.L	3 February 2020	Addendum to Framework Cooperation Agreement
Addendum 3 to Framework Service Level Agreement	Centralised Raiffeisen International Services and Payments S.R.L	29 June 2020	Addendum to Framework Cooperation Agreement
Letter of Intent – Participation Confirmation	Centralised Raiffeisen International Services and Payments S.R.L	28 July 2020	Participation in a joint project
Addendum 4 to Frame Service Level Agreement	Centralised Raiffeisen International Services and Payments S.R.L	29 March 2021	Addendum to Framework Cooperation Agreement
Addendum 9 to Enclosure No. 2	Centralised Raiffeisen International Services and Payments S.R.L	8 September 2021	Addendum to Framework Cooperation Agreement
Addendum 3 to Enclosure 6_iReg FATCA	Centralised Raiffeisen International Services and Payments S.R.L	1 January 2022	Adjusted price for Compliance services - iReg and FATCA regulatory reporting
Addendum 1 to Enclosure 7_MAD	Centralised Raiffeisen International Services and Payments S.R.L	1 January 2022	Adjusted price for Compliance services - MAD (EU Directive)
Addendum 1 to Enclosure 8_CRS	Centralised Raiffeisen International Services and Payments S.R.L	1 January 2022	Adjusted price for Compliance services - CRS (EU Directive)
Enclosure 10 CRISP - Centralised Raiffeisen International Services & Payments S.R.L. RBCZ Enclosure (CDR41206)	Centralised Raiffeisen International Services and Payments S.R.L.	2 March 2023	Counterparty document - IT OPEX for Fraud Detection System

AO Raiffeisenbank (formerly ZAO Raiffeisenbank)

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Correspondent Account Agreement	AO Raiffeisenbank	3 September 2008	Maintenance of a correspondent account / payment of contractual fees
ISDA Master Agreement	AO Raiffeisenbank	8 September 2011	Master Agreement stipulating mutual terms and conditions of money market trading
Schedule to the ISDA Master Agreement	AO Raiffeisenbank	8 September 2011	Definition of detailed terms and conditions of money market trading

Raiffeisen Informatik Consulting GmbH (R-IT)

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Purchase Agreement for Oracle Cap-Limit Licence and Maintenance Services	Raiffeisen Informatik Consulting GmbH	8 September 2010	Provision of licenses / payment of contractual fees
Amendment No. 1 to the Purchase Agreement for Oracle Cap-Limit Licence and Maintenance Services	Raiffeisen Informatik Consulting GmbH	1 June 2011	Change of contractual obligations
Agreement on the Implementation, Operation and Support of ITSM Box	Raiffeisen Informatik Consulting GmbH	10 April 2015	Agreement on the Implementation, Operation and Support of ITSM Box / payment of contractual fees
Offer ITSM changes pricing	Raiffeisen Informatik Consulting GmbH	10 October 2016	Change requirements for the ITSM box application

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Letter of intent Contract and SLA Signing Confirmation Service Title: Nearshored OFSAA Hub (NOAH) infrastructure service	Raiffeisen Informatik Consulting GmbH	5 January 2017	Billing of the NOAH Platform CZ service
Offer RI553703-2016 V1.0 RBCZ, CR17 - Manage SLA in CMDB	Raiffeisen Informatik Consulting GmbH	11 May 2017	Change requirements for the ITSM box application
Offer RI551313CZ-2016 V3.2 - NOAH - OFSA Platform CZ	Raiffeisen Informatik Consulting GmbH	31 October 2017	Provision of NOAH Platform CZ service / payment of contractual fees
Framework service agreement in the area of Information Technology	Raiffeisen Informatik Consulting GmbH	20 January 2020	Framework agreement on cooperation in IT / payment of contractual fees
IT Service Description Secure file transfer	Raiffeisen Informatik Consulting GmbH	4 February 2020	IT service agreement / payment of contractual fees
IT Service Description Lotus Notes Domino Hub	Raiffeisen Informatik Consulting GmbH	4 February 2020	IT service agreement / payment of contractual fees
IT Service Description Remote System Access	Raiffeisen Informatik Consulting GmbH	6 February 2020	IT service agreement / payment of contractual fees
IT Service Description Cloud Authentication	Raiffeisen Informatik Consulting GmbH	6 February 2020	IT service agreement / payment of contractual fees
IT Service Description Cloud Directory	Raiffeisen Informatik Consulting GmbH	6 February 2020	IT service agreement / payment of contractual fees
IT Service Description Identity Federation	Raiffeisen Informatik Consulting GmbH	6 February 2020	IT service agreement / payment of contractual fees
Confidentiality Statement for Microsoft Volume Licensing Contracts	Raiffeisen Informatik Consulting GmbH	22 May 2020	Confidentiality Agreement
Exhibit 2 to the Service Description – Remote System Acccess	Raiffeisen Informatik Consulting GmbH	18 June 2020	Amendment to the agreement / changed payment of contractual fees
Exhibit 2 to the Service Description - Secure file transfer	Raiffeisen Informatik Consulting GmbH	18 June 2020	Amendment to the agreement / changed payment of contractual fees
Exhibit 2 to the Service Description – Cloud Authentication	Raiffeisen Informatik Consulting GmbH	18 June 2020	Amendment to the agreement / changed payment of contractual fees
Exhibit 2 to the Service Description – Identity Federation	Raiffeisen Informatik Consulting GmbH	18 June 2020	Amendment to the agreement / changed payment of contractual fees
Service Description MS Office 365 Collaboration Service	Raiffeisen Informatik Consulting GmbH	20 October 2020	Service agreement / payment of contractual fees
Access Win10 Hybrid-Join RBCZ (RI631868-2020 V1.0)	Raiffeisen Informatik Consulting GmbH	18 November 2020	Stipulates the terms of Win10 Hybrid-Join service

