RAIFFEISEN

2023

Regulatory disclosure
as at 30 September 2023

Regulatory disclosure

FINMA Circular 2016/1 "Disclosure – banks" defines the scope of regulatory disclosure. While all tables of relevance for a bank must be disclosed as part of the year-end reporting, a lower number of tables need to be disclosed in the quarterly and half-yearly reports. This disclosure is based on the quarterly disclosure obligations of the Raiffeisen organisation as defined in FINMA Circular 2016/1.

Key abbreviations

Key abbreviations

Term / abbreviation	Explanation
AT1	Additional Tier 1 capital
CCF	Credit conversion factor
CCP	Central counterparty
CCR	Counterparty credit risk
CET1	Common Equity Tier 1 capital
CRM	Credit risk mitigation
CVA	Credit valuation adjustments
D-SIB	Domestic systemically important bank
EAD	Exposure at default
CAO	Capital Adequacy Ordinance
ETC	Other currencies as set out in Annex 2 of FINMA Circular 2019/2 "Interest rate risks – banks"
FINMA	Swiss financial market supervisory authority
G-SIB	Global systemically important bank
HQLA	High-quality liquid assets
ICS	Internal control system
IRB	Internal ratings-based approach
IRRBB	Interest rate risk in the banking book
LCR	Liquidity coverage ratio
LGD	Loss given default
LRD	Leverage ratio denominator
NSFR	Finanzierungsquote (Net stable funding ratio)
PD	Probability of default
QCCP	Qualifying central counterparty
RWA	Risk-weighted assets
Mn	Margin number
SA-BIS	International standardised approach for credit risk
SA-CCR	Standardised approach for measuring counterparty credit risk exposures
SFT	Securities financing transactions
TLAC	Total loss absorbing capacity
T1	Tier 1 capital
T2	Tier 2 capital
VaR	Value at risk
ΔEVE	Change in the net present value (Economic Value of Equity)
ΔNII	Change in capitalised value (Net Interest Income)

Introduction

Raiffeisen Group

The Raiffeisen Group, in its capacity as the central organisation, is obligated to comply with capital adequacy rules and is thus required by supervisory law to make risk, capital adequacy and liquidity disclosures.

This disclosure is based on FINMA Circular 2016/1 "Disclosure – banks".

Quantitative information has been disclosed in accordance with the requirements laid down in the Capital Adequacy Ordinance. Some of this information cannot be directly compared with that provided in the consolidated accounts, which is reported in line with the accounting requirements for banks laid down in FINMA Circular 2020/1 "Accounting – banks" and the FINMA Accounting Ordinance.

Capital adequacy calculations are based on the same group of consolidated companies as the consolidated accounts. On 16 June 2014, the Swiss National Bank (SNB) issued an order classifying the Raiffeisen Group as systemically important. The provisions covering systemic importance require an additional capital adequacy disclosure. The corresponding information on risk-weighted capital adequacy and unweighted capital adequacy (leverage ratio) is available in Appendix 3 to this disclosure.

Raiffeisen Switzerland

At Raiffeisen Switzerland level, the disclosure requirements apply in the form of tables "KM1: Key metrics" and "Appendix 3: Disclosure of systemically important banks".

According to Art. 10 (3) CAO, FINMA can permit a bank to consolidate group companies operating in the financial sector due to their especially close relationship with the bank, even at the level of an individual bank (solo consolidation). Pursuant to the order of 21 July 2016, in the context of individual bank regulations, FINMA permits Raiffeisen Switzerland to solo consolidate the subsidiary Raiffeisen Switzerland B.V. Amsterdam. Since 31 December 2016 capital at Raiffeisen Switzerland has been calculated on a solo consolidated basis. In all other respects there are no differences between the regulatory and accounting scopes of consolidation.

