

Together for a sustainable future

Annual Corporate Responsibility Report

2015



**Raiffeisen
BANK**

Reușim împreună.

Together for a sustainable future

Annual Corporate Responsibility Report 2015

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Foreword



I am pleased to place the seventh corporate responsibility report at the disposal of the groups interested in the activity carried out by Raiffeisen Bank.

Similar to the previous years, we report in line with two methodologies which, in our opinion, provide a comprehensive overview, together with the financial annual report, on the Bank's business: the London Benchmarking Group (LBG), detailing our community investments and their impact on society, and the Global Reporting Initiative (GRI), which provides detailed information on our operational activity. We follow the recommendations of the latest version of GRI methodology, G4.

As you know, in Romania the non-financial reporting is still optional, up to the transposition into national law of the EU Directive number 95/2014. Together with other companies and civil society organisations, we have supported within the business community and especially in relation to the public authorities the need for the adoption of this Directive, in order to grant the general public access to as many information relating to the business carried out by companies, especially the large ones, either private or public. We believe that transparency is one of the most effective methods of fighting against corruption and promoting ethical business practices. Access to detailed information has a beneficial effect for spreading good practice in the business environment and the civil society.

Raiffeisen Bank is a universal bank carrying out major operations on the Romanian market, serving approximately 2 million retail customers, 100,000 SMEs and over 8,200 medium and large corporate customers. We are a large employer, providing jobs for more than 5,000 employees. We have over 500 agencies in more than 200 localities across the country, especially in urban settings. As members of the Raiffeisen Banking Group, we are one of the subsidiaries that consistently deliver good results to shareholders (in 2015, for the fourth year in a row, we ranked among the most profitable banks in Romania), which has as its immediate benefit the allocation of capital for financing the Romanian economy.

We have listed these data because they clearly show what are the main groups co-interested in the relationship with our company: customers, employees, shareholders, local communities we are part of. Of course, the public authorities generally regulating the financial and business environment are groups we actively and fully engage with.

Although 2015 represents a year in which the number of customers having experienced long-term payment difficulties decreased, the reduction in the number of such cases has been offset by the increase in their diversity, which required the development of more customised approaches in terms of customer profiles. This is the reason why we have included a new chapter in this year's report: "Efforts to find the most suitable solutions for customers in difficulty."

In 2016, the financial education of the population of all ages remains a priority. Although we have noticed a raise in the interest for the banking products and people ask for more and more products and services, less than half of customers have a high level of understanding of these products and services (according to the latest GFK study, commissioned by the Romanian Banking Association).

We will continue to support alternative urban transportation, by bike, as well as sports for all, as a healthy lifestyle. We will further promote the Romanian art and culture by supporting high quality cultural productions and events. We will encourage our colleagues to participate as volunteers in their communities and to share the experience and knowledge acquired.

We will also continue to invest in the professional training of our employees, but also in their personal development, for a more balanced and happier life. We will continue to provide financing to the Romanian households and corporations, following the same prudent and sustainable policy reflected in our financial results and consistent with the principle of providing suitable solutions for our customers, not financial products they don't need. Last, but not least, we will further consider all opportunities for preserving resources, be it fewer or larger.

Through our values, integrity, learning, respect, passion, cooperation, judgement and simplicity, we try to fulfil our mission to support the development of sustainable and prosperous communities, understanding our customers' needs and helping them to reach their maximum potential, to provide safety and easy-to-use financial and advisory services. Our vision is to be the preferred financial ecosystem in Romania where our customers, employees and partners share each other's experience and mobilize resources to add value for all.

I am confident that, with your help, and with the help of those interested in this report, we can enhance various aspects of our work. Please feel free to send us your suggestions and ideas.



Steven van Groningen
President & CEO

Organisation profile



Organisation profile

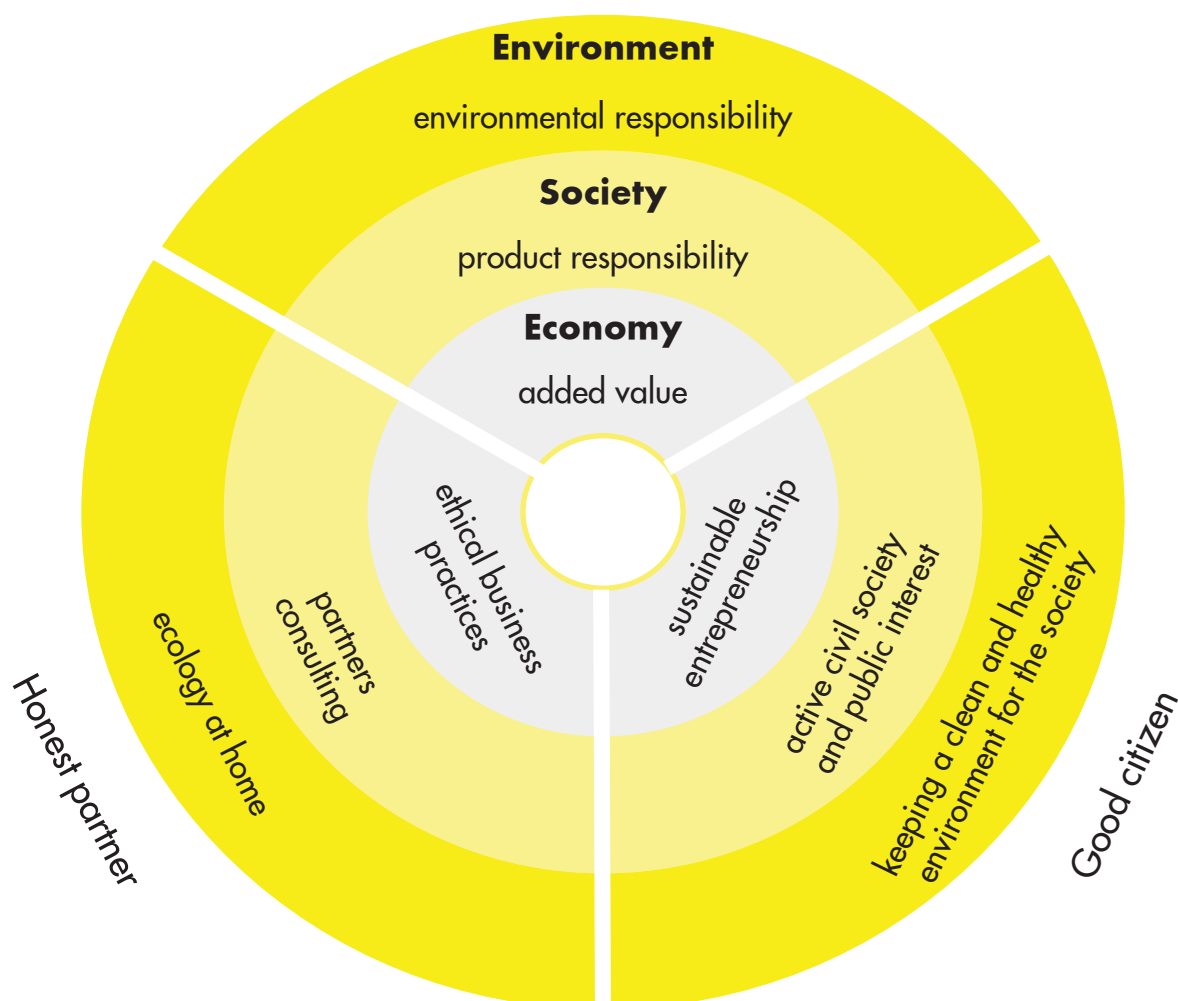
What we mean by sustainability

Sustainability has always been a fundamental principle for us and a measure of corporate success, Raiffeisen Bank combining financial success with social responsibility actions.

We understand sustainability as the responsible corporate activity, designed for a long-term economic success, which considers the essential social and environmental issues.

That is why we are committed to aligning our management structures and processes with this attitude. In all three areas of sustainability, as defined in the G4, GRI (Sustainability Reporting Guidelines, Global Reporting Initiative), Economy, Society and Environment, Raiffeisen Bank is a responsible Banker, an honest Partner, but also a good Citizen.

Responsible banker



Organisation profile

What we mean by sustainability

In 2013, Raiffeisen Group has published "We create sustainable value". This document encompasses 9 strategic directions that our sustainability management focused on. In order to identify these strategic directions, dialogue was held with all partners, employees, customers, service providers, non-governmental associations, and so on.

Our strategic directions for sustainability:

Responsible banker

- We bring **Economic** value added
 - we have a responsible management and sustainable business strategies in place
 - we are one of the most profitable banks in Romania
 - we permanently invest in the professional training of **Employees**
- We have implemented product responsibility for the **Society**
 - our customers are adequately informed
 - responsible credit policy
 - social and environmental policy
 - protection of customers' data
- We are responsible towards the **Environment**
 - social and environmental policy

Honest partner

- In **Economy** we bring ethical business practices
 - fairness and transparency towards employees, customers, shareholders
 - exemplary behaviour
 - code of conduct
 - compliance policy
 - anti-corruption training for **Employees**
- We consult our partners in the **Society**
 - permanent dialogue with our partners
- We respect the **Environment** at organisation level
 - management of resources and protection of the environment
 - actions and procedures to reduce consumption and recycle waste

Good citizen

- We support sustainable entrepreneurship in **Economy**
 - direct or indirect financing and support granted to relevant social or organizational initiatives
- We support the active civil **Society** and public interest
 - sponsorship policy
 - volunteering policy for **Employees**
- We support keeping a clean and healthy **Environment**

Our sustainability pillars



Organisation profile

About Raiffeisen Bank



Raiffeisen Bank is a top universal bank on the Romanian market and one of the most profitable banks in Romania.

The Bank provides a full range of financial products and services to retail customers, SMEs and corporations, via multiple distribution channels: banking outlets, ATM and EPOS networks, phone-banking (Raiffeisen Direct), mobile banking (Raiffeisen Smart Mobile), internet banking (Raiffeisen Online) and the automatic payment of bills through Direct Debit. Furthermore, Raiffeisen Bank has a network of over 500 agencies across the country serving approximately 2 million retail customers, around 100,000 SMEs and over 8,200 large and medium-sized corporate customers.

Raiffeisen Bank is a subsidiary of Raiffeisen Bank International AG (RBI), based in Vienna, one of the largest providers of corporate and investment banking services in Austria and a leading universal bank in Central and Eastern Europe (CEE).

Raiffeisen Group is also present in Romania on other segments of the financial market, through its subsidiaries: Raiffeisen Asset Management (investment funds management company), Raiffeisen Leasing (leasing company) and Raiffeisen Housing Bank (the first savings and lending bank in the residential housing field).

The Bank annually invests in the community approximately 2 million Euro, in five strategic directions: financial education, sports as a healthy lifestyle, arts and culture, urban ecology and social welfare. Raiffeisen Bank employees are increasingly involved in volunteering and fundraising within the framework of projects supported by the Bank.

Raiffeisen Bank operates under the laws in force in Romania, the articles of incorporation and its internal regulations. Likewise, the banking activity is regulated and supervised by the National Bank of Romania. The governance structure consists of the General Meeting of Shareholders, the Supervisory Board and Executive Board. Raiffeisen Bank's financial results can be accessed in the annual report available on www.raiffeisen.ro, prepared by an external auditor regularly elected, by tender addressed to the most important four audit companies in Romania, following the Bank's procurement policy.

Raiffeisen Bank Management

The composition of the Executive Board on 30 April 2016:

Steven van Groningen - President
Cristian Sporiș – Vice-president, Corporate Banking Division
Vladimir Kalinov – Vice-president, Retail Banking Division
James D. Stewart, Jr. – Vice-president, Treasury and Capital Markets Division
Carl Rossey – Vice-president, Operations and IT Division
Bogdan Popa – Vice-president, Financial Controlling and Accounting Division
Mircea Busuioceanu – Vice-president, Risk Division

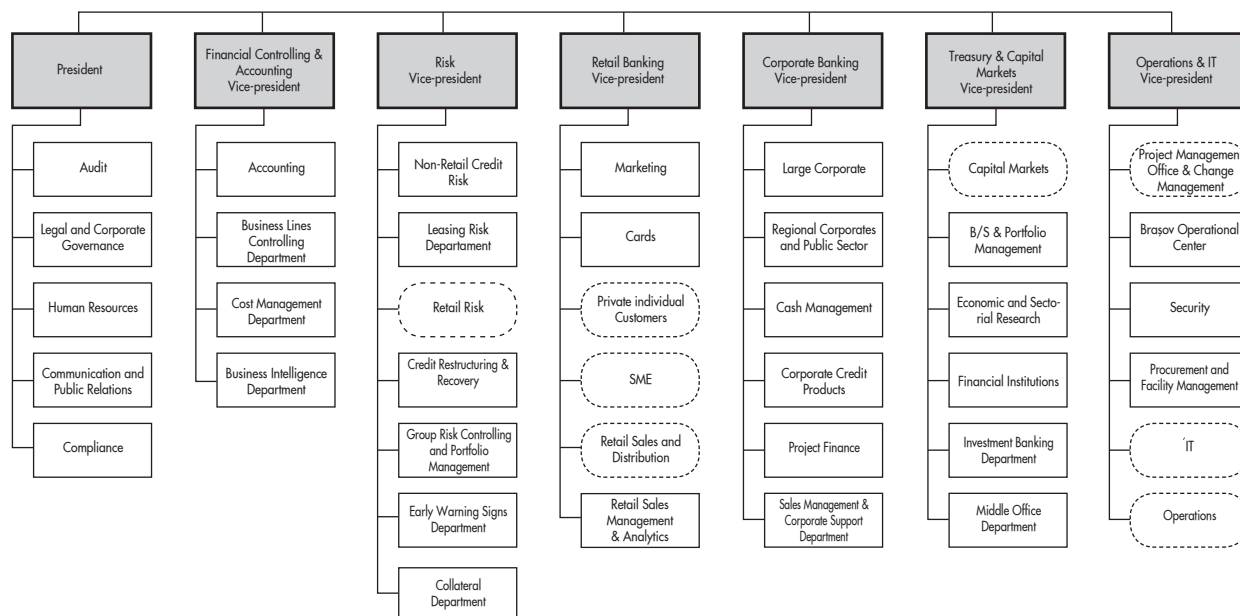
Organisation profile

Organisation profile Raiffeisen Bank Structure
at 31 March 2016



**Raiffeisen
BANK**

Reușim împreună.



Organisation profile

Supervisory Board

The composition of the Supervisory Board on 30 April 2016:

Karl Sevelde – Chairman
Martin Grüll – Deputy Chairman
Johann Breuer – Member
Peter Lennkh – Member
Anca Ioan – Member
Klemens Breuer – Member
Andreas Gschwenter* – Member

*the appointment is pending approval by the National Bank of Romania

List of Supervisory Board Committees

- Audit Committee
- Nomination Committee
- Remuneration Committee
- Credit Executive Committee
- Risk Committee

Details about the role and members of the Supervisory Board committees can be found at:

<https://www.raiffeisen.ro/despre-noi/guvernanta-corporativa/structuri-de-administrare/consiliu-de-supraveghere/>

*Attributions, organization and operational methods of these committees are defined by the Organization and Functioning Regulation of Raiffeisen Bank S.A.