RB International Finance (USA) LLC

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Risk Participation Confirmation	RB International Finance (USA) LLC	26 February 2013	Participation in credit risk / payment of contractual fees
Limit approval – maturity extension	RB International Finance (USA) LLC	30 September 2015	Limit approval – maturity extension / payment of contractual fees

Raiffeisen Kapitalanlage-Gesellschaft m.b.H (Raiffeisen Kag)

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Amendment to the Distribution Agreement	Raiffeisen Kapitalanlage-Gesellschaft m.b.H	20 April 2011	Changes in Appendix 3
Management Agreement (Raiffeisen Czech Click Fund II)	Raiffeisen Kapitalanlage-Gesellschaft m.b.H	24 November 2011	Agreement to appoint an investment manager and to stipulate rights and obligations in management of the fund in question
Amendment to the Distribution Agreement	Raiffeisen Kapitalanlage-Gesellschaft m.b.H	1 July 2013	Changes in Appendix 3
Amendment to the Distribution Agreement	Raiffeisen Kapitalanlage-Gesellschaft m.b.H	1 January 2016	Transfer of non-registered funds to a separate category
Addendum to the Distribution Agreement: MIFID II harmonization	Raiffeisen Kapitalanlage-Gesellschaft m.b.H	4 December 2017	Contract amendment
Supplement to the Contact Bank Agreement	Raiffeisen Kapitalanlage G.m. b. H Raiffeisen Bank International AG	26 March 2020	Contract amendment
Amendment of the Distribution Agreement	Raiffeisen Kapitalanlage-Gesellschaft m.b.H	1 July 2021	Contract amendment
Distribution Agreement – Cancellation of Subsription Fee	Raiffeisen Kapitalanlage-Gesellschaft m.b.H	21 April 2021	Cancellation of distribution fee

Ukrainian Processing Center

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Master Agreement - 3D Secure Payment Cards	Ukrainian Processing Center	26 March 2014	Master agreement – 3D Secure payment cards / payment of contractual fees
Price sheet	Ukrainian Processing Center	29 April 2014	Price sheet to the Framework Agreement / payment of contractual fees
Enclosure No. 5 to Framework Agreement	Ukrainian Processing Center	7 May 2014	Enclosure No. 5 to the Framework agreement stipulating the contractual terms and conditions
Amended Enclosure No. 5 to the Framework Agreement	Ukrainian Processing Center	13 May 2014	Amended Enclosure No. 5 to the Framework agreement stipulating the contractual terms and conditions
Framework Service Level Agreement	Ukrainian Processing Center	23 May 2014	Framework agreement / payment of contractual fees
Enclosure No. 5 to Framework Service Level Agreement on PRJSC	Ukrainian Processing Center	23 May 2014	Enclosure No. 5 to the Framework agreement stipulating the contractual terms and conditions
Addendum to Enclosure No. 5 to Framework Service Level Agreement on PRJSC	Ukrainian Processing Center	23 May 2014	Amended Enclosure No. 5 to the Framework agreement stipulating the contractual terms and conditions
Addendum 1 to Framework Service Level Agreement	Ukrainian Processing Center	11 June 2014	Amendment No. 1 to Framework agreement
Amendment No. 2 to Framework agreement	Ukrainian Processing Center	9 August 2017	Change of contractual terms
Amended Enclosure No. 5 to the Framework Agreement	Ukrainian Processing Center	28 August 2017	Amended Enclosure No. 5 to the Framework agreement stipulating the contractual terms and conditions
Amendment No. 3 to Framework agreement	Ukrainian Processing Center	14 June 2018	Change of contractual terms

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Standard Contractual Clauses (Processors)	Ukrainian Processing Center	30 April 2019	GDPR Agreement between RBCZ and UPC for personal data transfers
Addendum No. 4 to Framework Service Level Agreement between Raiffeisenbank a.s. and UPC dated 1 May 2014	Ukrainian Processing Center	1 January 2020	Enclosure No. 4 to the Framework agreement stipulating the contractual terms and conditions
Addendum No. 5 to the Frame Service Level Agreement between Raiffeisenbank a.s. and UPC dated 1 May 2014	Ukrainian Processing Center	25 March 2021	Enclosure No. 5 to the Framework agreement stipulating the contractual terms and conditions
Side Letter Single Resolution Mechanism (SRM)	Ukrainian Processing Center	20 July 2021	Stipulates conditions of SRM cooperation
Addendum No. 6 to the Frame Service Level Agreement between Raiffeisenbank a.s. and UPC dated 1 May 2014	Ukrainian Processing Center	26 October 2021	Enclosure No. 4 to the Framework agreement stipulating the contractual terms and conditions

Raiffeisenbank Sh. A

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Limit approval	Raiffeisenbank Sh. A	9 December 2015	Limit approval / payment of contractual interest

STRABAG SE

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Agreement on the Arrangement for Services Related to Investment Instrument Registers No. HS/0001/01/FN88983h	STRABAG SE	7 September 2016	CDCP services mediation/ remuneration according to the pricelist in Annex No. 4 to the Agreement
Current investment account opening and maintenance agreement BIUS/0001//02/FN 88983 h	STRABAG SE	7 September 2016	Opening and maintenance of a current investment account / payment of contractual fees

Kathrein Privatbank Aktiengesellschaft

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Cooperation Agreement	Kathrein Privatbank Aktiengesellschaft	7 November 2022	Stipulation of rights and obligations under the Cooperation Agreement / payment of contractual commission

RBI Retail Innovation

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Cost Reimbursement Agreement	RBI Retail Innovation GmbH	22 May 2023	Reimbursement of travel expenses

GoodMills Česko s.r.o.