Raiffeisen Group

Key metrics

KM1: Key metrics

KM1: Key metrics

		a	a	b	c	d
	in CHF million (unless stated otherwise)	30.09.2023	30.06.2023	31.03.2023	31.12.2022	30.09.2022
	Available capital (amounts)					
1	Common Equity Tier 1 (CET1)	21,484	21,470	20,729	20,575	19,415
2	Tier 1	22,395	22,368	21,550	21,710	20,544
3	Total capital	24,064	23,989	22,708	22,877	21,295
	Risk-weighted assets (amounts)					
4	Total risk-weighted assets (RWA)	96,321	95,314	94,226	92,899	92,238
4a	Minimum capital requirement	7,706	7,625	7,538	7,432	7,379
	Risk-based capital ratios as a percentage of RWA					
5	Common Equity Tier 1 ratio (%)	22.3%	22.5%	22.0%	22.1%	21.0%
6	Tier 1 ratio (%)	23.3%	23.5%	22.9%	23.4%	22.3%
7	Total capital ratio (%)	25.0%	25.2%	24.1%	24.6%	23.1%
	Additional CET1 buffer requirements as a percentage of RWA					
8	Capital buffer in accordance with Basel Minimum Standards (as of 2019 2.5%) (%)	2.5%	2.5%	2.5%	2.5%	2.5%
9	Countercyclical buffer (Article 44a CAO) in accordance with the Basel Minimum Standards (%)	0.0%	0.0%	0.0%	0.0%	0.0%
10	Additional capital buffer due to national or international systemic importance (%)	0.0%	0.0%	0.0%	0.0%	0.0%
11	Overall buffer requirements in accordance with the Basel Minimum Standards in CET1 quality (%)	2.5%	2.5%	2.5%	2.5%	2.5%
12	Available CET1 to cover buffer requirements in accordance with Basel Minimum Standards (after deducting CET1 from the cover of the minimum requirements and possibly to cover the TLAC requirements) (%) [1]	11.0%	11.2%	10.4%	10.8%	13.1%
	Target capital ratios in accordance with note 8 of the CAO [2]					
12b	Countercyclical buffer (Articles 44 and 44a CAO)	1.4%	1.4%	1.4%	1.4%	1.4%
	Basel III Leverage Ratio					
13	Total exposure [3]	295,769	290,192	283,454	282,758	302,632
14	Basel III leverage ratio (%)	7.6%	7.7%	7.6%	7.7%	6.8%
	Liquidity Coverage Ratio [4]					
15	Total HQLA	47,001	46,801	50,266	55,270	55,356
16	Total net cash outflow	27,156	27,995	29,735	32,828	34,194
17	LCR ratio (%)	173.1%	167.2%	169.0%	168.4%	161.9%
	Net Stable Funding Ratio					
18	Total available stable funding	231,515	229,957	228,347	227,260	226,680
19	Total required stable funding	164,537	163,127	162,527	161,313	160,307
20	NSFR ratio (%)	140.7%	141.0%	140.5%	140.9%	141.4%

1 Due to the early fulfillment of the full 2026 TLAC requirements as of 31.12.2022 and the resulting higher reclassification of excess CET1 capital, this figure is reduced as of 31.12.2022. In return, the aggregate requirements for additional loss-absorbing funds (gone-concern funds) applicable as of 2026 have already been fully built up as of 31.12.2022.
2 Systemically important banks can refrain from publishing rows 12a, 12c, 12d, 12e (note 8 of the CAO not applicable).
3 The decrease in total exposure in the fourth quarter 2022 is due to the decrease in money market transactions.
4 Average daily closing averages of all business days in the reporting quarter.

Appendix 3: Disclosure of systemically important banks

Articles 124 to 133 of the Capital Adequacy and Risk Diversification Ordinance (CAO) require systemically important banks in Switzerland to submit a calculation and disclosure of capital adequacy requirements on a quarterly basis.

The requirements under the rules governing systemic importance include requirements for risk-weighted capital adequacy requirements as well as those for unweighted capital adequacy requirements (leverage ratio), which are as follows:

Risk-weighted and unweighted capital adequacy requirements of the Raiffeisen Group under the rules governing systemically important banks

Table 1: Risk-based capital requirements on the basis of capital ratios

	Current rules[1]		Final rules[2]	
30.09.2023	CHF million	In % Ratio	CHF million	In % Ratio
Basis of assessment				
Risk-weighted positions (RWA)	**96,321**		**96,321**	
Risk-based capital requirements ("going-concern") on the basis of capital ratios				
Total	**14,105**	**14.644%**	**14,105**	**14.644%**
of which CET1: Minimum	4,334	4.500%	4,334	4.500%
of which CET1: Capital buffer	4,257	4.420%	4,257	4.420%
of which CET1: Anti-cyclical capital buffer	1,372	1.424%	1,372	1.424%
of which AT1: Minimum	3,371	3.500%	3,371	3.500%
of which AT1: Capital buffer	771	0.800%	771	0.800%
Eligible capital ("going-concern")				
Core capital (Tier1)	**18,260**	**18.958%**	**18,260**	**18.958%**
of which CET1	18,260	18.958%	18,260	18.958%
of which AT1 High-trigger	–	0.000%	–	0.000%
Risk-based capital requirements for loss absorbing capital ("gone-concern") on the basis of capital ratios				
Total according size and market share[3]	3,082	3.200%	7,571	7.860%
Reductions based on the holding of additional reserves in the form of CET1 or convertible capital as defined in Article 132 (4) CAO[4]	−1,027	−1.067%	−2,067	−2.146%
Total (net)	**2,055**	**2.133%**	**5,504**	**5.714%**
Eligible loss absorbing capital ("gone-concern")				
Total	**6,066**	**6.298%**	**6,066**	**6.298%**
of which CET1, which is used to fulfill gone-concern requirements[5]	3,223	3.346%	3,223	3.346%
of which Additional Tier 1, which is used to fulfill gone-concern requirements[6]	911	0.946%	911	0.946%
of which Bail-in Bonds	1,932	2.006%	1,932	2.006%