Organisation profile

2015 Highlights

January

- Raiffeisen Bank announces the change in the scale of fees and commissions, which shall be effective starting with March: the Raiffeisen Smart Mobile service subscription is free of charge, the cost of electronic payments will not exceed 35% compared to that of over-the-counter transactions, and the electronic account statement is available free of charge.
- The Bank diversifies its savings offer for home-banking customers and launches the Super Access Plus savings account, with higher interest rates for those who receive their salary or pension in the current account opened with Raiffeisen Bank. New accounts can be opened via Raiffeisen Online and Smart Mobile, as well.
- The customers who are experiencing difficulties in repaying the instalments may come to any Raiffeisen Bank establishment, may call the Call Center or the free number dedicated to customers who wish to restructure their loans.

February

- Raiffeisen Bank supports four programmes implemented, for free, in Junior Achievement Romania schools, thus fully covering the financial education needs in primary education: Ourselves (Noi Însine), My Family (Familia Mea), Our Community (Comunitatea Noastră) and, starting with the school year 2015 – 2016, Our Town (Orașul Nostru), for pupils in the 3rd and 4th grades.

March

- l’Velo and StudentObike new seasons are opened, as well as the bike-sharing programmes developed by Green Revolution Association in partnership with Raiffeisen Bank.
- MPV Academy takes place, a programme aimed at the pre-acceleration for start-ups developed by How to Web and supported by Raiffeisen Bank.
- The series of regional events “Business Associates. Experts with you” organized by The Associates with the support of Raiffeisen Bank begins.
- Raiffeisen Bank is awarded “Best SMEs Financing Line” at Business Review Gala 2015, for its JEREMIE Programme.

April

- For the third year in a row, Raiffeisen Bank supports the Leaders Foundation and its leadership programmes.
- The National Fundraising Conference takes place, organised by the Asociația pentru Relații Comunitare in Cluj-Napoca, with support from Raiffeisen Bank.
- Raiffeisen Bank continues to diversify its bill payment methods by implementing a new, simple and fast solution, in partnership with Orange Romania. The solution allows a single-click payment for Orange bills, through Raiffeisen Online, the identification elements on the invoice being no longer required.

May

- Aiming to respond properly to changing customer needs, Raiffeisen Bank launches the digital transformation, switching to Google Apps for Work and Google Android for Work, with the purpose of increasing internal cooperation and simplifying daily activities. Raiffeisen Bank is the first Romanian bank going Google.
- More than 100 Raiffeisen employees pass the finish line in the cycling race Bucharest-Brașov, RStyle event.
- Raiffeisen Bank partners in major artistic, cultural, sports and educational events of 2015 under the Together (Împreună) umbrella. TIFF is the first event branded “Together”, where Raiffeisen Bank supports one of the most important sections of the programme, the Romanian Film Days
- Raiffeisen Bank encourages long-term saving, by adding a new characteristic to its 18, 24 and 36 months term deposits. In case of early liquidation of such deposit, the customer receives an interest rate which is proportional to the period ranging between incorporation and liquidation.
- The UNITER Awards Gala takes place, supported by Raiffeisen Bank for the last 10 years.
- The fourth edition of the event “Absolvenți în fața companiilor” (Graduates vs. Companies) organised by Transilvania University of Brașov takes place, with the support of Raiffeisen Bank.
- Raiffeisen Bank Romania becomes a founding member of the UN Global Compact Romania, along with other 22 companies, with the objective to bring together as many companies in Romania concerned with sustainable development.

Organisation profile

2015 Highlights

June

- The Bank supports the International Theatre Festival in Sibiu for the eighth year in a row, under the umbrella "Together at the theatre".
- More than 100 Raiffeisen employees participate for two days in the RStyle Olympics competition organised for them.
- Raiffeisen Bank launches the "Credite la un act distanță" (Credits with a single document) campaign, thus significantly simplifying the analysis and disbursement process for the unsecured personal loan and the credit card. Based on a protocol signed by the Romanian Banking Association and ANAF (the National Agency for Fiscal Administration), all verifications related to the taxable income of a loan applicant are carried out automatically, the submission of a pay slip being no longer required.
- For the eleventh year takes place the fund-raising campaign for the United Way foundation (UW). Over 400 Raiffeisen Bank employees offer to donate, on a monthly or annual basis, salary amounts to support UW projects, the final amount being doubled by the Bank.
- Cinema Studio screens first-run movies signed by Andrei Dăscălescu: Via Maria Theresia: Redescoperirea și Competiția (Rediscovery and Competition). The movies tell the story of the two Tășuleasa Social Association projects supported by Raiffeisen Bank, restoration of the historic road Maria Theresia from Călimani mountains and the first edition of the Via Maria Theresia marathon.
- Raiffeisen Bank continues the project "Biciclete cu cravată" (Bicycles with a tie), targeting business centers, initiated in 2010 along with Green Revolution association.
- Raiffeisen Bank publishes the Corporate Responsibility Report 2014 and lunches this within the framework of the Conference "Un impuls european pentru un mediu de afaceri curat: transpunerea Directivei privind raportarea non-financiară" (European impetus for a clean business environment: transposition of the Non-financial Reporting Directive).
- Habitat for Humanity along with 20 Raiffeisen volunteers build the foundation of a real estate which will accommodate four families in need until the end of the year.
- Sport Arena Streetball, the most popular 3x3 basketball competition in Romania, supported for the seventh year by Raiffeisen Bank, opens its 11th edition.
- There starts the series of regional events "Arena Antreprenorilor" (Entrepreneurs Arena) organised by Ernst & Young together with Raiffeisen Bank for business people in Brașov, Cluj-Napoca, Iași, Timișoara and Constanța.
- Raiffeisen Bank and the European Investment Fund sign a supplementation of the dedicated funds ceiling for SMEs lending, under the JEREMIE Initiative (Joint European Resources for Micro to Medium Enterprises), whereby the Bank will be able to grant loans amounting to EUR 50 million. Total SMEs loans (in accordance with the European definition) via this financial instrument thus amount to EUR 90 million.
- Raiffeisen Bank is awarded the "Best Bank in Romania" title at Euromoney Awards for Excellence.

July

- Raiffeisen Bank launches the fifth edition of Raiffeisen Communities Grants Programme, dedicated to the financing of local small and medium-sized projects in the communities in which the Bank operates. The most appreciated and supported 10 community projects will receive funding of EUR 10,000, the total amount of financing provided by "Raiffeisen Comunități" Grants Programme being EUR 100,000.
- Raiffeisen Bank launches a new functionality whereby corporate customers can check the creditworthiness and ability to pay of business partners directly on the Raiffeisen Online platform.

August

- The second edition of Via Maria Theresia mountain marathon takes place, organised by Tășuleasa Social Association with the support of Raiffeisen Bank.
- Starts Undercloud, the independent theatre festival of D'AYA company supported by Raiffeisen Bank.
- Young Leaders Club organises the 9th edition of one of the most prestigious education programmes in economics and finance in South-Eastern Europe, organised with the support of Raiffeisen Bank: Young Leaders Club Finance.
- Over 70 Raiffeisen Bank employees participate in Discover Romania weekend trips organised via the RStyle programme..

Organisation profile

2015 Highlights

September

- Raiffeisen Bank is pleased to announce the winners of Raiffeisen Communities Grants Programme: eight NGOs, a hospital and a school located in Timișoara, Sibiu, Onești, Galați and Bucharest. The competition was entered by more than 240 projects, 99 have been qualified for the final, being assessed by the public and more than 60 Raiffeisen volunteers. 10 projects have each won a grant of EUR 10,000.
- “Educator for a day” volunteering activity, part of OvidiuRo Association programme “Every child in kindergarten” begins. Every day, for one month, 54 Raiffeisen Bank volunteers and 30 journalists, writers or actors go together in kindergartens in some of the poorest communities in Brașov and Covasna, aiming to prevent school dropout. Shortly thereafter, the bill of OvidiuRo Association is voted in the Chamber of Deputies and then the Law on boosting participation in pre-school education of children coming from disadvantaged families is promulgated by the President of Romania.
- The official opening of the 22nd edition of the International George Enescu Festival takes place, sponsored, for the first time, by Raiffeisen Bank.
- Cultour Association, Green Revolution and Raiffeisen Bank organise the Enescu Tours within the framework of Creative Bucharest, taking place on foot or by bike.
- After the first year of activity in Romania, Teach for Romania presents the results, Raiffeisen Bank says it will further support the Association’s projects.
- The fifth edition of BikeFest takes place, the largest event dedicated to urban cyclists, organised by Green Revolution with the support of Raiffeisen Bank.

October

- Raiffeisen Bank Bucharest Marathon 2015 gathers at the start more than 11,000 runners – amateurs and professionals, passionate about overcoming their own limits. Raiffeisen Bank is awarded the diploma for “The company with the largest number of runners at the Bucharest International Marathon”, granted by Bucharest Running Club, the event organiser.
- 50 Raiffeisen employees take part in a new RStyle action: Yachting Adventure.
- The first edition of Art Encounters Festival takes place in Timișoara, with Raiffeisen Bank’s support.
- The Act Theatre Tour takes place in Cluj, Sibiu, Oradea and Timișoara. Over 2,600 spectators have applauded the two Raiffeisen Art Project productions: *Păi... despre ce vorbim noi aici, domnule?* and *Absolut!*
- Raiffeisen Bank mails checks and promissory notes directly at the customers’ offices, free of charge, thus continuing the initiatives targeting cost reduction and a simplified interaction with the Bank, as well as the streamlining of steps taken by a customer using such paper-based instruments.
- The Bank employees who don’t know how to ride a bicycle enter the Learn2Bike programme.

November

- Raiffeisen Bank obtains a supplementation of resources available under the JEREMIE Initiative, whereby the Bank will be able to grant loans amounting to another EUR 35 million.
- The SoNoRo Chamber Music Festival begins, supported by Raiffeisen Bank for 10 years now.
- The Viennese Ball takes place in Timișoara, with the support of Raiffeisen Bank, intended to raise funds for the United Way organisation
- Raiffeisen Bank receives the award of excellence at the Romanian PR Awards for its internal magazine Staff Only.
- Raiffeisen Bank’s President, Steven van Groningen, is named Banker of the Year, at the Financial Leaders Hall of Fame Gala, organised by Business Arena Magazine.

December

- Raiffeisen Bank supports the National Gala of Volunteers and the second edition of the stair climbing competition SkyRun.
- Raiffeisen Bank extends its discounted conversion offer for customers who are facing difficulties in repaying CHF loans and have an indebtedness level that exceeds 65%.
- 119 Raiffeisen volunteers help Santa Claus to meet the wishes put forth in the letters submitted by 41 children from Hercules Center, Argeș.
- The Banker, the prestigious publication edited by Financial Times, names Raiffeisen Bank the “Bank of the Year” in Romania.

Defining the content of the report



Defining the content of the report

Profile of the report

The Corporate Responsibility Report of Raiffeisen Bank is published annually, and the information herein has been collected for the period 1 January 2015 - 31 December 2015. It represents a corporate responsibility analysis exclusively for the non-financial activity of Raiffeisen Bank Romania in 2015, not including information or aspects relevant for its subsidiaries. This report is a self-assessment of the manner in which Raiffeisen Bank carried out its non-financial activity during the year 2015, without being externally audited.

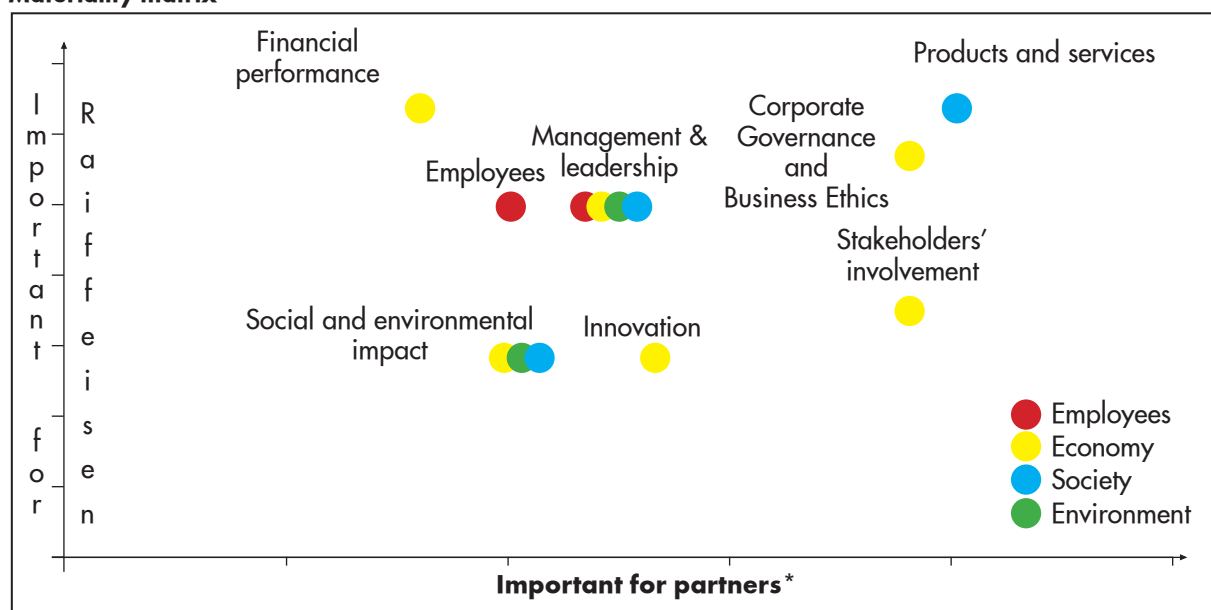
Materiality analysis

Within the process of identifying relevant aspects for the impact of Raiffeisen Bank, the main categories of partners of the company have been involved. Their expectations and perceptions were obtained through three opinion polls, of which one was specifically conducted within the framework of the preparation hereof. The following categories of partners were interviewed:

- Employees
- NGOs
- Service Providers
- Central and local governments
- Professional organisations and audit, supervision and regulation bodies
- Specialised press and media opinion leaders
- Customers

These categories were considered on account of their importance for the activity carried out by the Bank. The aspects considered by these partners as being the most important ones are dealt with extensively herein.

Materiality matrix



*) "Important for partners" is calculated based on the results of the Corporate Reputation in Banking study conducted in conjunction with Daedalus Millward Brown.

Given the positioning of the material aspects Products and Services, Corporate Governance, Sustainable Management, Employees, we will allocate a significant share thereof in this report.

Defining the content of the report

Promoting the idea of business sustainability, commitments and acknowledgement

UN Global Compact

Raiffeisen Bank joins the UN Global Compact worldwide responsibility initiative, a natural step coming in continuation of those already made by the Bank in promoting responsible business practices, hoping that in a not so distant time, UN Global will bring together as many companies in Romania concerned with sustainable development.

Raiffeisen Bank and CRPE endorse the transposition of the Non-financial Reporting Directive

Raiffeisen Bank and the Romanian Centre for European Policies (RCEP) are continuing the consultation process initiated in 2014 for the transposition of Directive 95/2014/EU relating to the disclosure of non-financial information by companies. In a first partnership for transparency and integrity between the civil society and the business environment, Raiffeisen Bank and the Romanian Centre for European Policies provide companies and stakeholders a review of the provisions of the new directive and a first assessment of the implications of its implementation and transposition into the Romanian law.

Raiffeisen Communities

The blog raiffeisencomunitati.ro, launched in 2011, was a first for the banking sector in Romania and continues to be a blog open to all those who want to get involved in community life, as well as the main platform for the development of the annual Raiffeisen Communities Grants Programme.