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Amendment No. 13 to Loan Agreement reg. No. 115063/2011/5	GoodMills Česko s.r.o.	8 April 2021	Amendment No. 13 to the Agreement
Guarantee	LEIPNIK-LUNDENBURGER INVEST Beteiligungs Aktiengesellschaft (GoodMills Česko s.r.o.)	22 June 2021	Guarantee
Amendment No. 14 to Loan Agreement reg. No. 115063/2011/5	GoodMills Česko s.r.o.	30 March 2022	
Amendment No. 15 to Loan Agreement reg. No. 115063/2011/5	GoodMills Česko s.r.o.	23 March 2023	GoodMills s.r.o. – CZK 70 million credit limit for GoodMills Česko s.r.o.

In addition to contracts concluded in 2023 referred to above, the Bank and other related parties entered into other transactions in the reporting period, particularly loans and borrowings in the money market and fixed-term transactions, under which the Bank received or paid interest and fees.

3. List of Other Legal Acts

3.1. List of Other Legal Acts with Controlling Entities

Raiffeisen CEE Region Holding GmbH, RLB OÖ Sektorholding GmbH

Legal act	Counterparty	Date concluded	Performance / Counter-performance
Resolution of General Meeting of Raiffeisenbank a.s. – distribution of profit for 2022	Raiffeisen CEE Region Holding GmbH RLB OÖ Sektorholding GmbH	24 March 2023	Payment of coupons under unsecured AT1 capital investment certificates based on decision of the ordinary general meeting
Resolution of General Meeting of Raiffeisenbank a.s. – payment of dividends	Raiffeisen CEE Region Holding GmbH RLB OÖ Sektorholding GmbH	14 December 2023	Payment of share in profit (dividends) for 2022

3.2. List of Other Legal Acts with Other Related Parties

Liquidation of ESD and payment of the liquidation value: Equa Sales & Distribution, s.r.o. v likvidaci (ESD) was deleted from the Commercial Register as of 14 July 2023. The proposal to use the ESD liquidation value of CZK 193,219,753.86 (CZK 190,061,801.90 after tax) by paying the full liquidation value to RBCZ was approved by the sole member on 16 May 2023. RBCZ received the liquidation value in May 2023.

In December 2023, RBCZ received a dividend of CZK 99,000,000 from Raiffeisen investiční společnost a.s.

3.3. Overview of actions made at the initiative or in the interest of the controlling party or entities controlled by it, if such actions applied to assets exceeding 10% of the controlled entity's equity

RBCZ provided a surcharge outside the registered capital in the amount of CZK 1,600,000,000 to RSTS in April 2023.

RBCZ provided a surcharge outside the registered capital in the amount of CZK 2,500,000,000 to RLCZ in April 2023.

On 19 January 2023, RBCZ issued corporate bearer bonds (MREL) in the total amount of EUR 500,000,000; ISIN XS2577033553.

4. List of Other Factual Measures

4.1. List of Measures Adopted at the Initiative of Controlling Entities

None.

General Limits

The Bank has approved general limits for transactions with related parties that apply to current and term deposits, loans, repurchase transactions, treasury shares, letters of credit, provided and received guarantees at request or to the benefit of the controlling party or other parties controlled by the same controlling entity.

4.2. List of Measures Adopted in the Interest of Other Related Parties

None.

5. Closing Statement of the Board of Directors of Raiffeisenbank a.s.

We hereby represent that to the best of our knowledge, the Report on Related Parties of Raiffeisenbank a.s. prepared in accordance with Section 82 of the Act on Commercial Corporations for the reporting period from 1 January 2023 to 31 December 2023 includes all of the below, concluded or effected in the reporting period and known to us as at the date of signing this report:

- contracts and agreements between the related parties,
- performance and counter-performance provided to related parties,
- other legal acts made in the interest of these parties,
- all other factual measures adopted or made in the interest or at the initiative of these parties.

In identifying other related parties, the Board of Directors of Raiffeisenbank a.s. used information provided by Raiffeisen Bank International AG and other controlling entities.

Furthermore, we represent that we are not aware of any detriment to assets caused as a result of contracts, other legal acts and other factual measures concluded, made or adopted by the Bank in the reporting period from 1 January 2023 to 31 December 2023.

The Board of Directors of Raiffeisenbank a.s. represents that as part of evaluation of the benefits and detriments, the Board of Directors is not aware of any material detriments arising out of the relations among the related parties, and in the opinion of the Board of Directors, benefits arising out of these relations prevail, in particular benefits arising out of common synergies within the group, such as in sharing knowledge and capacities (technical, staff) in major regulatory projects, and benefits related to the knowledge of the group's background and the use of the same systems, processes, etc. Furthermore, the Board of Directors of Raiffeisenbank a.s. represents that it is not aware of any material risks ensuing for Raiffeisenbank a.s. as the controlled entity.

