



April, 2023

# **Annual report for the year 2022**

## **Banca Comercială Română Chișinău S.A.**

21.04.2023

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## EXECUTIVE SUMMARY

In 2022, BCR Chisinau recorded an increase in its loan portfolio of 9.4%, compared to 2021. The major share of the bank's loan portfolio is still held by the SME segment with 54.1%, and its increase in 2022 constituted 8.3%. The Retail segment registered a positive trend as well, growing by 7.2% compared to the end of 2021. The majority of this increase comes from guaranteed loans granted to natural persons approx. 5.9%. Clients' trust in the bank was the main factor that led to the growth of the loan portfolio in the current conditions.

During 2022, BCR Chisinau continued to increase the quality of remote services provided to its clients by improving the interface and user experience of the Mobile Banking application, including the implementation of cards reissuing requests from the application. There was increased the degree of security for online card transactions, by including the possibility of authorizing payments within the CVVkey application. In order to maximally cover the needs of customers related to the existence of a wider network of ATMs, BCR Chisinau cardholders were offered 5 free withdrawals from any ATM in the Republic of Moldova. Additionally, to increase the degree of maintaining and attracting client deposits, fixed rate deposits were launched, including through the 24 Banking application.

The share of Non-performing loans decreased in 2022 to 2.8% from 3.0% in 2021 (the NPLs are concentrated in a limited number of loans of a single client and mostly provisioned). As a core part of its risk management strategy, BCR Chisinau maintained a prudential approach by increasing its provisions, calculated in accordance with International Financial Reporting Standards (IFRS) and in accordance with the requirements applied in BCR/ Erste Group. In this context, the coverage on non-performing loans has increased from 131.1% in 2021 to 161.7% in 2022.

BCR Chisinau registered a Net Profit in 2022 of MDL 130.7 mn driven by the increase in its operating result (in 2021: MDL 24.5 mn).

The strategic pillars for 2022 remained unchanged, these being based on diversification, increasing revenues from operational activity, increasing the level of automation, continuous alignment with the requirements of the local regulator and group policies.

## I. GENERAL INFORMATION ABOUT BANK'S ACTIVITY

**BCR Chişinău S.A.** was founded in October 1998. The Bank is offering a large spectrum of services to all categories of clients through a head Office, two branches and an agency in Chişinău: one branch in Balti and one in Cahul. The Agency works mainly with individuals that are clients of Consular Division of Romanian Embassy in Chişinău that can make payments and change currencies.

**The main focus** at foundation of the Bank was to offer qualitative services to the clients involved in different industries in the Republic of Moldova. Thus, BCR Chişinău S.A. became an universal financial institution. At the moment the Bank is a dynamic and professional participant on the financial market of the Republic of Moldova.

**Policy of the Bank** is oriented towards increasing the value of investments made by its shareholders through a profitable activity and development of the bank to ensure stability to its assets against impairment and increase the market value of the Bank. BCR Chişinău S.A. is activating according to its Charter and License issued to the National bank of Moldova.

**The unique shareholder of the Bank** is Banca Comercială Română S.A., holding 72,813 shares with a nominal value of 10,000 lei.

As at 31.12.2022 the share capital of the Bank was 728.13 million lei.

**External auditor** for 2022 was international audit company **“Pricewaterhousecoopers” SRL** that expresses its opinion on the correctness of the BCR Chişinău S.A. financial statements.

Information presented in report for 2022 and 2021 was prepared in accordance with the International Financial Reporting Standards (IFRS).

## II. MACROECONOMIC ENVIRONMENT AND BANK'S POSITION ON THE BANK SERVICES MARKET

In 2022, according to preliminary data, the Gross Domestic Product (GDP) constituted 272.6 billion lei, current market prices, being in decline, in real terms, by 5.9% compared to 2021.

Total gross value added on the economy, with a share of 86.0% in GDP formation, contributed 4.9% to the decrease in GDP in January-December 2022 compared to January-December 2021, with the volume of VAT decreasing by 5.7 %.