Awards for the CSR activity carried out by Raiffeisen Bank in 2015:

1. MasterCard Bank of the Year 2015, the Award of Excellence in the category Socially Responsible Bank of the Year 2015
2. Visa Forum 2015: Excellency in CSR
3. Romanian CSR Awards, 1st place in the category Employee Support for RStyle - Work-life balance
4. Romanian CSR Awards, 2nd place in the category Environment for the I'Velo project
5. 25 years of Environment in Romania, Diploma for the most active green community for the I'Velo bike sharing project
6. Junior Achievement Young Enterprise: Certificate of Excellence, Investor in Education
7. Bucharest Running Club: The company with the largest number of runners at the Bucharest Marathon
8. Romanian PR Awards: Award of Excellence in the category Sponsorship at the International George Enescu Festival
9. The International Theatre Festival in Sibiu: The Award for an Exceptional Partnership
10. United Way Romania Gala: Platinum Partner
11. Princess Margareta of Romania Foundation: Platinum Sponsor
12. National Well-being Gala, Wellbeing Master@Work trophy

For employees





Total employees **5,427**

4,073 

< 30 years / **1000**
30-50 years / **2,662**
> 50 years / **411**

1,354 


< 30 years / **314**
30-50 years / **880**
> 50 years / **160**

253
Total working
days

37
Average age

< 30 years / **397** 
30-50 years / **204**
> 50 years / **4**

New employees
2015

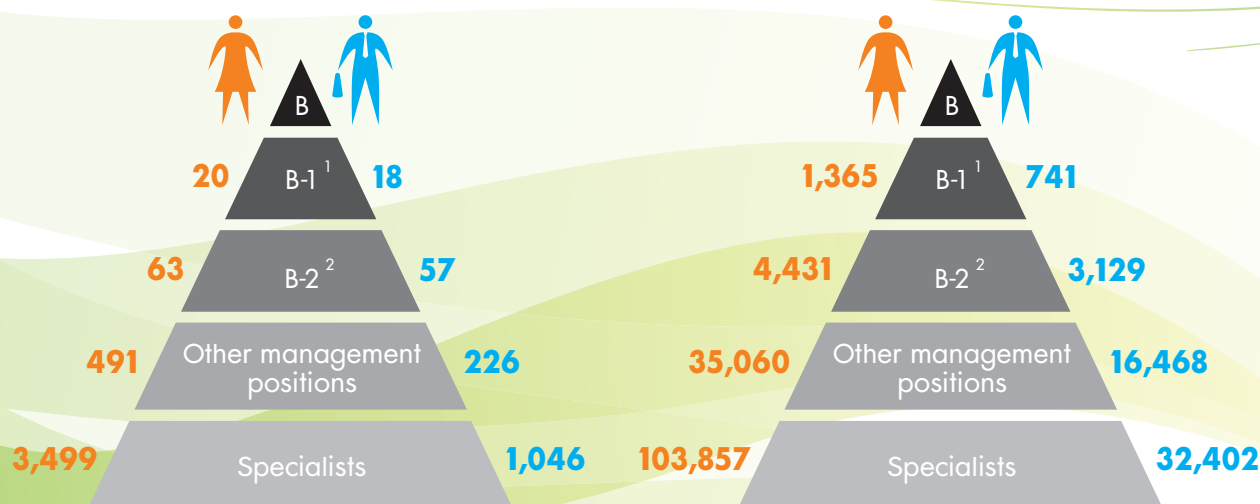
< 30 years / **117** 
30-50 years / **79**
> 50 years / **1**

Number of employees
in administrative offices

Sky Tower	445	24%
Office Building	878	47%
Brașov Operational Center	543	29%

Management positions **253**

Professional development



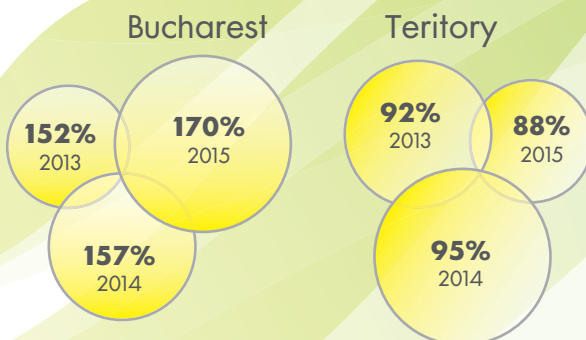
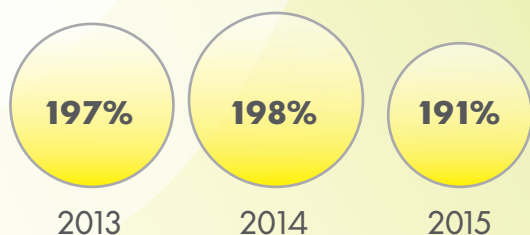
Number of training hours **197,453**

The value of the benefit package as % of salary³

Employees	6.7%
Management	3.3%
Top Management	1.2%

The value of the employees' average wage as compared to the national average wage

The value of the junior employees' average wage as compared to the national average wage



1 - B-1 represents the first level of management, after top-management/Executive Board.

2 - B-2 represents the second level of management, after top-management/Executive Board.

3 - Value represents the total average cost of benefits (total average cost of wage + variable payment + performance bonus).

Responsible banker

Continuous investment in the professional training of employees

The most important resource for Raiffeisen Bank is represented by the employees, as they are the main channel whereby the Bank comes into contact with the customers and the community. Therefore, we invest in the professional training and development of employees, in programmes for young people for the purpose of building skills and attracting new talents. At the same time, we pay special attention to the internal policies in terms of performance compensation and management.

The training and development of employees is a constant concern of the Bank, which provides development programmes to employees by contributing directly to their individual performance, to that of the team and, hence, the organisation's performance.

In 2015 were continued or initiated training programmes derived from the Bank's strategy and aligned with organisational culture, pursuing both the development of the functional skills of employees, as well as the leadership skills and increase in the involvement of employees.

The types of programmes offered targeted the specialised employees from all segments of business or support expertise areas (Retail, SMEs, Corporate, Treasury, Operations, IT, etc.) and different methods of learning and development: technical courses, cross-cutting initiatives for the development of skills, certifications, participation in conferences or workshops.

The support methods and technologies were diversified: experiential learning, interactive platforms, blended learning and gamification concepts.

Within the framework of the development and delivery of training programmes it was pursued not only the inclusion of all Bank's positions, but also a high level of quality and adaptability to development goals. The programmes have been implemented both with domestic training experts, as well as with external service providers.

In terms of the units' network, in 2015 has been implemented the new format of the programme **Raiffeisen School**, revised and enhanced to prepare new employees for the specifics of the activity carried out in the agency. As every year, some hundreds of people have attended this programme's modules, participating in introductory sessions on the specifics of the organisation, courses on products, operations, lending, customer relations. The main element of novelty compared to the previous format aimed at the inclusion of alternative learning methods, tailored to the current business context and in line with the new trends and technologies.

RStyle, the balance programme between the professional and personal life, was developed every year, starting in 2013, on three pillars: healthy living, interpersonal relations and emotional balance. In the nearly 100 RStyle actions held in 2015 on six areas (RSport, 2.2. DevelopR, Food, TogetherR, Rparenting and TravelR) joined 3,400 Bank employees with 6,000 participations.

For employees

Honest partner

Work environment

At the end of 2015, Raiffeisen Bank had 5,349 active employees in full-time equivalent (FTE) against 5,158 in 2014. Moreover, the Bank dropped last year the leasing employment, taking over the existing staff by the end of 2014 (251 FTE). The average age of employees was 37.

Employment contract, working hours at the end of 2015

<i>Contract on indefinite period of time</i>	<i>Contract on definite period of time</i>	<i>Full time</i>	<i>Part time</i>
4,673	747	5,281	139

Management

<i>Women in management positions</i>	574
<i>Men in management positions</i>	574

Number of new employees and employees who have resigned from the Bank job

	<i>New employments</i>	<i>%</i>	<i>Resignations</i>	<i>%</i>
Women	605	11%	656	12%
Men	197	3.6%	205	3.8%

Number of resignations, by gender and age

	<i>below 30 years</i>	<i>30-50 years</i>	<i>over 50 aniyears</i>
Femei	303	304	49
Bărbați	96	95	14

According to the law, Raiffeisen Bank employees may terminate the Agreement on the basis of the resignation, in which case shall submit to the employer the prior notice indicated under the Labour Code, i.e. 20 business days for executive positions and 45 business days for management positions, or by agreement on a date mutually set by the Parties. In the case of employees affected by the downsizing of the activity, Raiffeisen Bank offers them vacancies in the Bank or, if this is not possible, gives them prior notice of 20 business days and a severance package based on the seniority within the organisation, according to the Collective Labour Agreement. For vacancies, our stance is to employ individuals from the local communities in which the organisation carries out its business, so that both the company and the community may benefit from local expertise.

Severance pay and benefits

The Bank provides employees benefits packages that include: insurance in case of accidents and illnesses, subscription to a private medical centre, social benefits (birth, adoption, death of employee or close relative, employees facing social problems), meal vouchers, annual leave between 23 and 27 business days depending on the length of service (compared to the minimum legal limit of 21 days), preferential conditions for particular lending products and banking operations, special offers in some partner stores, company phone, company car for certain management positions, annual reward following the assessment of each employee's performance and other benefits laid down in the Collective Labour Agreement.

Raiffeisen Bank also contributes on a monthly basis to the mandatory and optional pension system for its employees. Contribution to the Social Security Office (CAS) for the mandatory pensions is monthly borne both by the employee (10.5% of the gross income) and the employer (15.8% of the wages fund). For the employees having entered into an agreement with the Raiffeisen Asset Management Pension Fund, Raiffeisen Bank grants them as benefit a contribution to voluntary pensions amounting to EUR 200/year.

The Collective Labour Agreement Negotiations carried between Raiffeisen Bank employees union with the management shall reflect upon all employees, even if they are not union members. Notices on major operational changes are made four weeks prior to the date of their application.

Maternity/paternity leave

The average return from maternity/paternity leave was 88.1% in 2015 compared to 77.7% in 2014, while the average length recorded was 17 months.

The number of employees who were in maternity/paternity leave in 2015: 56 men and 554 women

	<i>Women</i>	<i>Men</i>
Have returned from the leave	223	7
Have not returned from the leave	30	1

Performance management

In 2015 was applied the same mechanism of merit pay increase at the level of the Bank implemented in 2014, aimed at rewarding each employee depending on individual performance and positioning within the wages range corresponding to the position held. At the same time, each employee was presented their own positioning within the wage structure, in order to ensure transparency and full understanding of the policy of remuneration implemented by Raiffeisen Bank.

The professional performance review process is based on an internal policy of Raiffeisen Bank Romania, that takes into account the Group's directives.

Achieving goals must be consistent with the Bank's values and culture. The values promoted in the Bank, the basis of Raiffeisen Bank organisational culture, are as follows: integrity, learning, respect, passion, cooperation, insight, simplicity.

Remuneration and recognition for employees

In 2015 we continued the programmes aimed at ensuring internal equity in terms of remuneration. At the same time, a new remuneration system has been implemented across the organisation, focused on merit recognition and rewarding employees who contribute the most to achieving performance within the Bank.

The initiatives to develop the Employee Self Service platform, which began last year, continued in 2015 by adding new modules, providing customised information to Raiffeisen Bank employees about the benefits granted by the Bank, detailed monthly earnings and past performance appraisal ratings.

Occupational Safety and Health

The issues relating to the health and safety of employees at work are envisaged under the Collective Labour Agreement. The Bank grants employees a free medical subscription including psychological counselling, annual medical check-up or, if the case, the occupational medicine specialist.

20 employees are part of the Occupational Safety and Health Committee, supporting the monitoring and provision of advice on occupational health and safety programmes.

Furthermore, first aid courses are provided to employees each year.

Number of days of sick leave, by gender

		Women	Men
Number of days of absence (sick leave, days off for special events, days of absence)	2014	26,779	5,347
	2015	21,771	4,348
Number of days of sick leave due to occupational accidents	2014	378	
	2015	265	

Permanent dialogue

Since 2008, the Bank has been annually carrying out a survey among its employees. In 2015, the survey was conducted by the Hay Group, recording a response rate of 85%.

The purpose of the survey is to enable the Bank to:

- identify facilitators and barriers that employees are experiencing in their daily work and the impact upon their commitment and effectiveness;
- measure the levels of employee commitment and accountability;
- use employee input to drive change, so as to ensure continuous improvement of the working environment and enhance commitment;
- improve internal communication.

Employee Value Proposition (EVP) is a statement about the manner in which Raiffeisen Bank upholds its promises and values in relation to the employees. It describes the combination of characteristics, benefits and work procedures within the organisation. It is an agreement between the Bank and the employees, which characterises it as employer but also a differentiator on the labour market.

The EVP project started in 2014 and continued in 2015 with the support of AON Hewitt, in order to benefit from its expertise at RBI Group level and ensure the objectivity of the process.

In 2015, the project focused on: including the value-driven competencies in the performance management process, including leader roles in the performance management forms for managers, communication of changes in Raiffeisen Bank Romania's new payment system, and the continuous promotion of the Bank's vision and values.

For employees

Fairness and transparency

Raiffeisen Bank Romania recognises the importance of diversity in the organisation. Therefore, although the seven top management positions are held exclusively by men, women are very well represented in all other managerial positions of the Bank, the share of women being 52%

In Raiffeisen Bank, the working hours can be flexible, in that some employees can start work earlier, and mothers recently returned from maternity leave may choose a 6-hour working programme until the child reaches the age of two.

Raiffeisen Bank Romania supports the integration of disabled people and encourages initiatives for their inclusion in the organisation every year.

<i>Number of disabled employees</i>	<i>Specialists</i>
Women	12
Men	6

According to the Collective Labour Agreement, upon employment and establishment of employees' rights, Raiffeisen Bank ensures the equality of opportunity and treatment for all employees, without direct or indirect discrimination, based on race, colour, national affiliation, ethnicity, religion, social origin, age, trade union membership or activity, sex, sexual orientation, genetic characteristics, disability.

Good citizen

Volunteering policy

The Bank has adopted since 2013 a volunteering policy that encourages and supports employees to volunteer in their communities both individually and via corporate volunteering. Corporate volunteering activities can take place both during the working hours, with the consent of the direct supervisor, and in the spare time.

The company provides one business day per year, divided up to fractions of an hour, for volunteering activities.