1 Gone-Concern requirements taking into account the transitional rules pursuant to ERV Art. 148j until December 31, 2025
2 Gone-concern capital requirements after transitional phase as of 1 January 2026 and taking into account FINMA requirements for an approvable emergency plan at the level of Raiffeisen Group.
3 Requirements in terms of additional loss-absorbing funds are based on the total requirement consisting of the basic requirements and the mark-ups pursuant to Article 129 CAO. In the case of a systemically important bank that does not operate internationally, these amount to 40% of the total requirement pursuant to CAO, which is listed in the "Transitional rules" column pursuant to Article 148j CAO. In accordance with the final rules and as a prerequisite for an approvable emergency plan, FINMA stipulated higher requirements in terms of gone-concern funds at the level of 7.86% (risk-weighted view) and 2.75% (unweighted view) for the Raiffeisen Group in comparison with the regulatory requirements under CAO. These emergency plan requirements, which Raiffeisen meets in full with bail-in bonds and reclassification of excess going-concern capital with effect from 31 December 2022, are presented in the "Final rules" column.
4 If a systemically important bank holds the additional funds in the form of core capital, the requirement pursuant to Article 132 (4) CAO is reduced. The requirements may be reduced by one third at the most. Since Raiffeisen reclassifies excess going-concern capital to meet the gone-concern requirements, this reduction can be used, which is why the figures shown take into account the reduction pursuant to Article 132 (4) CAO.
5 With effect from 31 December 2022, the Raiffeisen Group reclassifies excess CET1 capital based on full gone-concern emergency plan requirements, without applying transitional provisions.
6 High trigger Additional Tier 1 capital is reclassified and used to fulfill gone-concern requirements.

Table 2: Unweighted capital requirements on the basis of leverage ratio

	Current rules [1]		Final rules [2]	
30.09.2023	CHF million	In % LRD	CHF million	In % LRD
Basis of assessment				
Overall exposure	**295,769**		**295,769**	
Unweighted capital requirements ("going-concern") on the basis of the leverage ratio				
Total	**13,679**	**4.625%**	**13,679**	**4.625%**
of which CET1: Minimum	4,437	1.500%	4,437	1.500%
of which CET1: Capital buffer	4,806	1.625%	4,806	1.625%
of which AT1: Minimum	4,437	1.500%	4,437	1.500%
Eligible capital ("going-concern")				
Core capital (Tier1)	**18,260**	**6.174%**	**18,260**	**6.174%**
of which CET1	18,260	6.174%	18,260	6.174%
of which AT1 High-trigger	–	0.000%	–	0.000%
Unweighted capital requirements for loss absorbing capital ("gone-concern") on the basis of the leverage ratio				
Total according size and market share [3]	3,106	1.050%	8,134	2.750%
Reductions based on the holding of additional reserves in the form of CET1 or convertible capital as defined in Article 132 (4) CAO [4]	−1,035	−0.350%	−2,067	−0.699%
Total (net)	**2,070**	**0.700%**	**6,066**	**2.051%**
Eligible loss absorbing capital ("gone-concern")				
Total	**6,066**	**2.051%**	**6,066**	**2.051%**
of which CET1, which is used to fulfill gone-concern requirements [5]	3,223	1.090%	3,223	1.090%
of which Additional Tier 1, which is used to fulfill gone-concern requirements [6]	911	0.308%	911	0.308%
of which Bail-in Bonds	1,932	0.653%	1,932	0.653%