In Prague, on 12 March 2024

Igor Vida *Chairman of the Board of Directors*	Tomáš Jelínek *Member of the Board of Directors*

Persons Responsible for the Annual Financial Report

We hereby declare that, to the best of our knowledge, the annual financial report provides a true and fair view of the financial situation, business activities, and financial results of the issuer and its consolidated group for the previous accounting period and of the outlook for the future development of the financial position, business activities and financial results.

In Prague, on 27 March 2024

Igor Vida
Chairman of the Board of Directors and CEO
Raiffeisenbank a.s.

Kamila Makhmudova
Member of the Board of Directors
Raiffeisenbank a.s.

Raiffeisen Bank International at a glance

RBI regards Austria, where it is a leading corporate and investment bank, as well as Central and Eastern Europe (CEE) as its home market. Subsidiary banks cover 12 markets in the region. In addition, the Group includes numerous other financial service providers active in areas such as leasing, asset management and M&A. In total, around 45,000 RBI employees serve 18.6 million customers from more than 1,500 business outlets, the vast majority of which are in CEE.

The regional Raiffeisen banks hold approximately 61.17 per cent of RBI's shares. The remaining shares are held in free float.

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Raiffeisen Financial Group in the Czech Republic

Raiffeisen
Investiční společnost

Raiffeisen Investment Company (RIS) manages open-end mutual funds created for Raiffeisenbank clients. RIS funds include a full range of investment opportunities for all types of investors depending on their risk profile, and at the end of the year, the assets of the managed funds exceeded CZK 44 billion. Within several years, RIS has become a respected asset manager.

The most significant event of the year was the gradual transfer of our funds to the depository at Raiffeisenbank, which we will complete in January 2024. The most popular fund of 2023 was Raiffeisen Bond Stability Fund.

The company has registered capital of CZK 40 million, which is divided into 40 book-entry registered shares with a nominal value of CZK 1,000,000 each. RIS's 100% shareholder is Raiffeisenbank a.s.

Raiffeisen investiční společnost a.s.
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Raiffeisen
Stavební spořitelna

Raiffeisen building society (RSTS) provides building savings in the Czech Republic, as well as advantageous loans for reconstruction, renovations, and housing. It entered the Czech market in 1993 as the first building society, still under the name AR stavební spořitelna. Since 1998, RSTS has been a part of the strong Raiffeisen financial group. The company's merger with HYPO stavební spořitelna in 2008 was important for its future development. With this step, RSTS strengthened its position on the building savings market. In 2020, Raiffeisenbank a.s. became the 100% owner of the building society. This integration enables us to offer clients even better services and provide them with the best customer experience.

Although Raiffeisen stavební spořitelna (RSTS) faced certain challenges in 2023, such as a reduction in state aid, high interest rates, and inflation, it managed to provide clients and the market with stable support and innovative services. RSTS has prepared to expand its services to include subsidised consultancy for reducing the energy requirements of housing, which is a key area in need of investment in the Czech Republic. All of this is possible thanks to the partnership with the government in the area of subsidy support for New Green Savings. It continued to employ the concept *"SAMOZŘEJMĚ"* (CERTAINLY) in its communication and focused on the digitalisation of services.

RSTS also received an award for its REKOpůjčka product aimed at improving the quality of clients' housing, including reducing energy consumption. In addition, it continues to support the segment of cooperative housing where its unique product enables clients to purchase such housing without the need for a real estate mortgage. The company continued to improve service quality and customer satisfaction, while in the area of products, it responded to market conditions with innovative interest rate offers and synergistic products with the parent bank. Besides products for private individuals, RSTS also supports housing financing, including financing for the refurbishment of buildings in ownership associations or cooperatives.

Similar to 2022, the performance of RSTS was also affected in 2023 by significant external and internal influences. Once again, this involved inflation, with an average rate in the Czech Republic of 10.7%. Throughout 2023, the Czech National Bank maintained a restrictive monetary policy with the aim of suppressing inflation, but of course also with a negative impact on demand for real estate financing. Undoubtedly, one of the most significant factors affecting building societies was the government's proposed legislative package aimed at consolidating the state budget.

Despite these influences, Raiffeisen stavební spořitelna recorded interest in building savings in 2023 as well as the financing of energy savings. More than 87,000 building savings contracts for private individuals were concluded, including increases in the target amount, and hence total production reached the level of 2021. On the market as a whole, the number of newly concluded building savings contracts decreased by 16%. The number of building society clients thus reached almost 3.2 million as at 31 December 2023. The company's net profit amounted to CZK 827 million in 2023, which is 76.8% more than in 2022.

In 2023, Raiffeisen stavební spořitelna provided loans to its clients in a total volume of CZK 7.1 billion, which is a year-on-year decrease of 42%. The reason is primarily the year-on-year decline in demand for secured housing loans. In the building society sector, the year-on-year decline in the volume of secured loans was 60%, and the overall volume of granted loans decreased by 37%.

Cooperation through the cross-selling of the products of Raiffeisen stavební spořitelna and Raiffeisenbank continued in 2023 as well – for example, a client may open a current account or take out a consumer loan at Raiffeisenbank and at the same time arrange building savings or apply for a housing renovation loan, either at a branch office or through the direct digital channels of the bank.

The professional team of Raiffeisen stavební spořitelna's own financial advisors, which provides quality advice at 162 advisory locations throughout the Czech Republic, continues to be an important distribution channel for the company, for all types of products offered by the building society. In particular, online channels and Raiffeisenbank branches play an increasingly important role in the distribution mix.