The following activities contributed to the decrease in GDP in January-December 2022 compared to January-December 2021:

- **agriculture, forestry and fishing** (generating a decrease in GDP by 2.7%), with a weight of 7.9% in the formation of GDP and a reduction in GVA by 25.8%;
- **constructions (-0.8%)**, with a weight of 7.4% in the formation of GDP and a reduction of VAB by 10.0%;
- **real estate transactions (-0.8%)**, with a weight of 6.2% in GDP formation and a 10.9% reduction in VAT;
- **the manufacturing industry (-0.7%)**, with a weight of 9.0% in the formation of GDP and a reduction of VAB by 7.5%;
- **the production and supply of electricity and thermal energy, gas, hot water and air conditioning (-0.4%)**, with a 2.8% share in GDP formation and a reduction in VAB by 18.0%.

The following activities had a positive influence on GDP evolution:

- **financial and insurance activities (+0.4%)**, with a weight of 3.1% in GDP formation and an increase in GVA on the respective activities by 14.5%;
- **information and communications (+0.3%)**, with a weight of 6.0% in GDP formation and an increase in GVA on the respective activities by 5.3%;
- **wholesale and retail trade; maintenance and repair of motor vehicles and motorcycles (+0.2%)**, with a weight of 17.1% in GDP formation and an increase in GVA on the respective activities by 1.4%;
- **accommodation and catering activities (+0.2%)**, with a weight of 1.2% in GDP formation and an increase in GVA on the respective activities by 23.9%.

**Net product taxes** with a share of 14.0% in GDP formation contributed to the GDP decrease by 1.1%, their volume decreasing by 7.6%.

From the point of view of GDP use (see Table A4 in the annex) the decrease in January-December 2022 compared to January-December 2021 was mainly due to:

- **final consumption of households (-3.3%)**, whose volume decreased by 4.0%;
- **gross fixed capital formation (-1.7%)**, whose volume decreased by 6.8%;
- **the net export of goods and services**, generating a 1.5% decrease in GDP.

**The final consumption of the public administration (+0.7%)**, whose volume increased by 4.1%, had a positive contribution to the GDP evolution.

**Consumer Price Index** The upward trend of the annual inflation rate of the last two years reversed at the end of 2022. At the same time, in the fourth quarter of 2022 the annual inflation rate was marginally lower than the value anticipated in the November 2022 Inflation Report.

Thus, the annual inflation rate decreased from 34.6 percent in October 2022 to 30.2 percent in December 2022. As a result, similar to the previous period, in the fourth quarter of 2022, the annual inflation rate was placed in continuation above the upper limit of the range of 5.0 percent  $\pm 1.5$  percentage points. At the same time, the average annual inflation rate was 32.1 percent in the fourth quarter of 2022, being 1.8 percentage points lower than in the previous quarter. That dynamic was supported by the effect of the base period from the previous year. However, the still high current value of the annual CPI rate reflects the impact of previous price increases on the international and regional market for food products and energy resources, a fact that determined the increase in their prices on the domestic market and the adjustment of tariffs for gas in the network, thermal energy and electrical. At the same time, the adjustment of tariffs, the increase in fuel prices, but also the upward dynamics of salaries supported the increase in costs for economic agents, which was gradually reflected in prices. The impact of the above factors was significantly amplified in the previous year by the escalation of the situation in Ukraine, which generated additional pressure on the prices of food products, fuels and some sub-components related to basic inflation. Additional pressures on food prices were also exerted by the dry conditions in the summer of the previous year. According to estimates, the pressures from the demand side observed in the second part of 2021 and the first part of 2022 have lost intensity due to monetary policy measures and have contributed to tempering the influence of the above-mentioned factors in the second part of 2022. Rate dynamics exchange generated an insignificant impact on the evolution of inflation at the end of the previous year. In the fourth quarter of 2022, the annual inflation rate was marginally lower than that anticipated in the Inflation Report, November 2022. In the forecast of the inflation subcomponents, there were both positive and negative deviations, which, however, were partially compensated. These were influenced, mainly, by the regional uncertainty that dictated the prices of energy resources, as well as by the uncertainty at the local level related to the way of reflecting the compensations granted to the population during the cold period of the year. The tense situation in the region and the risks of its escalation, the way of reflecting the compensations granted to the population for tariff increases, the increased volatility of prices for energy resources and the way of adjusting tariffs maintain the uncertainty regarding the short and medium term inflation forecast.