For economy





For economy

Income
RON **1,716,034** th

Economic value generated
RON **1,716,034** th

RON **0**
Payments to shareholders

RON **83,332** thousand
Payments to the State

RON **528,358** thousand
Employees' benefits & wages

RON **681,158** thousand
Operational costs

Economic
value distributed
1,292,848
RON

COMMUNITY INVESTMENTS
RON **7,871,837**



GROSS PROFIT
RON **509,763** th

NET PROFIT
RON **426,431** th

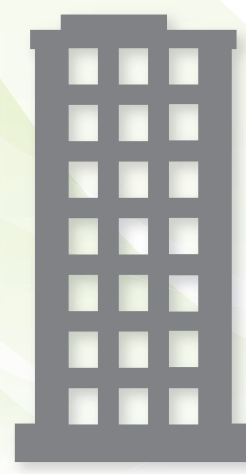


RAIFFEISEN BANK UNITS ACROSS THE COUNTRY



510
Banking units

CUSTOMERS



Aproximately **2 million**
Retail Customers

Aproximately **100,000**
SMEs Customers

Over **8,200** Large and
Medium-sized Corporate Clients

Responsible banker

Economic impact. Economic value added

Key Financial Indicators

Consolidated Financial Statements according to IFRS, at 31 December 2016

	2015* EUR '000	2014* EUR '000	Change (%)
Profit and Loss			
Net interest income	237,268	235,134	1%
Net commission income	141,735	153,000	-7%
Trading profit	64,909	63,165	3%
Administrative expenses	(272,109)	(258,207)	5%
Profit/(loss) before tax	114,683	137,496	-17%
Profit/(loss) after tax, before the net income obtained from the sale of interrupted activity	95,936	115,307	-17%
Net profit for the year	95,936	115,307	-17%
Number of ordinary shares	12,000	12,000	0%
Earnings per share (in EUR/share)	7,995	9,609	-17%
Balance Sheet			
Loans and advances to banks (including placements with banks)	251,717	201,723	25%
Loans and advances to customers	4,012,286	3,594,314	12%
Deposits from banks	138,597	118,922	17%
Loans from banks	359,040	329,505	9%
Deposits from customers	5,246,898	4,700,444	12%
Equity (including minorities and profit)	709,602	743,041	-5%
Balance-sheet total	6,959,119	6,423,055	8%
Regulatory information			
Risk-weighted assets, including market risk	4,140,896	3,908,481	6%
Total own funds	764,506	787,444	-3%
Total own funds requirement	331,272	312,679	6%
Excess cover ratio	130.78%	151.84%	-14%
Core capital ratio (Tier 1), including market risk	13.90%	15.07%	-8%
Own funds ratio	18.46%	20.15%	-8%
Performance			
Return on equity (ROE) before tax	15.79%	19.25%	-18%
Return on equity (ROE) after tax	13.21%	16.15%	-18%
Cost/income ratio	60.32%	55.50%	9%
Return on assets (ROA) before tax	1.71%	2.23%	-23%
Risk/earnings ratio	27.40%	30.04%	-9%
Resources			
Number of employees	5,379	5,185	4%
Business outlets	510	527	-3%

* Unofficial conversion, unaudited

Responsible banker

Responsible management and sustainable business strategies

Raiffeisen Bank recorded in 2015 a solid performance in a still difficult macroeconomic environment, remaining committed to providing top banking services, further meeting the ever-changing needs of our customers.

We continued to invest in technology and in serving customers via electronic channels. Our customers can now carry out multiple operations and more easily via Internet Banking or Smart Mobile. We also recorded a great success in terms of interconnection with the authorities' databases, after the banking community has signed an agreement with the National Agency for Fiscal Administration.

Starting with 2015, Raiffeisen Bank customers have been able to get a personal loan almost immediately, certificates of income no longer being required, because through this project the Bank may access online the official data of the tax authority, based on the customer's consent thereto.

These two directions - digitalization and adapting legislation to the state-of-the-art technology - will continue to be very important in years to come and we will actively involve in promoting this type of initiatives in the society.

We are responsible for the safekeeping of our customers' savings and responsible investments in loans to bank customers, thus contributing to the formation of the Romanian capital, to the development of the national economy and ensuring a greater number of jobs. Furthermore, a good dialogue with the bank's shareholders and related groups is one of our priority concerns, leading to the improvement of the business environment and to the sustainable development of communities. Concurrently, compliance with the legal framework and the regulations in force in our business field is a pre-requisite to remain a reputed player on the market.

Raiffeisen Bank, one of the most prestigious banks in Romania

1. FinMedia: The largest number of Internet banking customers earned by a Romanian commercial bank
2. FinMedia: The highest value traded via the mobile banking service in Romania in 2015
3. EMEA Finance nominated us as the Best Foreign Bank in Romania for 2015
4. Bucharest Stock Exchange, For the contribution to the development of Romanian capital market in 2014 it is granted the award: BVB member with the highest turnover on bonds in 2014
5. Bucharest Stock Exchange, For the contribution to the development of Romanian capital market in 2014 it is granted the award: BVB member with highest share in the turnover of BVB equities market in 2014 (including offers)
6. The Romanian Business Hall of Fame: 2015 Promotion
7. Visa Forum 2015: Excellence in Commercial
8. 10 years of Banking (bankingnews.ro): Best Bank on Card Market
9. 10 years of Banking (bankingnews.ro): Excellence Award in Communication and Public Relation for the last 10 years (2005-2015)
10. 10 years of Banking (bankingnews.ro): Excellence in Social Responsibility and CSR programmes for the last years (2005-2015)
11. Financial Market Magazine Gala: Banking Excellence Award

Honest partner

Fairness and transparency towards partners, ethical business practices

Dialogue with shareholders

The relationship with the shareholders is maintained through the GMS. These are convened, under the law in force, by public notice in a widely spread Bucharest newspaper. Shareholders can also submit questions to the email address of the Bank. The major shareholder is directly represented in the Supervisory Board through six members, thus the same may address the Executive Board on a quarterly basis or more often any kind of opinions or recommendations.

Dialogue with related stakeholder groups

The related stakeholder groups were mapped based on the impact upon the company, as follows: employees (represented individually or by the Trade Union), customers (individually but also represented by consumer associations), the business community (represented by various associations), the communities in which we operate and their members (individuals or organisations), service providers, central and local public institutions, business partners.

Raiffeisen Bank is permanently engaged in dialogue with related stakeholder groups with whom it can effectively contribute to the improvement process of the business environment and the sustainable development of communities. Thus, the Bank is a promoter of constant dialogue between the private sector, policy makers, civil society and social partners.

In terms of institutional dialogue, the Bank's involvement may take various forms - public statements, position papers against public policy or legislative proposals, participation in the public consultation process with authorities - and manifests both individually and collectively - through professional associations, business associations or employers' associations. These actions aim at identifying the problems faced by the business community, as well as the solutions that can benefit to all the parties involved: the State, employers, employees and the community as a whole. Furthermore, any such approach Raiffeisen Bank is involved in is based on the mechanisms and principles substantiating the proper corporate governance, the ethical behaviour and the professional relationships based on transparency and integrity.

Raiffeisen Bank is an active member in numerous associations, chambers of commerce and other institutions, being represented both by the top management and the Bank's employees:

- Professional associations: The Romanian Banking Association, The Romanian Factoring Association, The Romanian Privately Administered Pension Association, The Romanian Association of Asset Managers, the Romanian Electronic Payments Association etc.;
- Business associations: The Foreign Investors Council, The Coalition for the Development of Romania, Romanian Business Leaders, Austrian Business Club Bucharest, Belgian Romanian Business Association etc.;
- Employers' associations: The Council of Banking Employers' Associations in Romania, Concordia Employer's Confederation;
- Bilateral Chambers of Commerce: The American Chamber of Commerce (AmCham) in Romania, the Romanian-Netherlands Chamber of Commerce, the Switzerland-Romania Chamber of Commerce, the Romanian-German Chamber of Commerce;
- Other: Aspen Romania Institute, Junior Achievement Romania etc

Dialogue with customers

Raiffeisen Bank constantly monitors the evolution of the relationship with customers and the way they perceive it. The table hereunder represents the summary of questionnaires completed in 2015 and the results thereof.

	Survey name	Customer segment	Indicator	Results 2014	Results 2015
1	Second day call	Retail	Overall satisfaction towards the Bank's employees	64.7% very satisfied or extremely satisfied	65.3% very satisfied or extremely satisfied
2	Second day call	SMEs	Overall satisfaction towards the Bank's employees	64.2% very satisfied or extremely satisfied	66.4% very satisfied or extremely satisfied
3	Second week call	Retail	Satisfaction towards the complaint management	39% very satisfied or extremely satisfied	39% very satisfied or extremely satisfied
4	Second week call	SMEs	Satisfaction towards the complaint management	44% very satisfied or extremely satisfied	50% very satisfied or extremely satisfied
5	Net Promoter Score	Retail	Intention to recommend the Bank	29 *)	27
6	Net Promoter Score	SMEs	Intention to recommend the Bank	Small Enterprises: 42 Medium Enterprises: 33	Small Enterprises: 38 Medium Enterprises: 41
7	Net Promoter Score	Corporate	Intention to recommend the Bank	30	43

*) Net Promoter Score = % Promoters (10+9) – % Denigrators (6+..0)

Service Providers

Raiffeisen Bank cooperates both with service providers and creditors, according to Raiffeisen Group Procurement Policy. In 2015, the Bank had approximately 1,200 service providers (local and foreign), falling into three categories: IT, non-IT and rents service providers. For the first two categories (IT and non-IT), the selection of service providers is carried out according to the procedure relating to the procurement of goods and services in Raiffeisen Bank, in force since May 2013, and for the last category of service providers (Rents), the selection is carried out according to the procedure relating to the procurement of rents and utilities, in force since January 2015. The share of expenditure with service providers in the Bank's major operational areas (the headquarters in Bucharest and Brașov) is 85% of the total expenditure with service providers.

Code of conduct

Raiffeisen Code of Conduct defines the core values of the Bank and underpins the corporate culture compliant with the law and oriented towards ethical principles. This ensures the fact that, in any situation, the conduct relevant for business and ethical issues will be in accordance with the highest standards grounding upon the following values: attention paid to customer, professionalism, quality, mutual respect, initiatives, teamwork, integrity. It includes a good corporate governance. Compliance with these values also serves to strengthening the good reputation of the Bank.

The Code of Conduct shall apply to and must be complied with by all employees, but also by all partners acting on behalf of or in the name of Raiffeisen.

Compliance with Raiffeisen Code of Conduct is a set of binding rules governing everyday business. Getting profit justifies no violation of the law or of the Code of Conduct. We disavow any kind of transactions that may be carried out only by supporting or engaging in such practices.

<https://www.raiffeisen.ro/despre-noi/guvernanta-corporativa/cod-de-conduita/>

Compliance policy

Compliance with the legal framework and the regulations in force in our business field is a pre-requisite for being a reputed player on the market. Furthermore, our commitment is not only to ensure legal compliance, but also to prove an ethical behaviour in our daily transactions. At group level, we have thus implemented a Code of Conduct (<https://www.raiffeisen.ro/despre-noi/guvernanta-corporativa/cod-de-conduita/>) which properly addresses compliance and ethics, representing a set of binding rules governing our everyday business.

Indicator	2014	2015
The total number of legal actions for an anti-competitive, anti-trust behaviour, and monopoly practices and outcomes thereof	0	0
The monetary value of significant fines for non-compliance with laws and regulations	EUR 8,525	EUR 12,488
The total number of incidents of non-compliance with regulations and voluntary codes, concerning information and labelling products and services, according to outcomes	43 fines	51 fines
The total number of incidents of non-compliance with regulations and voluntary codes, concerning marketing communication, including advertising, promotion and sponsorship by type of outcome	0	0
The total number of substantiated complaints regarding breaches of customer's rights with respect to the confidentiality of information or loss of customer data	7 complaints	6 complaints
The monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	EUR 73,000	EUR 47,600
The monetary value of significant fines and the total number of non-monetary sanctions for non-compliance with the environmental law		0

Anti-corruption actions

Through its specialised departments, Raiffeisen Bank shall monitor the compliance with the legal and internal regulations relating to KYC, the anti-money laundering and anti-terrorist financing, fraud, corruption and insider-law and stock market manipulation.

Indicator	2014
The percentage and total number of agencies investigated for corruption-related risks	0
The percentage of employees trained on the anti-corruption policies and procedures implemented by the Bank	100%
Actions taken in response to corruption incidents	0 ⁴⁾

⁴⁾ No action was undertaken, since no corruption case was recorded in 2015.

Moreover, Raiffeisen Bank offered no contributions in cash or in kind to political parties, politicians or affiliated institutions and did not receive any assistance or subsidies from the State or Government.

Respect for human rights

Whereas human rights are core values for Raiffeisen Bank and its employees, in 2015, together with other representatives of the business environment, the Bank, as a founding member, has supported the efforts of "The CSR Agency" to lay the foundations of the local network of Global Compact Network Romania (GCNR), as local branch of United Nations Global Compact (UNGC). Through this affiliation, Raiffeisen Bank publicly takes on the role of national leader in promoting the business principles and practices and provides the business environment in Romania an example on the respect of human rights, of the employees' rights in terms of environmental protection and anti-corruption.

The organisation faces no risk of forced labour or child exploitation, being compliant with the Labour Code. In addition to compliance with the law in force on human rights, Raiffeisen Bank trains its employees on such issues, over 1,000 hours of training on this subject being recorded in 2015, which applies to a percentage of 100% of the total number of employees.

Raiffeisen Bank experienced no case of breach of human rights involving discriminatory actions.

Good citizen

Supporting sustainable entrepreneurship

In the portfolio of Raiffeisen entered in 2015 projects meeting solid sustainability criteria.

The Bank finances or co-finances by Norwegian or European funds projects of development and modernization, technological innovation or energy efficiency.

- Sanex SA is a manufacturer of ceramic tiles (earthenware, sandstone, decorations). The company was founded in 1970, and in 2004 it has been integrated in the Lasselsberger Group, one of the leading European manufacturers. In order to improve energy efficiency, increase productivity and reduce specific energy consumption, the replacement of some equipment has been decided upon. The project implemented during the year 2014 an investment amounting to EUR 151,000 (VAT excluded). The project has been entirely financed by Raiffeisen Bank within the framework of the EEFF programme (Energy Efficiency Finance Facility). The energy savings achieved through the implementation of the investment was approximately 47%.
- Financing the project "Development and upgrade of the production capacity" of S.C. ELECTROUTILAJ S.A., project co-financed with EU funds. The amount of funding was RON 1,582,287 for the purchase of new equipment in order to boost customer sales by 10% 3 years after the project's completion, the creation of new jobs and the employee retention.
- The company specialises in the repair of equipment, electrical machinery, and the execution of ready-made electrical equipment necessary for installations in the oil industry. It owns modern technologies for repairing machinery, engines and electric generators and electrical transformers.
- In the case of Electroprecizia Electrical Motors SRL within GCC Electroprecizia, two projects were co-financed with Norwegian Government funds (within the framework of "Green Industry Innovation Programme Romania"), one in 2014 and another in 2015. Both projects were implemented during the period January 2015 - April 2016, being completed at the same time. The first project was designed to implement in the mass production a new range of engines, premium efficiency class - ECO-innovative. The value of Bank financing: EUR 1,625,236, this decreasing through the repayment of the Grant received. The second project was the upgrading of the electric engines eco-innovative production capacities within the same programme "Green Industry Innovation Programme Romania". The financing amount was EUR 1,143,440, decreasing later on by the reimbursements made from the Norwegian Grant.

Funding and supporting relevant social initiatives

Raiffeisen Bank launched in 2015 the fifth edition of Raiffeisen Communities Grants Programme, dedicated to the financing of local small and medium-sized projects in the communities in which the Bank operates, with a total budget of EUR 100,000. The online social responsibility projects contest is the first of its kind held by a bank in Romania, its purpose being to support organisations aiming to develop and implement programmes in the areas of financial education, urban ecology, health and social services for the benefit of communities.

The Bank continued to carry out the long-standing projects, which have started before 2015 and have been developed via prestigious non-governmental organisations:

- "l'Velo" and "StudentObike" bike-sharing programmes developed by Green Revolution Association in partnership with Raiffeisen Bank
- The financial education programmes implemented in Junior Achievement Romania schools
- "Via Maria Theresia mountain marathon", organised by Tășuleasa Social Association
- "Every child in kindergarten" by OvidiuRo Association
- "The Generations Centre" within Princess Margareta of Romania Foundation
- "Bucharest Marathon" organised by Bucharest Running Club Association
- "The SoNoRo Chamber Music Festival"
- The fund-raising campaign for the United Way
- "Teach for Romania" programme of the organization with the same name.