Raiffeisen stavební spořitelna a.s.
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Raiffeisen Leasing

Raiffeisen-Leasing, s.r.o. is an established provider of financial services and subsidy consulting services, and in cooperation with its subsidiary Raiffeisen Broker, can also offer its clients a comprehensive range of non-life insurance products. Raiffeisen-Leasing, which is a subsidiary company of Raiffeisenbank a.s., is recognised on the Czech market as a stable, reliable, and responsible financial partner. Thanks to its collaboration with Raiffeisenbank, it offers its clients a beneficial combination of banking and leasing services and products. Raiffeisen-Leasing holds a licence from the Czech National Bank, which entitles it to provide consumer loans, and is a member of the Czech Leasing and Financial Association (ČLFA).

Raiffeisen-Leasing assists its clients in implementing their strategic investments and enables them to develop in a sustainable manner. Its broad scope of business includes services for private individuals and legal entities. Raiffeisen-Leasing helps companies finance their investment needs and finances cars, commercial vehicles and trucks, buses, machinery, and other equipment or technology. It also finances specific assets, such as aircraft and locomotives. As part of the financing of real estate projects, it participates in the construction and renovation of hotels, commercial centres, residential districts, and other important projects. In addition, the company is also involved in its own real estate development activities and helps private individuals finance cars and motorcycles.

Consulting services for subsidies are an important part of the services it provides and are widely used by corporate clients. Raiffeisen-Leasing's portfolio also includes insurance products, while its subsidiary company, Raiffeisen Broker, covers non-life insurance.

Raiffeisen-Leasing has been one of the most popular leasing companies in the Czech Republic for many years. According to data from the ČLFA, it is one of the largest domestic leasing companies in terms of its portfolio size. In addition, it has held a leading position for many years in the financing of real estate through leasing, both in the volume of new business cases and in the total volume of the real estate portfolio.

In 2023, the portfolio of fleet cars financed for clients through operational leasing with services grew significantly. The company further strengthened its cross-selling activities in cooperation with Raiffeisenbank and continued with activities leading to automation and digitalisation. The financing of ESG projects, which contributes to responsible and sustainable business, played an important role. A priority for the company is the development of services and products that lead to the satisfaction of clients and business partners, and this will continue to be the case in 2024. The customer experience will be in the focal point for the company when implementing its activities. The total volume of new investments financed by Raiffeisen – Leasing rose to CZK 13.2 billion in 2023. In absolute numbers, this is the highest volume of financing since the establishment of Raiffeisen – Leasing and a year-on-year increase of 5%. The total value of the company's assets as at 31 December 2023 according to the separate accounting statements prepared according to IFRS standards was CZK 35.3 billion. Raiffeisen – Leasing's net profit in 2023 according to the IFRS was CZK 666.8 million. As at the date of this annual financial report, these data had not yet been audited.

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UNIQA

Last year, UNIQA insurance company celebrated its 30th anniversary on the Czech market.

In 2021, UNIQA completed the merger with the AXA companies announced in February 2020. The insurance company has become an international financial group offering or mediating comprehensive financial services relating to insurance, pensions, investments, building savings, and mortgages. All entities are now under the UNIQA brand. It serves 2.6 million clients on the Czech and Slovak markets and has secured around 5 million contracts for insurance, pensions, or investments.

The Czech-Slovak UNIQA financial group, headquartered in Prague, is part of the international concern UNIQA Insurance Group, which is active in 18 European markets, employs 22,000 people, and currently serves almost 16 million clients. The key region for its activities is the Austrian market and Central Europe.

A part of the UNIQA insurance company financial group holds a universal insurance licence allowing the company to carry out business in all areas of the non-life and life insurance sectors for private individuals and corporate clients. It currently offers all types of insurance products covering all the insurance needs of private and corporate clients.

UNIQA insurance company currently ranks fifth on the Czech insurance market and fourth on the Slovak insurance market. Thanks to the integration of the AXA companies, UNIQA acquired an additional 800,000 customers on the Czech market and significantly strengthened its revenues.

UNIQA provided its services last year at approximately 130 business locations throughout the Czech Republic and, of course, at Raiffeisenbank and RSTS branch offices. UNIQA insurance company has closely cooperated with the Raiffeisen group for many years. In the form of a preferred partnership, this cooperation has also been successful in a number of other European countries where both brands are active on the financial market. Insurance is an integral part of many financial services, and UNIQA insurance company has optimised products for this purpose, such as leasing, credit, and mortgage transactions.

A new collaborative effort between UNIQA and Raiffeisenbank at the end of 2023 is NAPLNO travel insurance, which in terms of coverage and services is one of the best offered on the Czech market for payment cards. In 2023, the portfolio of insured clients for already existing group products increased significantly.

During 2023, a total of 25,962 clients arranged OPORA accident insurance, which UNIQA has been offering since 2021 in collaboration with Raiffeisenbank. The insurance is available in two variations: for individuals and for families. Opora provides clients with protection in the event of death due to an accident, permanent consequences of an injury, and for a reasonable period of treatment for an accident, and hospitalization in the event of an accident in the form of daily contributions. Almost 47,000 clients are currently using the product.

Last year, 44,908 clients arranged the insurance product OSOBNÍ STRÁŽCE (Bodyguard), which has been available since 2020. They value the coverage for cases of unauthorised transactions, as well as theft or loss of personal belongings. The insurance protects against the misuse of Internet banking, mobile banking, and all payment cards that a client has at Raiffeisenbank in any form (payment cards, apps on watches or mobile phones). By the end of 2023, this coverage protected almost 75,000 bank clients.