**Annual base rate of inflation** After the upward evolution of the previous periods, in the fourth quarter of 2022, the annual rate of core inflation began a downward trend, registering the value of 18.5 percent in December or 1.5 percentage points lower than from October 2022.

However, during the fourth quarter of 2022, the inflationary pressures on the sub-components of core inflation were still generated, mainly, by the second-round effects associated with tariff adjustments, the increase in the prices of raw materials, but also the consequences of the war in Ukraine.

According to estimates, the inflationary pressures related to aggregate demand, observed in 2021, have lost their intensity. In this sense, although the salary fund in the third quarter of 2022 registered a growth rate of about 15.5 percent and, according to estimates, had a pronounced dynamic in the fourth quarter of 2022 as well, the effect of this evolution was significantly eroded by the increase in inflation. A similar situation can be seen for two other important sources of financing consumption: remittances and social benefits, whose positive dynamics were insufficient to compensate for the increase in prices and generate an additional demand for goods and services. At the same time, in the fourth quarter of 2022, a negative dynamic of new loans granted to individuals is attested.

In December 2022, within the annual dynamics of basic inflation (18.5 percent), more pronounced upward developments were recorded in the subcomponents "means of transport, auto parts" (27.3 percent), "public food" (25.9 percent) "construction materials" (25.8 percent), "education and training" (23.4 percent), "furniture" (19.0 percent) and "daily household maintenance" (30.1 percent).

In the structure, the most pronounced contributions to the annual rate of core inflation in the fourth quarter of 2022 were further determined, predominantly, by the evolution of prices in the subcomponents "means of transport", "public food", "clothing", "consumables personal", "daily maintenance of the household", "recreation and culture". Means of transport exerted the greatest pressure within the annual rate of basic inflation, a component directly related to the influence of the exchange rate, which was also affected by the increase in the prices of vehicles and their components internationally and regionally in the post-pandemic period. Clothing prices continued to exert large contributions, being further supported by the regional dynamics of prices for textile materials, the increase in transport expenses, as well as those related to the labor force. Pronounced increases were registered in the public catering segment in the context of the increase in the prices of energy resources and food products, but also of the salary increase. The respective factors also exerted pressure on the prices of international tourist service packages, as well as on domestic tourist service packages, which caused a significant increase in prices in the recreation and culture segment. Although with more modest rhythms, construction materials continued the positive dynamics. The increase in their prices on the international and regional markets caused an increase in the price of imported goods. At the same time, the increase in the prices of gas and electricity, the increase in wages contributed to the increase in the cost of goods produced in the country. The formation of prices for the manufacture of furniture continues to be affected by the dynamics of prices for the basic raw material. The world trends of the wood market are also reflected in the market of the Republic of Moldova, which is, for the most part, dependent on imports from Ukraine, Belarus and Russia.

The subsequent trend of the evolution of the prices of some important categories of goods included in the basic inflation calculation will be determined by the significant rate adjustments made in the last period for gas and electricity. At the same time, their effect will be partially offset by a modest aggregate demand. At the same time, their dynamics will continue to be affected by the uncertainty regarding the war in Ukraine.

## **BANKING SYSTEM**

As at 31.12.2022 on the territory of the Republic of Moldova were activating 11 commercial banks (31.12.2021: 11 banks).

Based on assets volume the banks from the Republic of Moldova can be split into the following groups:

1. „Large” banks with assets volume greater than 3 billion lei;
2. „Medium” banks with assets volume 1-3 billion lei;
3. „Small” banks with assets volume less than 1 billion lei.