In the picture, the team of "Școala Mamei Junior" Association, from Timișoara, taken by surprise when learning that their project "Hydrotherapy is changing lives" is one of the 10 winning projects of "Raiffeisen Comunități" Grants Programme 2015



Raiffeisen Bank continued to support large cultural projects nationwide, such as TIFF (Transylvania International Film Festival), Uniter or FITS (International Theatre Festival in Sibiu) Awards Gala, complemented in 2015 by George Enescu International Festival.

In late October 2015, 27 people died and over 160 were seriously injured in the Colectiv Club in Bucharest, following a devastating fire. 37 more people subsequently died. For the families and friends of those who died in the accident, but also for the survivors, Estuar Foundation sponsored by Raiffeisen Bank with EUR 161,000 provided daily services of psychological, psychiatric and social counselling, and for their children - customised educational and psychological services. Weekly, the Foundation has organised two support and therapy groups - one for the survivors and one for the parents and friends of those who died. The Estuar Foundation, public benefit organisation since 2013, was founded in September 1993 and is the first organisation in Romania having created for adults with mental health problems a network of community care services by day and accredited and recognised locations at local and national level.

“A tragedy that resulted in injured people shows its effects not only immediately, through the visible wounds, but also long after. People suffering from burns face a series of long-term effects and changes of the event. The world changes, the perception over the body changes, the things one could do before change, it all lies in a swirling both tangibly and emotionally. In such times, it is important to find anchors, stable things in life, but also a realistic vision of the world and of ourselves. The role of the support group is not to tell you what to feel and what not to feel, but to create a place where emotions, thoughts, problems can be discussed and listened to respectfully and without being judged. The support group is a place where you can seek answers.” F. Koleci, psychiatrist

Almost 2 million Euro have been invested in over 100 community projects in 2015, as well. Their impact is analysed at length, in accordance with LBG, in the chapter For the society.

Efforts to find the most suitable solutions for customers in difficulty

2015 represents a year in which the number of customers having experienced long-term payment difficulties decreased. However, the reduction in the number of such cases has been offset by the increase in their diversity, which required the development of more customised approaches in terms of customer profiles.

Raiffeisen Bank has pursued in 2015 to carefully analyse the financial situation of customers along with the introduction of salary checks under the Protocol with NAFA, which granted the opportunity to determine the most appropriate method and provide solutions to customers really affected financially.

Throughout the year there have been found solutions to reduce instalments for 1,524 customers with a balance amounting to EUR 28 million, of which 242 customers in CHF with a balance amounting to EUR 14 million in equivalent. The solutions offered and accepted by customers included: the temporary reduction of interest and principal ⁵⁾ between 1 and 6 years, principal permanently reduced, final maturity extensions.

Raiffeisen Bank contractually offers, ever since 2010, to all customers, free of charge, at their choice, the possibility to defer up to 3 monthly instalments during the loan, the payment of instalments, in exchange for a 3-month extension thereof. These contractual possibilities allow customers facing temporary financial problems, by simple request, to easily overcome the difficult period. We know that unforeseen events may occur in each and any customer's life, positive or negative, and thus we try to offer this facility to customers who want to pay, but fail.

Special attention is paid to customers having encountered difficulties in the repayment of loans following tragic situations, such as the death of a borrower, divorce, cases of serious deterioration of the state of health. In 12 of these cases, debts amounting to EUR 258,000 were written off.

⁵⁾ Reducing the amount due and the relevant interest

In order to recover debts, the amicable collection represents 95% of the solutions addressed by Raiffeisen Bank. The amicable recovery process includes both contact by phone, SMS, letters or visit for reminding the amounts due, as well as the proposition of proactive restructuring solutions (educating customers who are not aware of these possibilities), so that enforcement is avoided. Amicable collection can be up to 6 months after the first delay, providing a sufficient period for recovery or restructuring of the debt, including the principal debt's reduction.

The Bank intends that enforcement should be, as far as possible, avoided. In case of enforcement procedures, the amicable solutions provided shall continue in parallel, of which we recall - voluntary selling options of the guarantee with the remaining residual value discounted (there were 65 cases of secured loans) or repositioning on schedule (83 cases). These options are further provided to avoid an enforcement in consequence of which appear additional costs to be paid by the customer to the bailiff. Unfortunately, there are situations in which the customers react too late and only upon the bailiff's notice, contact the Bank to reach a deal, but even if it is achieved, the costs of enforcement must be already paid to the bailiff.

Raiffeisen Bank aims to educate and promote, via the actions undertaken, the amicable collection, the transparent information and restructuring solutions. Starting with the end of the year, the restructuring methods designed in particular for customers with CHF loans were subject to adjustments, offering a discount of 20% on the principal and interest ROBOR ⁶⁾ +3% at the conversion to RON, resulting in instalments due reduced up to 40%.

- The number and volume of loans qualifying for partial or total debt reduction:
RISK: 12 social cases, Balance: EUR 523 thousand, Debts written off amounting to: EUR 258 thousand
RISK: 65 VAS Cases ⁷⁾: EUR 3.42 million, Price charged: EUR 813 thousand
- The number and volume of restructured loans with discounted price and capital reduction. (Restructuring granted to customers not falling into social criteria, but are distressed):
RISK: Restructuring 1,524 customers, the Balance amounting to EUR 28.3 million
- The total portfolio of outstanding loans for retail customers at 31 December 2015
RISK: Retail loans: 341,770 products worth EUR 2,253,076,850
- And the CHF portfolio:
RISK: Restructuring / 2015: 242 customers, the Balance amounting to EUR 13.8 million

The steps taken prior to the enforcement procedures are:

- amicable collection by phone calls, SMS, letters, home visits, carried out by specialised, internal teams or through collection agencies
- the loans restructuring option offer
- the offer for partial write-offs of the unsecured loans debts or those secured by the collateral's voluntary sale procedure

The criteria considered in settling the social cases:

- Deaths
- Serious health problems
- Unemployment
- Reducing income below the national minimum wage
- Real estates destroyed by accidents that cannot be covered by insurance
- Acts of God

⁶⁾ ROBOR = average interest rate for loans in RON granted on the interbank market and determined by the National Bank of Romania (Romanian Interbank Offer Rate)

⁷⁾ VAS = Voluntary asset sell

For the society



Responsible banker

Product responsibility

The development and management of the financial products provided by Raiffeisen Bank is regulated by an internal rule effective since September 2005. Likewise, the methodology for the sale of financial products is governed by the internal rules and procedures related to each product.

Raiffeisen Bank exceptionally provides current account packages for students and current accounts for minors, without costs, as well as current accounts for retirees at costs lower than the standard ones.

Raiffeisen Bank has 162 access points (117 ATMs and 45 agencies) in the areas economically disadvantaged or less populated, which represents 10% of the total number of access points of the Bank.

All Bank products have specific documentation. It is drawn up in accordance with the law in force and with the ANPC regulations.

The table below represents the number and status of complaints submitted to ANPC (The National Authority for Consumer Protection) and ANSPDC (The National Authority for the Supervision of Personal Data Processing).

		Total	Penalties	Warnings	Fines	Value of fines (RON)
ANPC Complaints	2014	798	69	25	44	334,000
	2015	1,023	87	36	51	209,311
ANSPDCP Controls personal data processing	2014	3	7	1	6	9,000
	2015	8	6	4	2	6,666

Honest partner

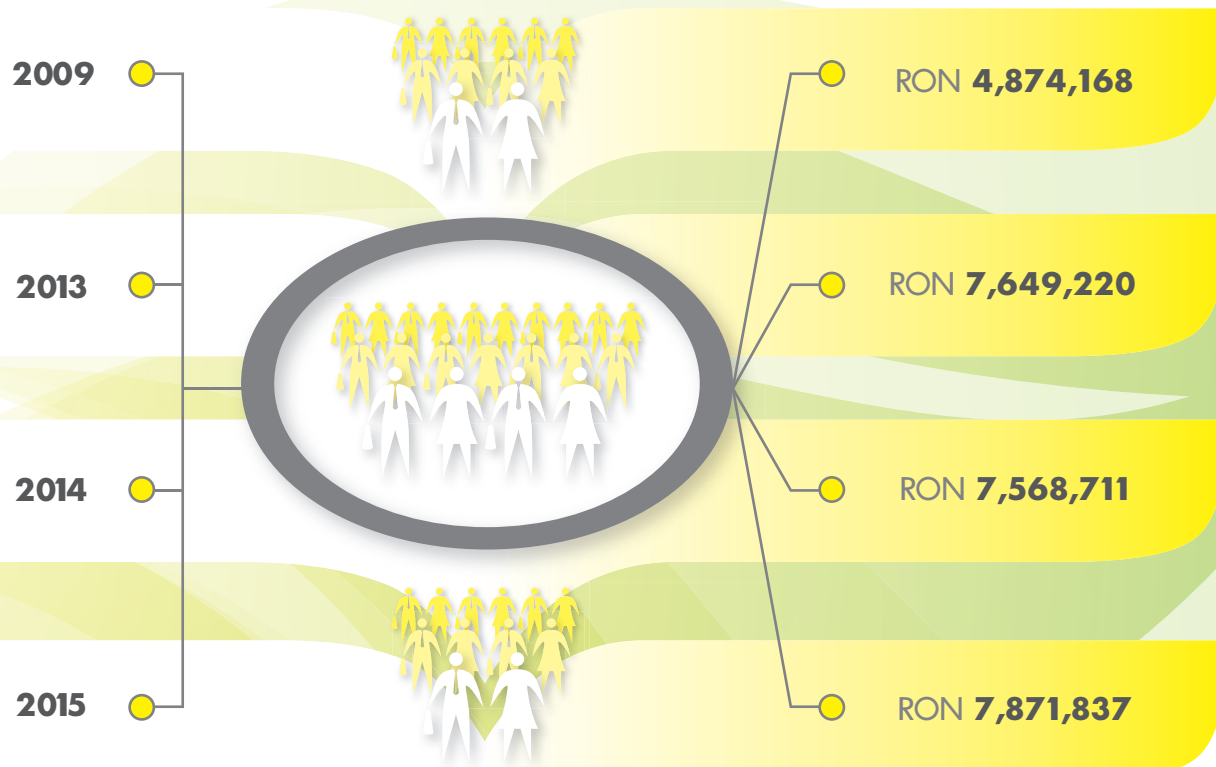
Partners consulting

- Monthly contacting approximately 10,000 customers, both retail and corporate, in order to assess their satisfaction in terms of cooperation with the Bank's employees, the products and services employed by Raiffeisen Bank.
- Testing by the customer of the new products and services through specific market research techniques (qualitative and quantitative), before being released on the market, so that these best fit their needs.
- Positioning as closest as possible to the customers, to increase the comfort thereof, by being present with mobile offices at the headquarters of companies they are employed with, for providing customised advice and time-saving by eliminating the travel time to agencies, new information about banking products and services, opening accounts, raising cards, carrying out calculations for loans and signing the related documentation.
- Collecting and settling customer complaints. Raiffeisen Bank managed to maintain customer satisfaction, who have lodged complaints at a level similar to that recorded in 2014, considering that the number of complaints collected in 2015 increased by 17% as to the previous year. The feedback received from customers constitutes a permanent source of improvement in the quality of bank services and products.
- The online platform "Your Voice", which was launched in 2012, centralising the suggestions received from the Bank's employees (18,419 suggestions recorded by the end of 2015, which significantly contributes to simplifying and adapting the services provided to customers, but also the internal processes of the Bank.
- Vendor Management with major service providers.
- Stakeholders Engagement, annual survey underlying the CSR reports
- The annual employee opinion survey (EOS) provides information about the level of commitment, loyalty, and motivation of employees to be productive
- The annual ICSS survey provides information about the internal cooperation between divisions and departments, complemented by a significant sample of employees.

Good citizen

Civil society and public interest. Community investments

Value of investments



RON 33 invested/beneficiary

RON 1,463 contribution/employee

400 bank employees volunteered for 2,077 hours, on average, 5h of the working time/employee

1.49% of the gross profit, the Bank's contribution in Community programmes, in accordance with the LGB reporting criteria

RON 63,085 the average amount of funds managed by Community partners

Number of
beneficiaries
239,247

Raiffeisen Bank contributes to the sustainable development of the society, being constantly concerned about improving the financial literacy among youth, the Romanian arts and culture, as well as the promotion of a cleaner environment and a healthier lifestyle.

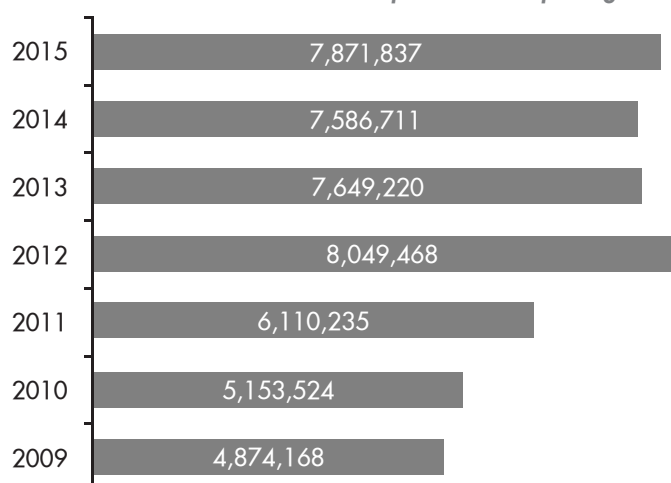
We are aware of the important role that we should have in a society where we have nearly two million customers. We act responsibly in all areas and throughout the country in order to positively influence the communities in which we operate. We are responsible for the safekeeping of our customers' savings and for responsible investments in loans both to retail customers and to 100,000 SMEs and 8,200 medium and large companies we serve.

Thus, we contribute to the formation of the Romanian capital, to the development of the national economy and ensuring a greater number of jobs.

Community impact - reference data for 2015

- Raiffeisen Bank Contribution in Community programmes exceeded RON 7.8 million (as per the LBG reporting criteria), representing 1.49% of the gross profit, RON 1,463 (approximately EUR 325) for each employee and participation in more than 100 projects.
- Raiffeisen Communities Grants Programme, having reached its 5th edition, attracted 240 Community projects and awarded to the best ten projects grants worth EUR 10,000 each, the total amount of grants amounting to EUR 100,000. More than 60 volunteers, Raiffeisen employees, participated in the judging process.
- More than 400 volunteers, Raiffeisen Bank employees, have devoted 2,077 hours to volunteering projects.
- In 2015, Raiffeisen Bank sponsors for the first time George Enescu International Festival and Art Encounters.
- The bank continues to support some of the most prestigious cultural and sports events in Romania: Sibiu International Theatre Festival, Transilvania International Film Festival (TIFF), Sonoro Festival, Uniter Awards Gala, Undercloud, productions and tours of the Act Theatre, Bucharest International Marathon, Sport Arena Streetball, Via Maria Theresia Marathon.
- Raiffeisen Bank continues to contribute in 2015 to the development of projects signed by some of the strongest NGOs in Romania: Green Revolution Association, OvidiuRo Association, Tășuleasa Association, "Principesa Margareta a României" Foundation, United Way, Junior Achievement, Teach for Romania, Light Into Europe, Pro Vita, Civil Society Development Foundation, Habitat for Humanity.