Three repayment insurance products from UNIQA were successfully sold last year together with credit products: mortgage repayment insurance, consumer loan repayment insurance, and business loan repayment insurance. Since 2020, the drawn-down amounts on a client's credit cards may also be insured with a similar type of insurance used for credit products. Total prescribed premiums for repayment insurance products reached CZK 284.5 million.

In 2023, the successful collaboration in the sale of individual insurance products also continued. At Raiffeisenbank branch offices, bankers concluded 2,776 life insurance policies with their clients. They offered risk and investment life products, and the total annual prescribed premiums reached CZK 313.4 million.

The comprehensive offer of insurance products for retail customers is completed with property insurance, which is offered not only at bank branches, but especially at mortgage centres. Last year, a new property insurance product DOMOV & BEZPEČÍ was successfully launched, and it is one of the top property products on the Czech market. A total of 8,827 new insurance policies were concluded in the Raiffeisenbank network, and the total prescribed premiums for 2023 totalled CZK 351.5 million.

For entrepreneurs, the product portfolio includes high-quality business risk insurance offered with a business account. PERFEKT insurance from UNIQA covers the property and liability of entrepreneurs to a large extent, including extensive assistance services, unique on the Czech market for this segment of clients. Insurance premiums from the PERFEKT product totalled CZK 24.1 million in 2023.

Last year, the total prescribed premiums from the portfolio of all valid UNIQA insurance policies arranged at Raiffeisenbank reached CZK 474.5 million for group policies and CZK 507.5 million for individual insurance policies.

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Brno – Hradecká Globus	Hradecká 408/40, 621 00, Brno-Ivanovice
Brno – Jánská	Jánská 1/3, 602 00, Brno
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Brno – Ve Vaňkovce	Ve Vaňkovce 462/1, 602 00, Brno
Břeclav	Jana Palacha 2921/3 , 690 02 Břeclav
Česká Lípa – nám. T. G. Masaryka	nám. T. G. Masaryka 193, 470 01, Česká Lípa
České Budějovice – Milady Horákové	M. Horákové 1498, 370 05, České Budějovice
České Budějovice – Nám. Přemysla Otakara	Náměstí Přemysla Otakara II. 13, 370 63, České Budějovice
České Budějovice – Pražská, IGY	Pražská 1247/24, OC IGY, 370 01, České Budějovice
Český Krumlov	Tovární 196, Domoradice, 381 01 Český Krumlov
Děčín	Myslbekova 80/3, 405 01, Děčín
Domažlice	Msgre. B. Staška 68, 344 01, Domažlice
Frýdek-Místek – J.V.Sládka	J. V. Sládka 84, 738 01, Frýdek-Místek
Frýdek-Místek – OC Frýda, Na Příkopě	Na Příkopě 3727, OC Frýda, 73801, Frýdek-Místek
Havířov	Hlavní třída 438/73, 736 01, Havířov-Město
Havlíčkův Brod	Havlíčkovo nám. čp. 175, 580 01 Havlíčkův Brod
Hodonín	Národní třída 18a, 695 01, Hodonín
Hradec Králové – S.K.Neumanna	S. K. Neumanna 487, 500 02, Hradec Králové
Hradec Králové – V Kopečku	V Kopečku 75, 500 03, Hradec Králové
Cheb	Májová 16, 350 02, Cheb
Chomutov	Žižkovo nám. 120, 430 01, Chomutov
Jablonec nad Nisou	Komenského 8, 466 01, Jablonec nad Nisou
Jihlava – Masarykovo náměstí	Masarykovo náměstí 35, 586 01, Jihlava
Jindřichův Hradec	náměstí Míru čp. 166, 377 01 Jindřichův Hradec
Karlovy Vary – Krále Jiřího	Krále Jiřího 39, 360 01, Karlovy Vary
Karviná – Masarykovo nám.	Masarykovo nám. 28/15, 733 01, Karviná
Kladno – Osvobozených politických vězňů	Osvobozených politických vězňů 656, 272 01, Kladno
Kladno – OC Central Kladno, Petra Bezruče	Petra Bezruče 3388, OC Central Kladno, 272 01, Kladno
Klatovy – Náměstí Míru	Náměstí Míru 168/1, 339 01, Klatovy
Kolín – Kutnohorská	Kutnohorská 43, 280 02, Kolín
Krnov – Hlavní náměstí	Hlavní náměstí 97/36, 794 01, Krnov
Kroměříž – Vodní	Vodní 59, 767 01, Kroměříž
Liberec – 1. máje	1. máje 112/6a, 460 07, Liberec
Liberec – České Mládeže, OC NISA	České mládeže 456, OC NISA, 463 12, Liberec
Liberec – Na Rybníčku	Na Rybníčku 1, 460 01, Liberec 3
Litoměřice	Mírové náměstí čp. 9/1, 412 01 Litoměřice
Mělník – náměstí Karla IV.	náměstí Karla IV. 183/17, 276 01, Mělník
Mladá Boleslav – Bondy centrum	Bondy Centrum, tř. Václava Klementa č.p. 1459, 293 01, Mladá Boleslav
Mladá Boleslav – TGM	T. G. Masaryka 1009, 293 01, Mladá Boleslav
Most – Budovatelů	Budovatelů 1996/4, 434 01, Most
Most – OC Central, Radniční	Radniční 3400, OC CENTRAL, 434 01, Most
Náchod – Karlovo náměstí	Karlovo náměstí 84, 547 01, Náchod
Nový Jičín	5. května čp. 20, 741 01 Nový Jičín
Olomouc – Nám. Národních Hrdinů	nám. Národních hrdinů 1, 779 00, Olomouc
Olomouc – Polská, OC Šantovka	Polská 1201/1, 779 00, Olomouc
Opava – Horní náměstí	Horní náměstí 32, 746 01, Opava
Ostrava – 28. října, Nová Karolina PARK	28.října 3348/65, 702 00, Ostrava
Ostrava – Hlavní třída	Hlavní třída 701/86, 708 00, Ostrava
Ostrava – Nová Karolina	Jantarová 3344/4, Forum Nová Karolina, 702 00, Ostrava