Bank	Total assets as at 31.12.2022		
	Million lei	Place	Market share
<b>Large banks</b>			
BC „MOLDOVA - AGROINDBANK” S.A.	43,030.5	1	32.74%
BC „Moldindconbank” S.A.	25,838.6	2	19.66%
OTP Bank S.A.	18,604.9	3	14.15%
B.C. „VICTORIABANK” S.A.	18,400.0	4	14.00%
B.C. „ProCredit Bank” S.A.	6,121.5	5	4.66%
„FinComBank” S.A.	4,988.8	6	3.80%
B.C. “EXIMBANK - Gruppo Veneto Banca” S.A.	4,734.6	7	3.60%
<b>Medium banks</b>			
BCR Chisinau S.A.	3,110.2	8	2.37%
B.C. „ENERGBANK” S.A.	2,838.5	9	2.16%
B.C. „COMERTBANK” S.A.	2,163.7	10	1.65%
BC „EuroCreditBank” S.A.	1,613.3	11	1.23%
<b>System</b>	<b>131,444.5</b>		<b>100.00%</b>

During 2022 the banking sector from the Republic of Moldova has registered general positive development trends.

**Table 1**

**Balance Sheet Indicators**

Indicators	31.12.2021	31.12.2022	Change
	Million lei	Million lei	%
Total assets	118,534.16	131,443.74	10.89 p.p.
Loans	54,646.80	58,705.03	7.43 p.p.
Risk weighted assets	58,594.71	62,373.21	6.45 p.p.
Total deposits	90,145.76	95,144.09	5.54 p.p.
Own funds	15,158.42	18,394.66	21.35 p.p.

Total assets amounted to 131.4 billion lei, increasing during 2022 by 10.9 percent (12.9 billion lei).

As at 31.12.2022, the total own funds rate on the banking sector was 29.5 percent, being higher by 3.6 p.p. compared to previous year. The regulated limit is observed by each bank and varies between 22.3 percent and 61.9 percent.

As of 31.12.2022, total own funds amounted to 18.4 billion lei and recorded a growth of 21.3 percent (3 236 million lei) during the mentioned period. The increase in own funds was determined by the inclusion in the calculation of own funds of the eligible profit after annual general shareholders' meetings.



Table 2

## Assets quality, liquidity and solvency indicators

Indicators	31.12.2021	31.12.2022	Change (%)
Nonperforming loans / Total Loans	6.14%	6.44%	0.30 p.p.
Provisions for loan losses / Total Loans ratio	6.39%	6.35%	-0.04 p.p.
Solvency ratio	25.87%	29.49%	3.62 p.p.
Liquidity ratio	48.54%	267.85%	219.31 p.p.

Gross loan portfolio amounted to MDL 58.7 billion as at 31.12.2022 or 44.7 percent of total assets, increasing by 7.4 percent or 4.0 billion MDL compared to the previous year. At the same time, total volume of new loans increased by 12.5 percent as compared to the same period of the previous year.

Loans granted in Moldovan lei decreased by 7.7 percent (2.5 billion lei), and loans granted in foreign currency increased by 41.1 percent (4.8 billion). The National Bank encourages banks to focus their efforts more on financing the real economy.

Investments in financial assets (NBM certificates and TBs) amounted to 15.2 percent of total assets (19.9 billion lei), being by 0.7 pp. lower than in 2021.

Other assets, amounting to 35.8 percent are placements in banks, National Bank, cash etc.

During 2022 the share of non-performing loans according to NBM norms (substandard, doubtful and loss) in total loans increased by 0.30 pp. compared to the end of the previous year, representing 6.4 percent as at 31.12.2022. This share decreased in most banks, the indicator ranging from 1.8 percent to 9.2 percent. For the most part, banks maintained their tendency to reduce the share of non-performing loans in total loans.

The decrease of the share of non-performing loans in total loans was mainly due to the increase of the gross loan balance by 7.4 percent (4.0 billion lei).

At the same time, was registered an increasing trend in deposits. The balance of deposits, according to prudential reports, increased by 5.5 percent up to MDL 95.1 billion (deposits of individuals amounted to 62.1 percent of total deposits, deposits of legal entities – 37.0 percent and banks deposits – 0.9 percent). The most impact in the increase in deposits were from deposits of individuals - by 5.5 percent or MDL 3 billion. At the same time, the balance of deposits of legal entities increased by 5.4 percent or MDL 1.7 billion.

The balance of deposits in local currency representing 50.0 of total deposits increased by 5.3 billion lei (10.3 percent) up to 57.0 billion. A decrease was recorded in the balance of foreign currency deposits - by 0.4 billion (1.1 percent) up to 37.9 billion, representing 40.0 percent of total deposits. Thus, were attracted deposits in foreign currency, equivalent to 4.2 billion lei.