The total amount of contributions as per the LBG reporting standards



The total value of investments in the Community

The total amount of Raiffeisen Bank sponsorship contracts entered into in 2015 amounted to RON 9,000,000, of which RON 7,871,837 in Community programs falling within the scope of LBG reporting). The total value increased by 3% as to the previous year.

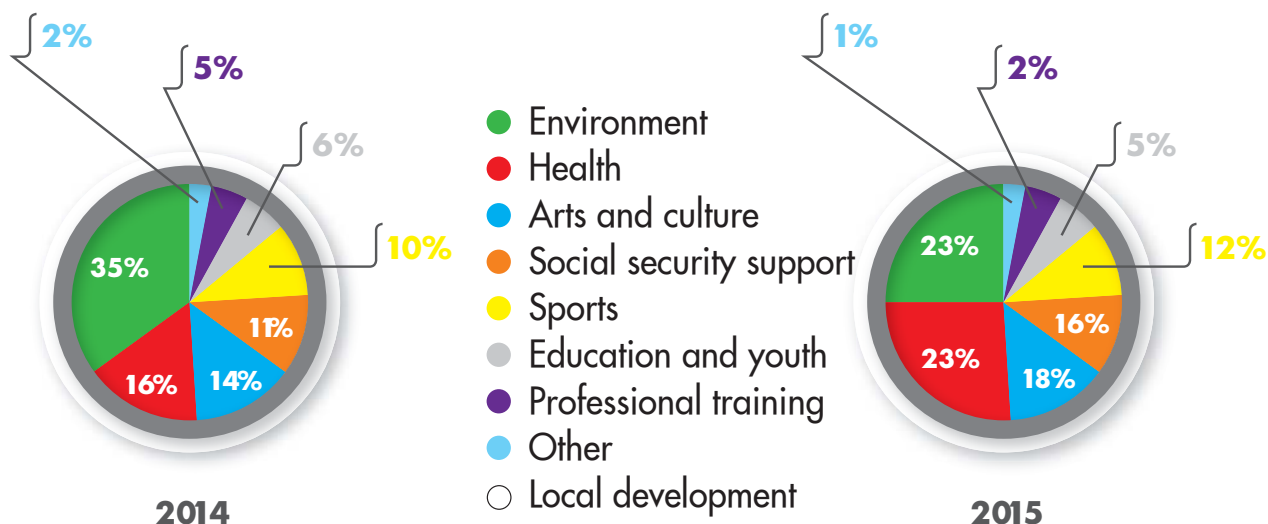
Various projects to support culture and sports, education and public health in areas where it operates. Entry into the details of such projects can cause the same feeling of humanisation around a type of business that is routinely perceived as being related just to profit, straight figures and money.

Andrei Manolescu
Dilema Veche

Supported areas

The causes supported in 2015 remained constant and reflect the five strategic directions of the Bank: Romanian arts and culture, urban ecology, education, social services and sports. Thus, ecology (23%) and social services (23%) are the main causes supported by the Bank, followed by projects relating to education (19%) and arts and culture (16%), and by those relating to sports (over 12%)

Raiffeisen Bank continues to honour its existing partnerships and with the organisations whose activities fall outside the strategic directions of the Bank, these accounting for 7% of the causes supported in 2015.

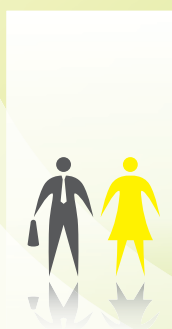


We are interested in everything that enriches and educates a community. Because, in a developed and prosperous community, the public, more educated, will also have a higher income at some point in time. The economic benefits also appear on the medium and long term. We are a bank carrying out operations all over the country and we cannot be indifferent to what jobs and revenue has the population of a specific city. In other words, we support projects whereby we can facilitate the development of the community

Corina Vasile
Communication and Public Relations Director

For the society

Raiffeisen Bank permanently supported the civil society in Romania. Every year we have been involved in developing projects that can educate and enrich the community. The protection and respect for the environment, education, culture, arts or sports as a healthy lifestyle influence each and any of us, hence our commitment is to support strategic partners in all these areas, and particularly to attract, following our example, other partners in supporting causes, such as the Bank's customers or employees.



RON 33 invested/beneficiary

RON 1,463 contribution/employee

400 bank employees volunteered for 2,077 hours, on average, 5h of the working time/employee

1.49% of the gross profit, the Bank's contribution in Community programmes, in accordance with the LGB reporting criteria

RON 63,085 the average amount of funds managed by Community partners

Number of
beneficiaries
239,247

*Raiffeisen Bank is, for the first time,
main partner of George Enescu
International Festival*



Community Partners

From studies similar to market research, we try to identify our audiences and discover their priorities and those of the community. In terms of social intervention and community investment, we seek to foster cohesion between the various factors within the society, so as to settle together any issue. We embrace the role of facilitators, developing certain areas of action. For example, we support arts and culture, choosing high quality projects, as primarily judged by specialists. And without interfering in any way in the cultural act, we try to increase the audience by bringing more worlds together, because we want the projects supported by us to grow every year.

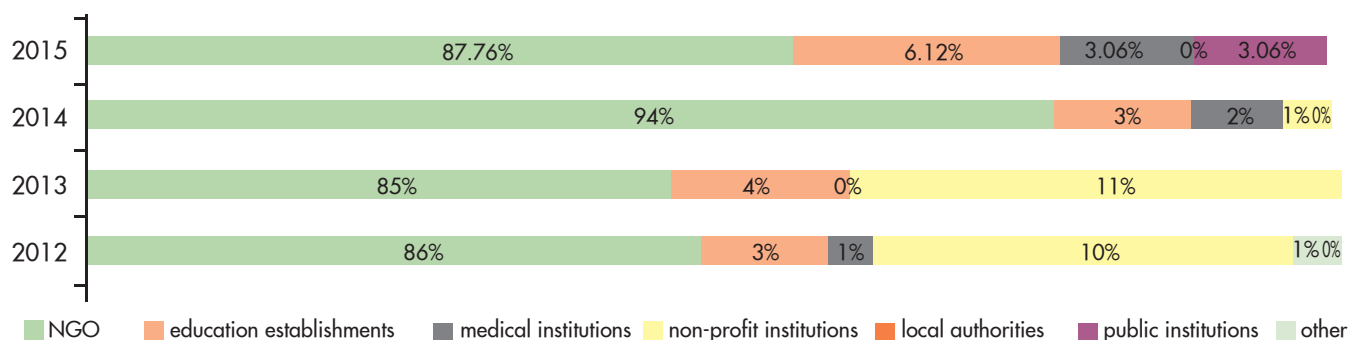
You will never be able to develop a serious project alone, without partners at all levels. This is about a very serious partner, such as Raiffeisen Bank, which stirs you each time, in addition to the support it provides. Beyond financial support, the most important thing is a common thinking for the benefit of those for whom we work, for those whom we somehow dedicate our life ...

Constantin Chiriac

Actor and President

The International Theatre Festival in Sibiu

Type of Community partners



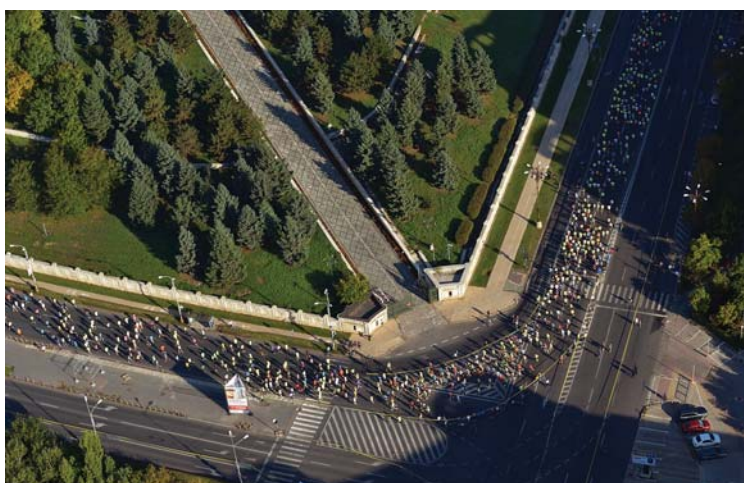
We managed to find in Raiffeisen Bank a partner willing to believe in this madness of ours and released the first 100 bikes. The result was so huge, and the demand so high that, the same year, we started to develop the project by opening centers in several cities across the country. Six years have passed since then, and the number of users having rented bikes from us has reached three million. At the moment we have 1,000 bikes in seven cities across the country, which we rent seven days a week, from March to the end of October-November.

Raluca Fișer

Green Revolution Association President

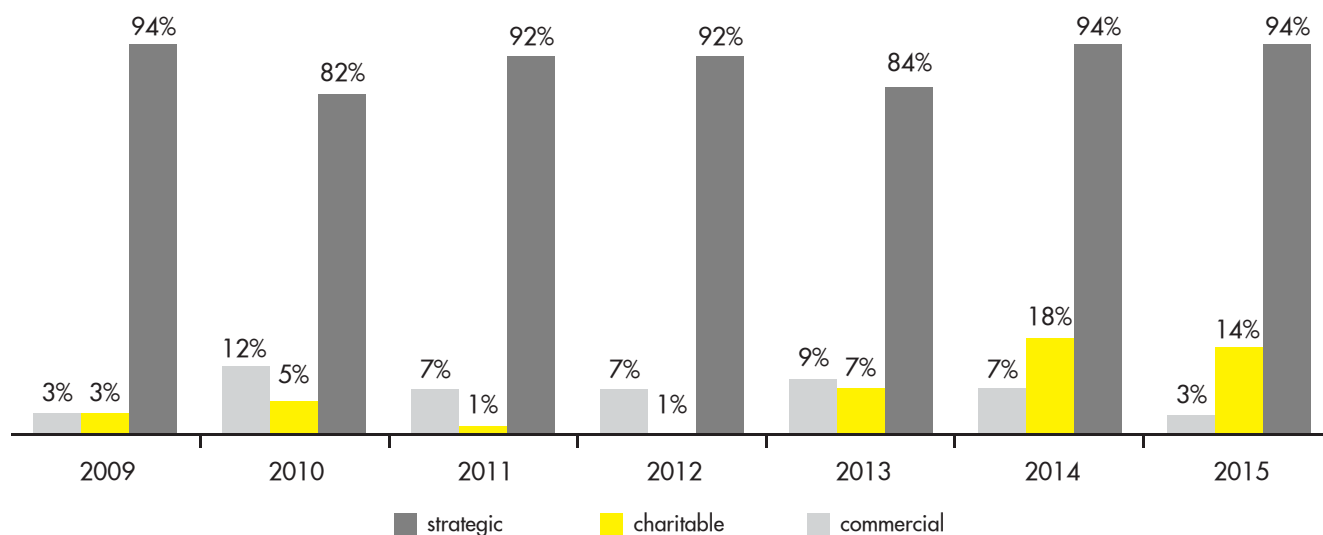
The beneficiaries of Community projects

In 2015, the Community partners reported 239,247 direct beneficiaries of the programmes implemented with the Bank's support. The main changes that have been reported are focused on behavioural changes and improving the quality of life.



Start for the second edition of Raiffeisen Bank Bucharest International Marathon

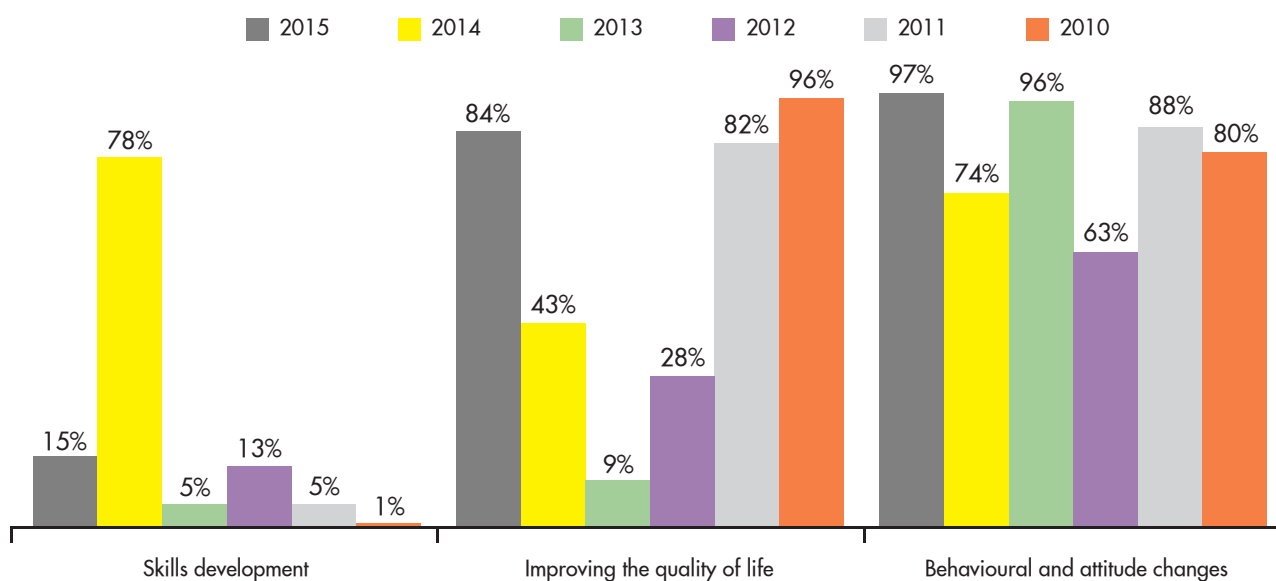
Why is Raiffeisen Bank getting involved in the community (Motivation in %)



Raiffeisen Bank is one of the oldest friends of SoNoRo Festival and our main partner for nine years. At the very beginning, when the approach itself sounded unrealistic, it had confidence in us and in our proposals, confidence which made us reach this point, i.e. the tenth edition. This support helped us make long-term plans and develop the SoNoRo community.