Branch Office	Address
Ostrava – Dlouhá	Dlouhá 3, 702 00, Ostrava
Ostrava – Tesco	TESCO, Sjízdná 5554, 722 00, Ostrava
Ostrava – Rudná, Avion Shopping Park	Rudná 114/3114 – Avion Shopping Park, 700 30, Ostrava
Pardubice – náměstí Republiky	náměstí Republiky 56, 530 02, Pardubice
Pardubice – třída Míru	třída Míru 420, 530 02, Pardubice
Písek	Velké náměstí 116, 397 01, Písek
Plzeň – Americká 1	Americká 1, 301 00, Plzeň
Plzeň – Olympia	Olympia, Písecká 972/1, 326 00, Plzeň Černice
Plzeň – sady Pětatřicátníků	sady Pětatřicátníků 317/10, 301 00, Plzeň
Praha – Anděl	Zlatý Anděl, Nádražní 23, 150 00, Praha 5
Praha – Bělehradská	Bělehradská 100/18, 120 00, Praha 2
Praha – Budějovická	Olbrachtova 2006/9, 140 21, Praha 4
Praha – City Tower (Hvězdova)	Hvězdova 1716/2B, 140 78, Praha 4
Praha – Dejvická	Dejvická 575/35, 160 00, Praha 6
Praha – Dejvická 11	Dejvická 11, 160 00, Praha 6
Praha – Eden Vršovická	OC Eden, Vršovická 1527/68b, 100 00, Praha 10
Praha – Europark	Nákupní 389/3, 102 00, Praha 10
Praha – Galerie Harfa, Českomoravská	Českomoravská 2420/15a, OC Galerie Harfa, 190 93, Praha 9
Praha – Chlumecká	Chlumecká 765/6, 198 00, Praha 9
Praha – I.P. Pavlova	Bělehradská 659/83, 120 00, Praha 2
Praha – Jandova (OSN)	Jandova 135/2, 190 00, Praha 9
Praha – Karlovo náměstí	Karlovo náměstí 10, 120 00, Praha 2
Praha – Komunardů	Komunardů 21/1045, 170 00, Praha 7
Praha – Ládví	Kyselova 1658, 182 00, Praha 8–Ládví
Praha – Lazarská	Lazarská 1718/3, 111 21, Praha 1
Praha – Lidická	Lidická 42, 150 00, Praha 5–Smíchov
Praha – Milady Horákové	Milady Horákové 10, 170 00, Praha 7
Praha – Na Pankráci Gemini	Na Pankráci 1724, 140 78, Praha 4
Praha – Národní	Národní 9/1010, 110 00, Praha 1
Praha – Novodvorská	Novoplaza Novodvorská 1800/136, 142 00, Praha 4
Praha – OC Chodov, Roztylská	Roztylská 2321/19, 14800, Praha 4
Praha – Palladium	náměstí Republiky 1, 110 00, Praha 1
Praha – Park Hostivař	Interspar Švehlova 32/1392, 102 00, Praha 10
Praha – Thámova	Thámova 118/17, 186 00, Praha 8
Praha – V Celnici	V celnici 7, 110 00, Praha 1
Praha – Václavské náměstí, Astra	Václavské náměstí 773/4, 110 00, Praha 1
Praha – Veselská Letňany	OC Letňany, Veselská 663, 199 00, Praha 9–Letňany
Praha – Vodičkova	Vodičkova 38, 110 00, Praha 1
Praha – Zenklova	Zenklova 22/340, 180 00, Praha 8
Praha – Zličín	Řevnická 1/121, 150 00, Praha 5
Praha – nám. Jiřího z Poděbrad	Nitranská 988/19, vstup z ulice Vinohradská, 130 00, Praha 3
Prostějov	Hlaváčkovo nám. 3, 796 01, Prostějov
Přerov	Komenského 758/11, 750 02, Přerov
Příbram – Zahradnická	Zahradnická 70, 26101, Příbram 3
Říčany – Masarykovo náměstí	Masarykovo náměstí 155, 251 01, Říčany
Strakonice – Velké náměstí	Velké náměstí 141, 386 01, Strakonice
Svitavy	náměstí Míru čp. 132/68, 568 02 Svitavy
Šumperk	Hlavní třída 15, 787 01, Šumperk
Tábor – Bílkova	Bílkova 960, 390 02, Tábor
Teplice – nám. Svobody, GALERIE	Nám. Svobody 3316, 415 01, Teplice
Trutnov – Horská	Horská 97, Trutnov, 541 01, Trutnov
Třebíč – Jejkovská brána	Jejkovská brána 36/1, 674 01, Třebíč
Třinec	Náměstí Svobody 528, 739 61, Třinec
Uherské Hradiště – Obchodní	Obchodní ul. 1508, 686 01, Uherské Hradiště
Ústí nad Labem – Forum, Bílinská	Bílinská 3490/6, 400 01, Ústí nad Labem
Ústí nad Labem – Pařížská	Pařížská 20, 400 01, Ústí nad Labem
Vsetín	Dolní náměstí čp. 429, 755 01 Vsetín
Vyškov	Masarykovo náměstí 46/34 ,682 01, Vyškov
Zlín – Nám. Míru	nám. Míru 9, 760 01, Zlín
Zlín – J. A. Bati, areál SVIT	J. A. Bati 5648, 760 01 Zlín
Znojmo	Masarykovo náměstí 325/3, 669 02, Znojmo
Žďár nad Sázavou	Nám. Republiky 42, 591 01, Žďár nad Sázavou