During the fourth quarter of 2022, excessive liquidity in the banking system decreased by 1.7 billion lei up to 5.3 billion lei.

Thus, the long term liquidity (principle I of liquidity) amounted to 0.67 (limit  $\leq 1$ ), being lower by 0.07 p.p. compared with the previous year.

Current liquidity on the system (principle II of liquidity) increased by 219.3 pp. amounting 265.8 percent, (limit  $\geq 20\%$ ), thus almost all of the assets in banking sector are concentrated in liquid assets.

The principle III of liquidity, which is the ratio between the adjusted effective liquidity and the required liquidity on each maturity band, must not be less than 1 per maturity band, respected by all banks.



Table 3

## Profitability indicators

um/mil. lei

Indicators	31.12.2021	31.12.2022	Change
Net profit	2,306.34	3,625.60	57.20%
Net Interest Income	3,862.67	7,096.60	83.72%
ROA	2.01%	2.89%	0.88 p.p
ROE	12.35%	17.03%	4.68 p.p.
Net Interest margin	4.09%	6.67%	2.58 p.p.
Efficiency index	142.41%	143.64%	1.23 p.p.

As of 31.12.2022, the profit of the banking sector for the period accounted for MDL 3.6 billion. Compared to the same period of the previous year, the profit increased 57.2 percent (1,319 million).

Total revenues amounted to 14.5 billion lei, of which interest income – 66.2 percent (9.6 billion), and non-interest income – 33.8 percent (4.9 billion lei). At the same time, total expenditures amounted to 10.4 billion lei, including interest expenses – 24.3% of total expenditures (2.5 billion lei), and non-interest expenses – 75.7% of total expenditures (7.9 billion lei).

Interest income increased by 88.5 percent or 4.5 billion lei. At the same time, fees and commission income increased by 19.1 percent or 481.0 million lei.

Interest expense increased by 103.3 percent or 1.3 billion lei. Non-interest expenditures increased by 2.8 billion lei.

Return on assets and return on equity represented 2.29 percent and 17.03 percent as at 31.12.2022, being higher by 0.88 p.p. and 4.68 p.p. compared with the previous year.

## FOREX MARKET

During 2021 **the official nominal exchange rate** of the local currency reported to US dollar has depreciated insignificantly by 7.96 percent (17.7452 lei for 1 US dollar as at 31 December 2021 up to 19.1579 lei for 1 US dollar as at 31 December 2022), and reported to Euro it has depreciated by 1.42 percent (20.0938 lei for 1 Euro as at 31 December 2021 up to 20.3792 lei for 1 Euro as at 31 December 2022).

In 2022 Euro depreciated against US dollar by 6.06%, Russian ruble appreciated by 4.28%, and Romanian leu depreciated by 6.02%.

## INSTRUMENTS OF MONETARY POLICY

*Interest rate policy*

The monetary policy interest rate was maintained at the level of 21.50 percent annually during the monetary policy meeting in November 2022 and subsequently reduced to 20.00 percent annually. The NBM's decision to resume monetary policy relaxation measures was conditioned by the prospect of reversing the trajectory of annual inflation after the maximum value in the fourth quarter of 2022 and by the shaping of pronounced disinflationary pressures on the part of aggregate demand.

The CHIBOR 2W yield curve remained relatively stable in October and November, oscillating in the upper part of the interest rate corridor. In the second half of December, the CHIBOR yield curve re-entered a downward trajectory under the impact of the decrease in the base rate, but its amplitude was modest. Thus, the CHIBOR 2W quote at the end of December was 0.50 percentage points lower than the one recorded on the last day of the previous quarter, constituting 22.23 percent.

The trajectory of interest rates on government securities with a maturity of 91 days was a slightly downward one in the October-November interval, under the conditions of consistent offers from investors for this type of placements and a volume of issues clearly higher than the announced one. Later, anticipating a resumption of monetary policy relaxation measures, the Ministry of Finance partially rejected investors' offers for 91-day bonds, causing interest rates to drop by more than 1 percentage point during December. The value recorded in the last month of quarter IV was 18.43 percent (-1.13 percentage points compared to the end of quarter III 2022). On the secondary segment of the state securities market, the interest rates related to the transactions carried out had an evolution somewhat similar to the rates on the primary market. Average monthly interest rates followed a downward trend, the value recorded in the last month of quarter IV was 19.72 percent (-2.25 percentage points compared to the end of quarter III 2022), associated with a significant reduction in the average term of transactions (about 100 days).