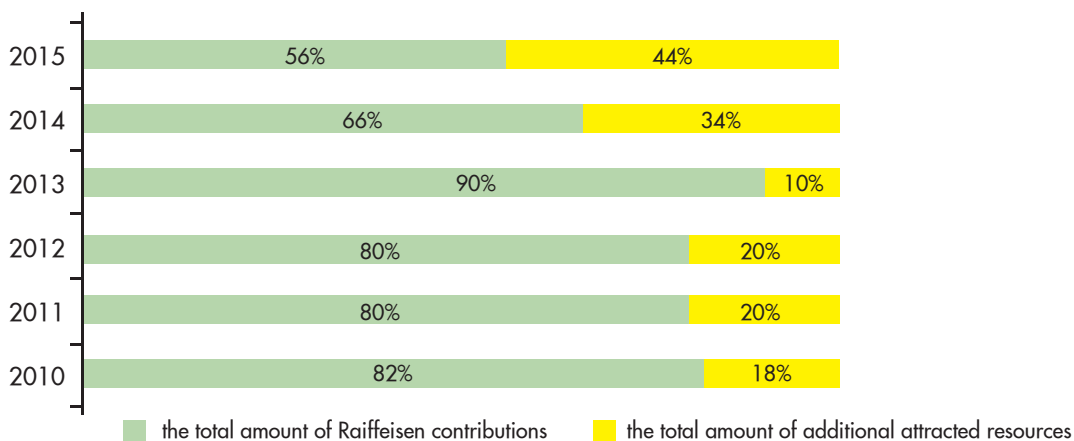
Răzvan Popovici
SoNoRo Festival CEO

Type of changes reported by the beneficiaries

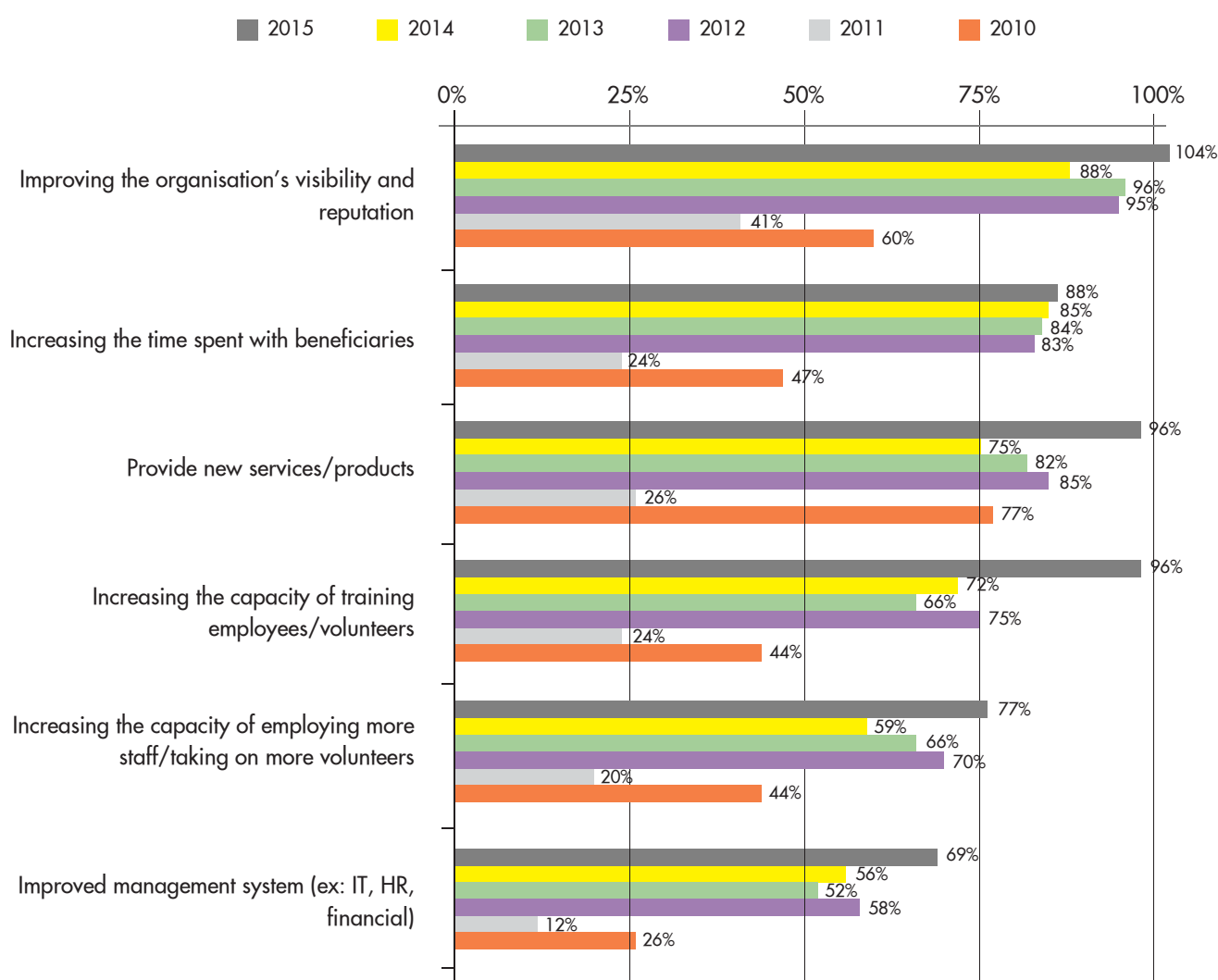


The Bank encourages the capacity of Community partners to attract additional resources for the projects they implement.

The type of changes generated among beneficiaries



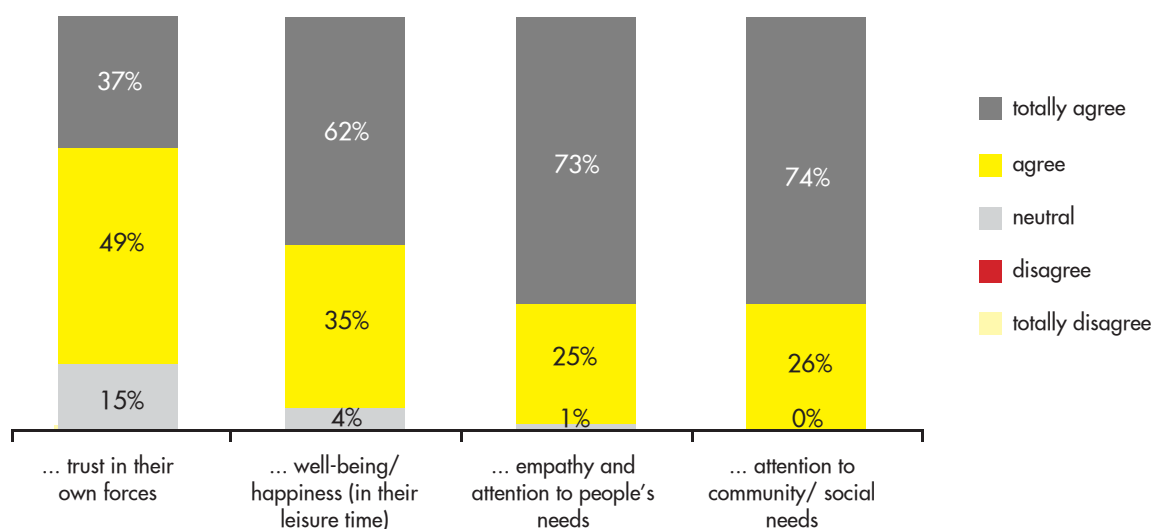
Changes generated at the level of partner organisations



Volunteering in Raiffeisen team

In 2015, more than 400 volunteers, Raiffeisen Bank employees, participated in volunteering projects. In terms of the type of work carried out by our colleagues, it ranges from project management, such as the selection of the winning projects in various funding programs, pre-school education, classes related to our business field - financial education, up to building houses and fundraising.

Volunteering activities helped employees to develop the following aspects:



Steven van Groningen, Raiffeisen Bank President & CEO, "Educator for a day" in the Budila Kindergarten, Brașov County

Each visit we received was wonderful for the kids because someone else rarely spends time with them. They felt important, and their parents were happy. It was like an acknowledgement of the fact that they left their kids in good hands and that they should continue to bring them to kindergarten. For me, as a kindergarten teacher, every handshake of the volunteers meant hope. Thank you! Izabella Orban, kindergarten teacher in Apața, Brașov County

"Educator for a day" volunteering activity, part of OvidiuRo Association programme "Every child in kindergarten".

For the environment



For the environment



We saved
2015 > 2014

55,205 l fuel

4.01 GWh electricity

2,440 mc water



We recycled
2015

Paper – **300,589 kg**

WEEE – **19,332 kg**



Our employees flew **1,941,634 km**

Greenhouse gas emissions

In **2015**, Raiffeisen Bank decided to replace an additional **110** vehicles that release **166 g/km** particulate matter with vehicles that release **98 g/km** particulate matter, therefore, decreasing the particulate matter released by **7,480 g/km/month**.

The average particulate matter released, according to the technical specifications, is **114 g/km**.

For the environment

Responsible banker

Environmental responsibility

Assessment of social and environmental risks

In April 2014, Raiffeisen Bank implemented a social and environmental risk policy, aiming as follows: to fund the projects presenting no social and environmental risk and long-term sustainable; to reduce the social and environmental risk both for the organisation and its partners (customers and/or service providers); to comply with the national and international requirements and standards with regard to social and environmental risks.

This policy is aimed at social, environmental and work situations, covering several aspects relating to: human resources management, procurement policy, various financial activities (loans, investments, etc.), internal environmental requirements - resource and energy efficiency, pollution prevention, recycling, etc., as well as the organisational capacity and competence - the definition of areas responsible for the implementation of this policy.

Before the structuring of any financial transaction, the portfolio and potential customers are going through a phase of analysis. The risk level is classified into three categories (low, medium and high), and the financial projects' assessment aims primarily at: the business area, the maturity and value of the loan, as well as the proposed guarantees.

2014

Loan portfolio	Social risk	Environmental risk
Average risk	14.6 %	21.1%
High risk	33.5 %	19.8 %

2015

Loan portfolio	Social risk	Environmental risk
Average risk	14 %	20.7 %
High risk	33.3 %	19.9%

There have been no complaints concerning the environmental impact, significant fines or non-monetary penalties for non-compliance with the environmental law.

Honest partner

Ecology at home

Raiffeisen Bank took on a responsible way of doing business, which is why it constantly grants increased attention on reducing the impact it generates on the environment in which it operates. Thus, a series of policies were developed regarding the environmental responsibility, and the actions focused on optimizing the use of resources. In 2015, the Bank's employees contributed to the decrease by over 8% in fuel consumption as to the previous year. Also, the gas emissions decreased by 7,480 g/km/month.

Recycling resources

Type of recycled resource (measurement unit)	Volume 2013	Volume 2014	Volume 2015
Paper (kg)	309,845	353,466	300,589
WEEE (kg)	54,188	42,974	19,332

Resource consumption

Type of consumed resource (measurement unit)	Volume 2013	Volume 2014	2015
Electricity (Gwh)	25,15	27,31	23.3
Heat (Gcal)	10,120	11,845	17,492
Water (m ³)	68,400	81,640	79,200
Fuel (l) ⁸⁾	740,228	645,276	590,071
Paper ⁹⁾ (kg)	433,255	367,257	376,333

Initiatives relating to the reduction of resource consumption:

- Fitting motion sensors for lighting in common areas: in agencies for bathrooms and hallways, and in the headquarters for bathrooms, hallways and parking lots. There have also been fitted motion sensors for turning on the air-conditioning in meeting rooms at the headquarters.
- Fitting chronothermostats to the central heatings in agencies, thus being scheduled a certain temperature during working hours and another one outside the working hours and on public holidays.
- Replacement of the air-conditioning equipment operating with old technology (heat pump) with equipment using the inverter technology, with reduced power consumption. The old equipment operated with Freon 22, highly toxic to the environment, and the new ones operate with Freon, 410, environmental friendly. This continues in 2016, as well.

The transport of employees/materials required for the Bank's activity with alternative means of transport

	2014	2015
Employees driving their personal car for business purposes	963,000 km (approx. 77,000 l)	978,057 km (approx. 78,000 l)
Employees travelling by taxi ¹⁰⁾ for business purposes	360,000 km (approx. 29,000 l)	499,074 km (approx. 40,000 l)
Courier services ¹¹⁾ for freight transport (quantity of freight transported)	150 t	160 t

Emissions of greenhouse gases

In 2015, the Bank's car fleet recorded approximately 634,000 km/month travelled.

To reduce the amount of such emissions, Raiffeisen Bank decided in 2015 to replace another 110 vehicles releasing 166 g/km particulate matter with vehicles releasing 98 g/km particulate matter. Thus, these have decreased by 7,480 g/km/month. The average particulate matter released, according to the technical specifications, is now 114 g/km, i.e. 72,276,000 g particulate matter/month.

⁸⁾ Fuel consumption by the Bank's car fleet

⁹⁾ We take into account only the paper internally used for copiers or printers

¹⁰⁾ Only the transport with the cab companies with which the Bank has contracts shall be monitored

¹¹⁾ Courier services contracted by the Bank

Good citizen

Keeping a clean and healthy environment for the society

The largest projects supported by Raiffeisen Bank, with great impact on the environment and on people's attitude towards the environment, are: I'Velo, StudentObike, Biciclete cu cravată and Green Business Index.

I'Velo is the most important project of bike-sharing in Romania, and is aimed at the gradual introduction of the bicycle in the city life, for both recreation and alternative, healthy means of transport.

In the six years of operation, the I'Velo program managed to make over 3,000,000 Romanians ride a bike and contributed to the reduction of CO2 emissions in the atmosphere by approximately 1,750 tons. The I'Velo Programme, initiated by Raiffeisen Bank and Green Revolution, is developed with the support of the Town Halls in Bucharest, Brașov, Sibiu, Iași, Constanța, Alba Iulia, Oradea, as well as the Bucharest Lakes, Parks and Recreation Administration. Raiffeisen Bank's partner, Green Revolution Association, established in March 2009, is the first non-governmental urban ecology organisation in Romania implementing the measures underlying the building of a green city.

Green Business Index (GBI) assesses the corporate environmental responsibility in the following areas subject to analysis: sustainable development, environmental impact, sustainable transportation, resource use, buildings' state, green procurement and waste management. GBI is the only free tool for assessing the environmental responsibility. It also provides training and support services with a view to improve the environmental performance thereof.



Opening of the I'Velo season in Herăstrău Park

Annexes

Although the non-financial reporting is optional until the national law of EU Directive 95/2014 enters into force, Raiffeisen Bank has published since 2009 a corporate social responsibility annual report, the CSR Report of Raiffeisen Bank, for all those interested in the way the Bank involves in community and its level of transparency, more than its financial results. This report is realized in accordance with two reporting methods: London Benchmarking Group (LBG) that assesses the investments in community programs and the impact level on their beneficiaries, and Global Reporting Initiative (GRI) for indicators that show the corporate governance and the economic and social behavior of the company. Both reporting methods are complementary, covering different aspects.