1 Gone-Concern requirements taking into account the transitional rules pursuant to ERV Art. 148j until December 31, 2025
2 Gone-concern capital requirements after transitional phase as of 1 January 2026 and taking into account FINMA requirements for an approvable emergency plan at the level of Raiffeisen Group.
3 Requirements in terms of additional loss-absorbing funds are based on the total requirement consisting of the basic requirements and the mark-ups pursuant to Article 129 CAO. In the case of a systemically important bank that does not operate internationally, these amount to 40% of the total requirement pursuant to CAO, which is listed in the "Transitional rules" column pursuant to Article 148j CAO. In accordance with the final rules and as a prerequisite for an approvable emergency plan, FINMA stipulated higher requirements in terms of gone-concern funds at the level of 7.86% (risk-weighted view) and 2.75% (unweighted view) for the Raiffeisen Group in comparison with the regulatory requirements under CAO. These emergency plan requirements, which Raiffeisen meets in full with bail-in bonds and reclassification of excess going-concern capital with effect from 31 December 2022, are presented in the "Final rules" column.
4 If a systemically important bank holds the additional funds in the form of core capital, the requirement pursuant to Article 132 (4) CAO is reduced. The requirements may be reduced by one third at the most. Since Raiffeisen reclassifies excess going-concern capital to meet the gone-concern requirements, this reduction can be used, which is why the figures shown take into account the reduction pursuant to Article 132 (4) CAO.
5 With effect from 31 December 2022, the Raiffeisen Group reclassifies excess CET1 capital based on full gone-concern emergency plan requirements, without applying transitional provisions.
6 High trigger Additional Tier 1 capital is reclassified and used to fulfill gone-concern requirements.

Raiffeisen Switzerland

Key metrics

KM1: Key metrics

KM1: Key metrics

	in CHF million (unless stated otherwise)	a 30.09.2023	b 30.06.2023	c 31.03.2023	d 31.12.2022	e 30.09.2022
	Available capital (amounts)					
1	Common Equity Tier 1 (CET1)	2,798	2,798	2,777	2,741	2,695
2	Tier 1	3,709	3,695	3,598	3,877	3,824
3	Total capital	5,359	5,323	4,781	5,036	4,576
	Risk-weighted assets (amounts)					
4	Total risk-weighted assets (RWA)	13,046	12,368	12,252	12,936	13,488
4a	Minimum capital requirement	1,044	989	980	1,035	1,079
	Risk-based capital ratios as a percentage of RWA					
5	Common Equity Tier 1 ratio (%)	21.4%	22.6%	22.7%	21.2%	20.0%
6	Tier 1 ratio (%)	28.4%	29.9%	29.4%	30.0%	28.4%
7	Total capital ratio (%)	41.1%	43.0%	39.0%	38.9%	33.9%
	Additional CET1 buffer requirements as a percentage of RWA					
8	Capital buffer in accordance with Basel Minimum Standards (as of 2019 2.5%) (%)	2.5%	2.5%	2.5%	2.5%	2.5%
9	Countercyclical buffer (Article 44a CAO) in accordance with the Basel Minimum Standards (%)	0.0%	0.0%	0.0%	0.0%	0.0%
10	Additional capital buffer due to national or international systemic importance (%)	0.0%	0.0%	0.0%	0.0%	0.0%
11	Overall buffer requirements in accordance with the Basel Minimum Standards in CET1 quality (%)	2.5%	2.5%	2.5%	2.5%	2.5%
12	Available CET1 to cover buffer requirements in accordance with Basel Minimum Standards (after deducting CET1 from the cover of the minimum requirements and possibly to cover the TLAC requirements) (%)	16.9%	18.1%	18.2%	16.7%	15.5%
	Target capital ratios in accordance with note 8 of the CAO [1]					
12b	Countercyclical buffer (Articles 44 and 44a CAO)	0.0%	0.0%	0.0%	0.2%	0.2%
	Basel III Leverage Ratio					
13	Total exposure [2]	71,886	68,067	63,043	68,053	89,727
14	Basel III leverage ratio (%)	5.2%	5.4%	5.7%	5.7%	4.3%
	Liquidity Coverage Ratio [3]					
15	Total HQLA	48,021	47,784	51,144	55,992	56,142
16	Total net cash outflow	31,461	31,931	32,938	37,000	38,146
17	LCR ratio (%)	152.6%	149.6%	155.3%	151.3%	147.2%
	Net Stable Funding Ratio					
18	Total available stable funding	44,748	44,878	45,344	48,998	50,838
19	Total required stable funding	17,277	17,234	18,130	20,853	21,683
20	NSFR ratio (%)	259.0%	260.4%	250.1%	235.0%	234.5%

1 Systemically important banks can refrain from publishing rows 12a, 12c, 12d, 12e (note 8 of the CAO not applicable).
2 As a result of the Raiffeisen Switzerland branches becoming independent and the decrease in money market transactions, overall exposure has been reduced.
3 Average daily closing averages of all business days in the reporting quarter.