### ***Sale of NBM Certificates***

The daily stock of CBN placements increased significantly during the IV quarter, recording the minimum value of 1,057.9 million lei at the beginning of the analysis period and the maximum of 6,598.6 million lei at the end of it, a situation also reflected in the value recorded by the average balance quarterly which amounted to 3,423.6 million lei (+1,450.3 million lei compared to the third quarter of 2022).

The NBM conducted the CBN placement auctions with a weekly frequency, the maturity of 14 days and with the announcement of the maximum interest rate equivalent to the base rate of the NBM. The offers presented by the banks during the auctions were fully allocated.

### ***Mandatory reserves***

The mandatory reserve mechanism continued to exercise the functions of monetary control and liquidity management in the banking system.

Against the background of disinflationary pressures, the NBM initiated measures associated with the stimulative monetary policy, with the aim of injecting additional liquidity into the money market. Thus, in the monetary policy meeting of December 5, 2022, the Executive Committee of the NBM decided to reduce the reserve requirement for two consecutive application periods. Thus, the norm of mandatory reserves from funds drawn in Moldovan lei and in non-convertible currency was reduced from 40.0 percent to 34.0 percent (by 3.0 percentage points in the application period 16.12.2022–15.01.2023 and with another 3.0 percentage points during the application period between 16.01.2023–15.02.2023). The required reserve ratio from funds drawn in freely convertible currency (VLC) remained unchanged throughout the reference quarter – 45.0 percent.

Thus, during the application period 16.12.2022–15.01.2023, the mandatory reserves in MDL amounted to 20,153.6 million lei, a volume lower by 275.7 million lei (-1.3 percent) than those maintained in the period 16.09.2022–15.10.2022.

Regarding the mandatory reserves from the funds drawn in FX, during the application period 16.12.2022–15.01.2023, they amounted to 254.1 million US dollars and 605.9 million euros. Compared to the period 16.09.2022–15.10.2022, required reserves in US dollars increased by 4.6 percent, and reserves in euros decreased by 2.1 percent.

## **FINANCIAL ASSETS MARKET**

During the fourth quarter of 2022, the Ministry of Finance put into circulation state securities worth a total of 7,736.5 million lei, 15.0 percent less than the volume of the initial offer. It should be mentioned that on the primary market of state securities there is an increase in both the demand from the licensed banks and the volume offered for placement by the Ministry of Finance.

During the reporting period, the average effective interest rates on treasury bills with maturities of 91 days, 182 days and 364 days increased compared to the level recorded in the previous quarter by 3.2 percentage points, 0.7 percentage points and 0.3 percentage points, respectively. The average effective

interest rates on government bonds with a 2-year maturity decreased by 1.3 percentage points compared to the third quarter of 2022, and those on government bonds with a 3-year maturity increased by 0, 9 percentage points. Regarding the state bonds with a maturity of 5 and 7 years, no auctions were organized during the quarter. Thus, we find that banks continue to invest in short-term securities, being more reluctant to long-term bonds, especially with 2- and 3-year maturities.

The structure of the VMS portfolio put into circulation during the reference period shows that the most requested VMS were those with a maturity of 182 days, which constituted 49.2 percent of the total transactions, being followed by 364-day treasury bills, whose weight was 40.6 percent. 91-day T-bills had a weight of 8.2 percent. The share of state bonds with a 2-year maturity was 1.6 percent, and that of state bonds with a 3-year maturity was 0.3 percent.