Annex 1

GRI CONTENT INDEX - G4, 2014

PART 1: ORGANIZATIONAL PROFILE DISCLOSURE

1. Strategy and Analysis

Profile Disclosure	Description	Page	External Assurance
G4-1	Statement from the most senior decision maker of the organization, about the relevance of sustainability to the organization and the organization's strategy for addressing sustainability.	3	no

2. Organizational Profile

Profile Disclosure	Description	Page	External Assurance
G4-3	Name of the organization.	8	no
G4-4	Primary brands, products and services.	8	no
G4-5	Location of the organization's headquarters.	15, 61	no
G4-6	Number of countries where the organization operates, and names of countries where either the organization has significant operations or that are specifically relevant to the sustainability topics covered in the report.	8	no
G4-7	Nature of ownership and legal form.	8	no
G4-8	Markets served (including geographic breakdown, sectors served, an types of customers and beneficiaries).	8	no
G4-9	Scale of the reporting organization.	8	no
G4-13	Significant changes during the reporting period regarding the organization's size, structure, ownership, or its supply chain, including.	8, 9, 10	no
G4-15	Externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or which it endorses.	29	no
G4-12	Organization's supply chain.	30	no
G4-14	Description of the way the precautionary approach or principle is addressed by the organization.	49	no

3. Parameters of the Report

Profile Disclosure	Description	Page	External Assurance
G4-28	Reporting period (such as fiscal/calendar year) for information provided.	15, 61	no
G4-29	Date of most recent previous report (if any).	12, 49	no
G4-30	Reporting cycle (such as annual, biennial).	15	no
G4-31	Contact point for questions regarding the report or its contents.	63	no
G4-18	Process for defining the report content.	15	no

G4-17	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers).	15	no
G4-19	All material aspects identified in the process for defining report content.	15	no
G4-20	For each material aspect, report the Aspect Boundary within the organization.	15	no
G4-21	For each material aspect, report the Aspect Boundary outside the organization.	12	no
G4-22	The effect of any restatements of information provided in previous reports, and the reason for such restatements.	Not applicable	no
G4-23	Significant changes from previous reporting periods in the Scope and Aspect Boundaries.	3, 5, 7	no
G4-32	Table that indicates the Standard Disclosure in the report.	52-60	no
G4-33	The organization's policy and current practice with regards to seeking external assurance for the report.	8, 10	no
4. Governance, Commitment and Engagement			
Profile Disclosure	Description	Page	External Assurance
G4-34	Governance structure of the organization, including committees under the highest governance body.	8-10	no
G4-56	The organization's values, principles, standards and norms of behaviour such as codes of conduct and codes of ethics.	8, 30	no
G4-24	List of stakeholder groups engaged by the organization.	15, 29, 42	no
G4-25	The basis for identification and selection of stakeholders with whom to engage.	15, 29	no
G4-26	The organization's approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group, and an indication on whether any of the engagement was undertaken specifically as part of the report preparation process.	15	no
G4-27	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting.	15	no
PART 2: PERFORMANCE INDICATORS			
Economic			
Performance indicators	Description	Page	External Assurance
Economic Performance			
G4-DMA	Report why the aspect is material, the impact that make this aspect material, how the organization manages the material aspect or its impact.	27-29	no
G4-EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	26	no

Annexes

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G4-EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change.	Not applicable	no
G4-EC3	Coverage of the organization's defined benefit plan obligations.	19+20	no
G4-EC4	Significant financial assistance received from government.	Not applicable	no
Market Presence			
G4-DMA	Report why the aspect is material, the impact that make this aspect material, how the organization manages the material aspect or its impact.	19-21	no
G4-EC5	Ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation.	19	no
G4-EC6	Proportion of senior management hired from the local community at significant locations of operation.	21	no
Indirect Economic Impacts			
G4-DMA	Report why the aspect is material, the impact that make this aspect material, how the organization manages the material aspect or its impact.	27-28	no
G4-EC7	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.	28,32, 34, 38	no
G4-EC8	Significant indirect economic impacts, including the extent of impacts.	30	no
Procurement Practices			
G4-DMA	Report why the aspect is material, the impact that make this aspect material, how the organization manages the material aspect or its impact.	30	no
G4-EC9	Proportion of spending on local suppliers at significant locations of operation.	30	no
Environment			
Performance indicators	Description	Page	External Assurance
Materials			
G4-DMA	Report why the aspect is material, the impact that make this aspect material, how the organization manages the material aspect or its impact.	48-50	no
G4-EN1	Materials used by weight or volume.	48-50	no
G4-EN2	Percentage of materials used that are recycled input materials.	48-50	no
Energy			
G4-DMA	Report why the aspect is material, the impact that make this aspect material, how the organization manages the material aspect or its impact.	48, 50	no
G4-EN3	Energy consumption within the organization.	50	no
G4-EN6	Reduction of energy consumption.	50	no
G4-EN7	Reduction in energy requirements of products and services	50	no

Annexes

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Water			
G4-DMA	Report why the aspect is material, the impact that make this aspect material, how the organization manages the material aspect or its impact.	50	no
G4-EN8	Total water withdrawal by source.	50	no
G4-EN9	Water sources significantly affected by withdrawal of water.	Not applicable	no
G4-EN10	Percentage and total volume of water recycled and reused.	Not applicable	no
Biodiversity			
G4-DMA	Report why the aspect is material, the impact that make this aspect material, how the organization manages the material aspect or its impact.	Not applicable	no
G4-EN12	Significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	Not applicable	no
Emissions			
G4-DMA	Report why the aspect is material, the impact that make this aspect material, how the organization manages the material aspect or its impact.	48, 50	no
G4-EN15 COMM	Direct greenhouse gas (GHG) emissions	48, 50	no
G4-EN19	Reduction of greenhouse gas (GHG) emissions	50	no
G4-EN20	Emissions of ozone-depleting substances (ODS)	Not applicable	no
G4-EN21	NOx, SOx and other significant air emissions.	Not applicable	no
Compliance			
G4-DMA	Report why the aspect is material, the impact that make this aspect material, how the organization manages the material aspect or its impact.	31	no
G4-EN29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	31	no
Transport			
G4-DMA	Report why the aspect is material, the impact that make this aspect material, how the organization manages the material aspect or its impact.	50	no
G4-EN30	Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce.	50	no
Supplier Environmental Assessment			
G4-DMA	Report why the aspect is material, the impact that make this aspect material, how the organization manages the material aspect or its impact.	Not applicable	no
G4-EN32	Percentage of new suppliers that were screened using environmental criteria.	Not applicable	no
G4-EN33	Significant actual and potential negative environmental impacts in the supply chain and actions taken.	Not applicable	no

Annexes

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Environmental Grievance Mechanisms			
G4-DMA	Report why the aspect is material, the impact that make this aspect material, how the organization manages the material aspect or its impact.	31	no
G4-EN34	Number of grievances about environmental impact filed, addressed, and resolved through formal grievance mechanisms.	31	no
Social: Labor Practices and Decent Work			
Performance indicators	Description	Page	External Assurance
Employment			
G4-DMA	Report why the aspect is material, the impact that make this aspect material, how the organization manages the material aspect or its impact.	18-24	no
G4-10	Total number of employees by employment contract and gender.	18, 21	no
G4-10	Total number of employees and new employees by age, gender and region. regiune.	21	no
G4-LA1	Total number and rate of new employee hires and employee turnover by age group, gender, and region.	21	no
G4-LA2	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation.	22	no
G4-LA3	Return to work and retention rates after parental leave, by gender.	22	no
Labor/ Management Relations			
G4-DMA	Report why the aspect is material, the impact that make this aspect material, how the organization manages the material aspect or its impact.	21-23	no
G4-11	Percentage of total employees covered by collective bargaining agreements.	22	no
G4-LA4	Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements.	22	no
Occupational Health and Safety			
G4-DMA	Report why the aspect is material, the impact that make this aspect material, how the organization manages the material aspect or its impact.	23	no
G4-LA5	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs.	23	no
G4-LA6	Type and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region and by gender.	23	no
G4-LA7	Workers with high incidence or high risk of diseases related to their occupation.	23	no
Training and Education			
G4-DMA	Report why the aspect is material, the impact that make this aspect material, how the organization manages the material aspect or its impact.	19-22	no

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G4-LA9	Average hours of training per year per employee by gender, and by employee category.	19	no
G4-LA11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category.	20, 22	no
Diversity and Equal Opportunity			
G4-DMA	Report why the aspect is material, the impact that make this aspect material, how the organization manages the material aspect or its impact.	18, 19, 21	no
G4-LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity.	18, 19, 21	no
Equal Remuneration for Women and Men			
G4-DMA	Report why the aspect is material, the impact that make this aspect material, how the organization manages the material aspect or its impact.	22	no
G4-LA13	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.	22	no
Social: Human Rights			
Performance indicators	Description	Page	External Assurance
Investment			
G4-DMA	Report why the aspect is material, the impact that make this aspect material, how the organization manages the material aspect or its impact.	19-20	no
G4-HR1 <small>COMM</small>	Percentage and total number of significant investment agreements and contracts that include clauses incorporating human rights concerns or that have undergone human rights screening.	Not applicable	no
G4-HR2	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	19-20	no
Non discrimination			
G4-DMA	Report why the aspect is material, the impact that make this aspect material, how the organization manages the material aspect or its impact.	31-32	no
G4-HR3	Total number of incidents of discrimination and corrective actions taken.	31-32	no
Freedom of Association and Collective Bargaining			
G4-DMA	Report why the aspect is material, the impact that make this aspect material, how the organization manages the material aspect or its impact.	Not applicable	no
G4-HR4	Operations and suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and actions taken to support these rights.	Not applicable	no

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Assessment			
G4-DMA	Report why the aspect is material, the impact that make this aspect material, how the organization manages the material aspect or its impact.	Not applicable	no
G4-HR9	Total number and percentage of operations that have been subject to human rights reviews or impact assessments.	Not applicable	no
Supplier Human Rights Assessment			
G4-DMA	Report why the aspect is material, the impact that make this aspect material, how the organization manages the material aspect or its impact.	Not applicable	no
G4-HR10	Percentage of new suppliers that were screened using human rights criteria.	Not applicable	no
G4-HR11	Significant actual and potential negative human rights impacts in the supply chain and actions taken.	Not applicable	no
Human Rights Grievance Mechanisms			
G4-DMA	Report why the aspect is material, the impact that make this aspect material, how the organization manages the material aspect or its impact.	32	no
G4-HR12	Number of grievances about human rights impact filed, addressed, and resolved through formal grievance mechanisms.	32	no
Social: Society			
Performance indicators	Description	Page	External Assurance
Local communities			
G4-DMA	Report why the aspect is material, the impact that make this aspect material, how the organization manages the material aspect or its impact.	Not applicable	no
G4-SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs.	Not applicable	no
Anti-Corruption			
G4-DMA	Report why the aspect is material, the impact that make this aspect material, how the organization manages the material aspect or its impact.	31, 37	no
G4-SO3	Total number and percentage of operations assessed for risks related to corruption and the significant risks identified.	31	no
G4-SO4	Communication and training on anti-corruption policies and procedures.	31	no
G4-SO5	Confirmed incidents of corruption and actions taken.	31	no
Public Policy			
G4-DMA	Report why the aspect is material, the impact that make this aspect material, how the organization manages the material aspect or its impact.	29-31	no
G4-16	Memberships of associations, national or international advocacy organizations or other initiatives the companies supports or where is a member.	29	no

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G4-SO6	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.	31	no
Anti-competitive Behaviour			
G4-DMA	Report why the aspect is material, the impact that make this aspect material, how the organization manages the material aspect or its impact.	31	no
G4-SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes.	31	no
Compliance			
G4-DMA	Report why the aspect is material, the impact that make this aspect material, how the organization manages the material aspect or its impact.	31	no
G4-SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	31	no
Supplier Assessment for Impacts on Society			
G4-DMA	Report why the aspect is material, the impact that make this aspect material, how the organization manages the material aspect or its impact.	Not applicable	no
G4-SO11	Number of grievances about impacts on society filed, addressed, and resolved through formal grievance mechanisms.	Not applicable	no
Social: Product Responsibility			
Performance indicators	Description	Page	External Assurance
Product and Service Labeling			
G4-DMA	Report why the aspect is material, the impact that make this aspect material, how the organization manages the material aspect or its impact.	31-37	no
G4-PR3	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.	37	no
G4-PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes.	31	no
G4-PR5	Results of surveys measuring customer satisfaction.	30	no
FS1	Policies with specific environmental and social components applied to business lines.	49	no
FS2	Procedures for assessing and screening environmental and social risks in business lines.	49	no
FS13	Access points in low-populated or economically disadvantaged areas by type.	37	no
FS15	Policies for the fair design and sale of financial products and services.	37	no

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FS16	Initiatives to enhance financial literacy by type of beneficiary.	11, 40	no
Marketing Communications			
G4-DMA	Report why the aspect is material, the impact that make this aspect material, how the organization manages the material aspect or its impact.	31	no
G4-PR6	Sale of banned or disputed products.	Not applicable	no
G4-PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes.	31	no
Customer Privacy			
G4-DMA	Report why the aspect is material, the impact that make this aspect material, how the organization manages the material aspect or its impact.	31	no
G4-PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	31	no
Compliance			
G4-DMA	Report why the aspect is material, the impact that make this aspect material, how the organization manages the material aspect or its impact.	31	no
G4-PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	31	no

ANNEX 2 – METHODOLOGY OF THE REPORT

The analysis of the corporate responsibility of Raiffeisen Bank is based on two international regulations: the London Benchmarking Group (LBG) ¹⁴⁾ methodology and the Global Reporting Initiative (GRI) ¹⁵⁾ standard, which format Raiffeisen Bank is accustomed to. Thus, by using the two reporting standards, we evaluated both the responsible community involvement of the company and also its responsible way of doing business.

London Benchmarking Group (LBG) – the investments evaluation in terms of community programs

The LBG system is worldwide used by companies in order to evaluate and report the value and the results of their community investments. This theoretical model analyzes the community investments in terms of the reasons behind them (charitable, commercial or strategically), the types of the invested resources (money, time or in-kind) and the type of supported causes. The LBG system also considers the results and the impact of the company's investments on the community benefit and/or the company benefit.

According to this methodology, the main areas which endeavor to change as a result of the community projects are: the end-beneficiaries and the community, the partner organization, the environment and the company. The changes generated in these areas are evaluated according to how seriously they meet community needs, in order to assess their sustainability.

Global Reporting Initiative (GRI) - the evaluation of the corporate governance and the social and economic behaviour

The GRI reporting system is meant to be a standardized reporting framework for the economic, environmental and social performance of a given organization during a year of activity and it has become a common practice for companies throughout the world, in recent years.

The report has been prepared according to GRI G4 regulations, in concordance with the CORE level. The first Annex describes the reported data according to GRI standards on the self-rated CORE level. The information in this report was collected for the full year 2015 (January 1st - December 31st) and the report is meant to assess the actual transparency and sustainability level of the organization, as it is evaluated according to the GRI model.

The parameters contained by the present report have been established through a materiality analysis during the years 2014 and 2015. Since 2010 (when our first such report was launched) until now we have improved each year the quality of reporting, using more accurate figures and more scrupulous research to get the data that we used to report, as well as adding new data in accordance with our stakeholders' expectations.

¹⁴⁾ <http://lbg-romania.ro/content/>

¹⁵⁾ <http://www.globalreporting.org/Home>

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ANNEX 3 – LIST OF NGO PARTNERS

Asociația Bucharest Running Club
Asociația Clubul Sportiv Smart Athletic
Asociația Clubul Sportiv Sport Promotion
Asociația Culturală Teatrul ACT
Asociația Dăruiește Viață
Asociația Ephemair
Asociația Green Revolution
Asociația Hercules
Asociația Ivan Patzaichin-Mila 23
Asociația Junior Achievement România
Asociația Light into Europe
Asociația M.A.M.E.
Asociația Nutrigrup
Asociația OvidiuRo
Asociația People for Sport Romania
Asociația pentru Educație Cinematografică
Asociația pentru Promovarea Filmului Românesc
Asociația Pro Vita pentru născuți și nenăscuți
Asociația pentru Relații Comunitare
Asociația Romana a iubitorilor Valsului „Johann Strauss”
Asociația școala Mamei Junior
Asociația SoNoRo
Asociația Spitalului de Psihiatrie „Dr. Gh. Preda”
Asociația Tășuleasa Social
Asociația Teach for Romania
Asociația UNARTE
Asociația UNTEATRU
Asociația Young Leaders Club
Federația VOLUM
Fundatia Art Encounters
Fundatia Akcees Education
Fundatia Balul Vienez din Timișoara
Fundatia CMU Regina Maria
Fundatia Compania de Teatru Daya
Fundatia Democrație prin Cultură
Fundatia Estuar
Fundatia Hospice Casa Speranței
Fundatia Leaders
Fundatia pentru Dezvoltarea Societății Civile
Fundatia pentru SMURD
Fundatia Principesa Margareta a României
Fundatia Prințul de Wales Romania
Fundatia United Way
Organizația Habitat for Humanity Romania
Uniunea Teatrală din România

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ANNEX 4 – RAIFFEISEN BANK’S CONTACTS

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The annual corporate responsibility report is available online at:

<https://www.raiffeisen.ro/despre-noi/responsabilitate-corporativa/rapoarte-anuale-csr/>
www.raiffeisencomunitati.ro/rapoarte-csr