Mortgage centres

City	Address
Brno – Česká	Česká 12, 602 00, Brno
Brno – Hodonín	Národní třida 18a, 695 01, Hodonín
Brno – Olympia	U Dálnice 777, 664 42, Brno
Brno – Veselá	Veselá 12, 3. NP, 602 00, Brno
Brno – Znojmo	Masarykovo nám. 325/3, 669 02, Znojmo
České Budějovice	Náměstí Přemysla Otakara II. 13, 370 63, České Budějovice
České Budějovice/Tábor	Bílkova 960, 390 02, Tábor
Hradec Králové	V Kopečku 75, 500 03, Hradec Králové
Jihlava	Masarykovo náměstí 35, 586 01, Jihlava
Karlovy Vary	Krále Jiřího 39, 360 01, Karlovy Vary
Liberec	Na Rybníčku 1, 460 01, Liberec
Liberec/Mladá Boleslav	Třída T. G. Masaryka 1009, 293 01, Mladá Boleslav
Olomouc	Nám. Národních hrdinů 1, 779 00, Olomouc
Ostrava	Dlouhá 3, 702 00, Ostrava
Ostrava/Opava	Horní nám. 32, 746 01, Opava
Ostrava/Frýdek-Místek	J. V. Sládka 84, 738 01, Frýdek-Místek
Pardubice	K Polabinám 1893/4, 530 02, Pardubice
Plzeň	Americká 1, 301 00, Plzeň
Praha – Budějovicka	Olbrachtova 2006/9, 140 21, Praha 4
Praha – Karlovo nám.	Karlovo náměstí 10, 120 00, Praha 2
Praha – Jandova	Jandova 135/2, 190 00, Praha 9
Praha – ASTRA	Václavské náměstí 773/4, 110 00, Praha 1
Ústi nad Labem	Pařížská 20, 400 01, Ústí nad Labem
Ústí and Labem/Most	Budovatelů 1996/4, 434 01, Most
Zlín	J. A. Bati 5648, 760 01, Zlín

Friedrich Wilhelm Raiffeisen branches

City	Address
Brno – Česká	Česká 12, 602 00, Brno
Olomouc – nám. Národních hrdinů	nám. Národních hrdinů 1, 779 00 Olomouc
Ostrava – Dlouhá	Dlouhá 3, 702 00, Ostrava
Pardubice – třída Míru	třída Míru 92, 530 02, Pardubice
Praha – City Tower (Hvězdova)	Hvězdova 1716/2B, 140 78, Praha 4
Praha – Na Příkopě	Na Příkopě 1047/17, 110 00 Praha 1

Corporate centres

City	Address
Brno – Česká	Česká 12, 602 00, Brno
Brno – Jánská	Jánská 1/3, 602 00, Brno
České Budějovice – Nám. Přemysla Otakara	Náměstí Přemysla Otakara II. 13, 370 63, České Budějovice
Hradec Králové – V Kopečku	V Kopečku 75, 500 03, Hradec Králové
Chomutov	Žižkovo nám. 120, 430 01, Chomutov
Jihlava – Masarykovo náměstí	Masarykovo náměstí 35, 586 01, Jihlava
Karlovy Vary – Krále Jiřího	Krále Jiřího 39, 360 01, Karlovy Vary
Kolín	Kutnohorská 43, 280 02, Kolín
Liberec – Na Rybníčku	Na Rybníčku 1, 460 01, Liberec 3
Mladá Boleslav – TGM	T. G. Masaryka 1009, 293 01, Mladá Boleslav
Olomouc – 8. května	8. května 450/8, 779 00, Olomouc
Ostrava – Dlouhá	Dlouhá 3, 702 00, Ostrava
Pardubice – třída Míru	třída Míru 92, 530 02, Pardubice
Plzeň – Avalon Bussines center	Poděbradova 2842/1, Avalon BC, 301 00 Plzeň
Praha – Budějovická	Olbrachtova 2006/9, 140 21, Praha 4
Praha – City Tower (Hvězdova)	Hvězdova 1716/2B, 140 78, Praha 4
Praha – Jandova (OSN)	Jandova 135/2, 190 00 Praha 9
Praha – Karlovo náměstí	Karlovo náměstí 10, 120 00, Praha 2
Praha – Národní	Národní 9/1010, 110 00, Praha 1
Tábor – Bílkova	Bílkova 960, 390 02, Tábor
Trutnov – Horská	Horská 97, Trutnov, 541 01, Trutnov
Ústí nad Labem – Velká Hradební	Velká Hradební 3385/9, 400 01, Ústí nad Labem
Zlín – J. A. Bati	J. A. Bati 5648 , 760 01, Zlín
Žďár nad Sázavou	Nám. Republiky 42, 591 01, Žďár nad Sázavou

Infoline +420 412 440 000 (7-22), www.rb.cz, info@rb.cz

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