### III. FINANCIAL SITUATION OF BCR CHIȘINĂU S.A. IN 2022

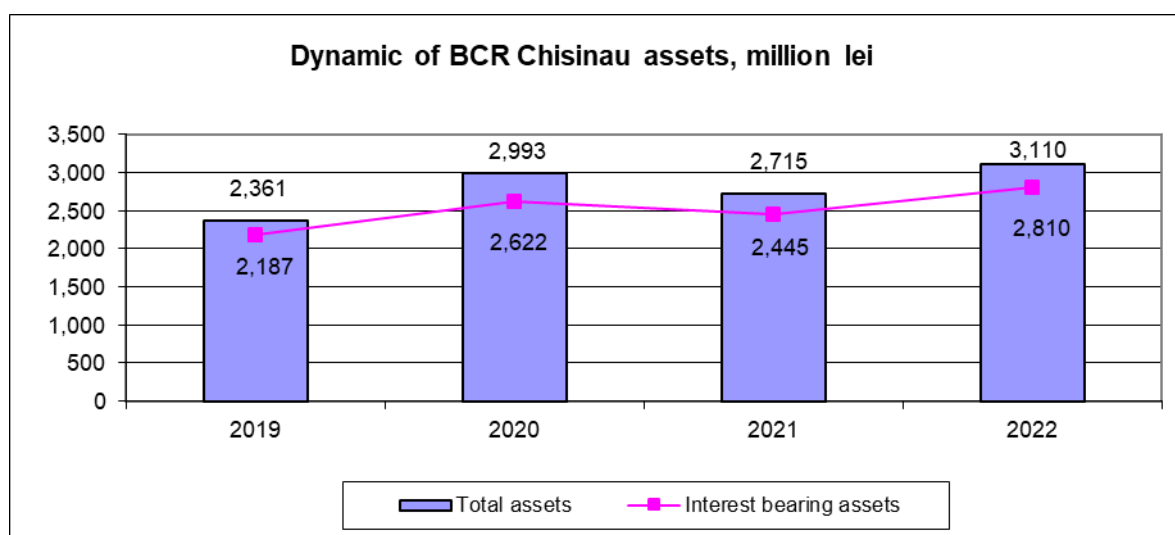
#### ASSETS

**Assets** of BCR Chișinău S.A. as at 31.12.2022 amounted to 3,110 million lei. During the year the assets value increased by 14.5% (or 395 million lei), with an increase in market share from 2.29% to 2.37%. The share of interest bearing assets consisting 90.3%, and the share of liquid assets – around 57.8% of total assets.

In 2022 **interest bearing assets** increased by 364 million lei (or 15%), amounting to 2,810 million lei. This change was due to increase in the volumes of interest bearing assets: placements in banks and loans.