Appendix 3: Disclosure of systemically important banks

Risk-weighted and unweighted capital adequacy requirements of Raiffeisen Switzerland under the rules governing systemically important banks

Table 1: Risk-based capital requirements on the basis of capital ratios

	Current rules		Final rules[1]	
30.09.2023	CHF million	In % Ratio	CHF million	In % Ratio
Basis of assessment				
Risk-weighted positions (RWA)	**13,046**		**13,046**	
Risk-based capital requirements (“going-concern”) on the basis of capital ratios				
Total	**1,727**	**13.238%**	**1,727**	**13.238%**
of which CET1: Minimum	587	4.500%	587	4.500%
of which CET1: Capital buffer	577	4.420%	577	4.420%
of which CET1: Anti-cyclical capital buffer	2	0.018%	2	0.018%
of which AT1: Minimum	457	3.500%	457	3.500%
of which AT1: Capital buffer	104	0.800%	104	0.800%
Eligible capital (“going-concern”)				
Core capital (Tier1)	**3,709**	**28.428%**	**3,709**	**28.428%**
of which CET1	2,798	21.444%	2,798	21.444%
of which AT1 High-trigger	911	6.984%	911	6.984%
Risk-based capital requirements for loss absorbing capital (“gone-concern”) on the basis of capital ratios				
Total according size and market share[2]	417	3.200%	690	5.288%
Reductions based on the holding of additional reserves in the form of CET1 or convertible capital as defined in Article 132 (4) CAO	–	0.000%	–	0.000%
Total (net)	**417**	**3.200%**	**690**	**5.288%**
Eligible loss absorbing capital (“gone-concern”)				
Total	**1,932**	**14.809%**	**1,932**	**14.809%**
of which CET1, which is used to fulfill gone-concern requirements	–	0.000%	–	0.000%
of which Bail-in Bonds	1,932	14.809%	1,932	14.809%

1 Gone-concern capital requirements after transitional phase as of 1 January 2026.
2 Requirements in terms of additional loss-absorbing funds are based on the total requirement consisting of the basic requirements and the mark-ups pursuant to Article 129 CAO. In the case of a systemically important bank that does not operate internationally, these amount to 40% of the total requirement. At the level of the individual institution, no additional gone concern requirements from the emergency plan are applied, as is the case at Group level.

Table 2: Unweighted capital requirements on the basis of leverage ratio

	Current rules[1]		Final rules[2]	
30.09.2023	CHF million	In % LRD	CHF million	In % LRD
Basis of assessment				
Overall exposure	**71,886**		**71,886**	
Unweighted capital requirements (“going-concern”) on the basis of the leverage ratio				
Total	**2,401**	**3.340%**	**3,325**	**4.625%**
of which CET1: Minimum	1,078	1.500%	1,078	1.500%
of which CET1: Capital buffer	180	0.250%	1,168	1.625%
of which AT1: Minimum	1,143	1.590%	1,078	1.500%
Eligible capital (“going-concern”)				
Core capital (Tier1)	**3,709**	**5.159%**	**3,709**	**5.159%**
of which CET1	2,798	3.892%	2,798	3.892%
of which AT1 High-trigger	911	1.267%	911	1.267%
Unweighted capital requirements for loss absorbing capital (“gone-concern”) on the basis of the leverage ratio				
Total according size and market share[3]	726	1.010%	1,330	1.850%
Reductions based on the holding of additional reserves in the form of CET1 or convertible capital as defined in Article 132 (4) CAO	–	0.000%	–	0.000%
Total (net)	**726**	**1.010%**	**1,330**	**1.850%**
Eligible loss absorbing capital (“gone-concern”)				
Total	**1,932**	**2.688%**	**1,932**	**2.688%**
of which CET1, which is used to fulfill gone-concern requirements	–	0.000%	–	0.000%
of which Bail-in Bonds	1,932	2.688%	1,932	2.688%

1 In application of article 4 (3) Banking Act, Raiffeisen Switzerland is granted relief in the form of an extension of the transitional provisions until 31 December 2028.
2 Gone-concern capital requirements after transitional phase as of 31 December 2028.
3 Requirements in terms of additional loss-absorbing funds are based on the total requirement consisting of the basic requirements and the mark-ups pursuant to Article 129 CAO. In the case of a systemically important bank that does not operate internationally, these amount to 40% of the total requirement. At the level of the individual institution, no additional gone concern requirements from the contingency planning are applied, as is the case at the Group level.

Imprint

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We open up new horizons