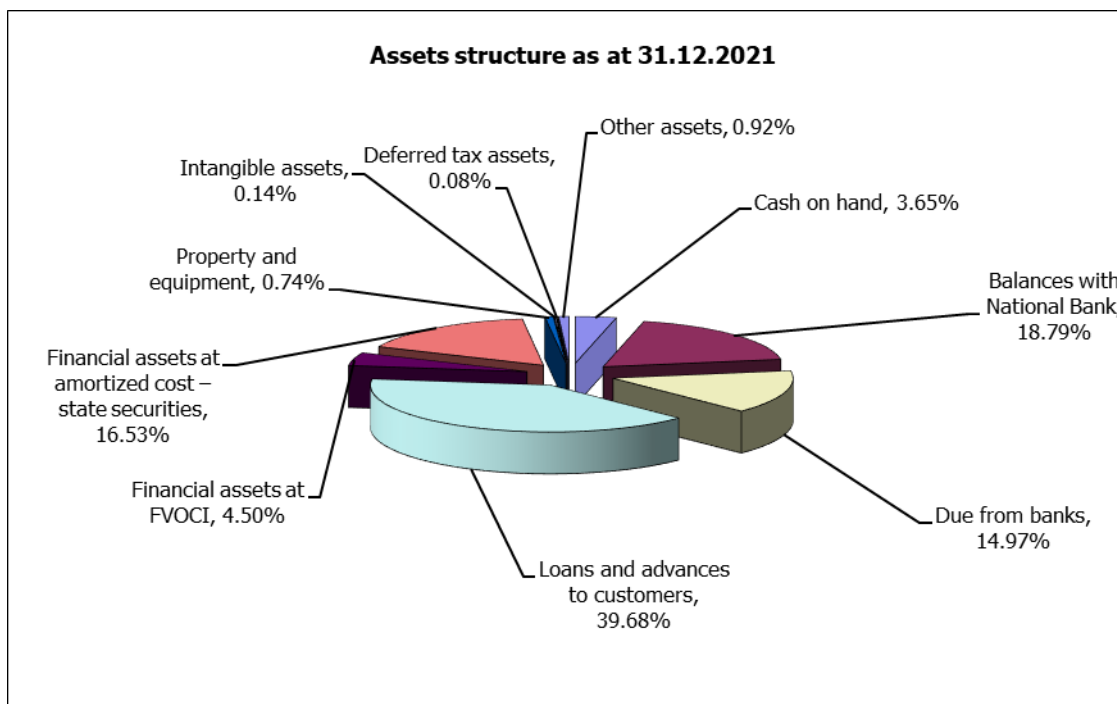
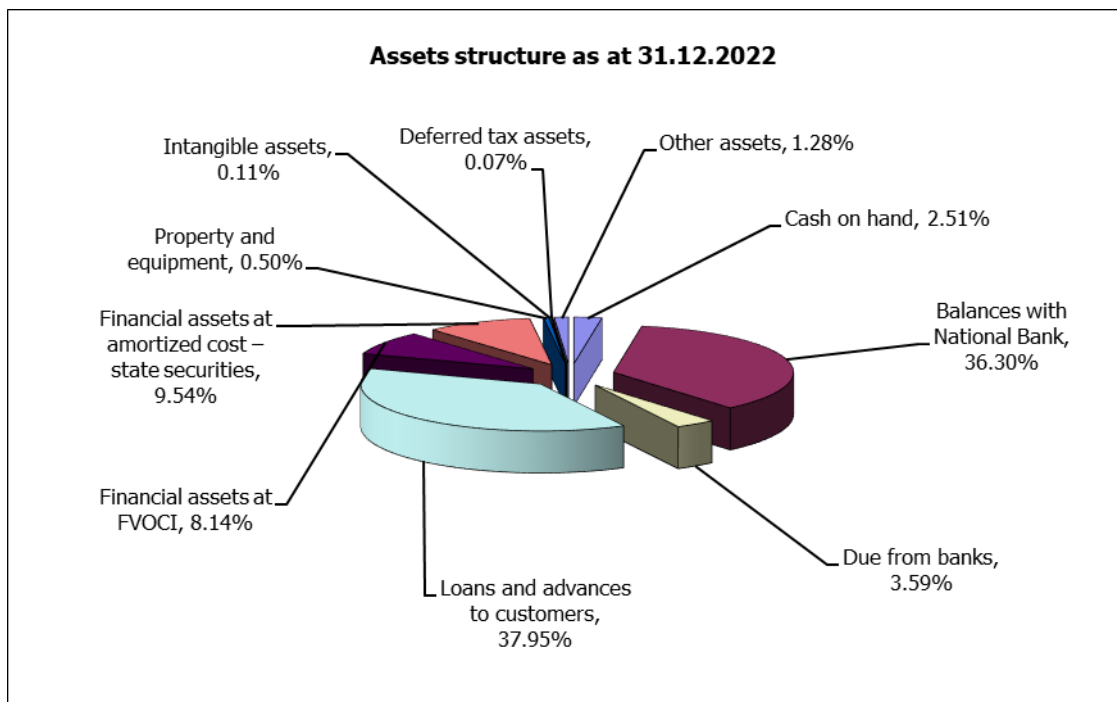
Maintaining the **liquid and interest bearing assets** at such a level, the bank places its resources into profitable operations, obtaining sufficient income for further development. At the same time, the bank maintains its liquidity in order to be able at any time to honour the obligations towards clients. Bank's liquidity as at 31 December 2022, according to both principles of calculations amounted to 0.33% and 57.8%.

Diagram 1



In the assets structure has changed the share of interest bearing assets, the main increase being registered for the share of NBM placements increased from 15.7% in 2021 to 33.8% in 2022.

At the same time, has reduced the share of placements in banks from 15.7% in 2021 to 4.2% in 2022, the share of financial assets decreased from 24.2% in 2021 to 20.0% in 2022.



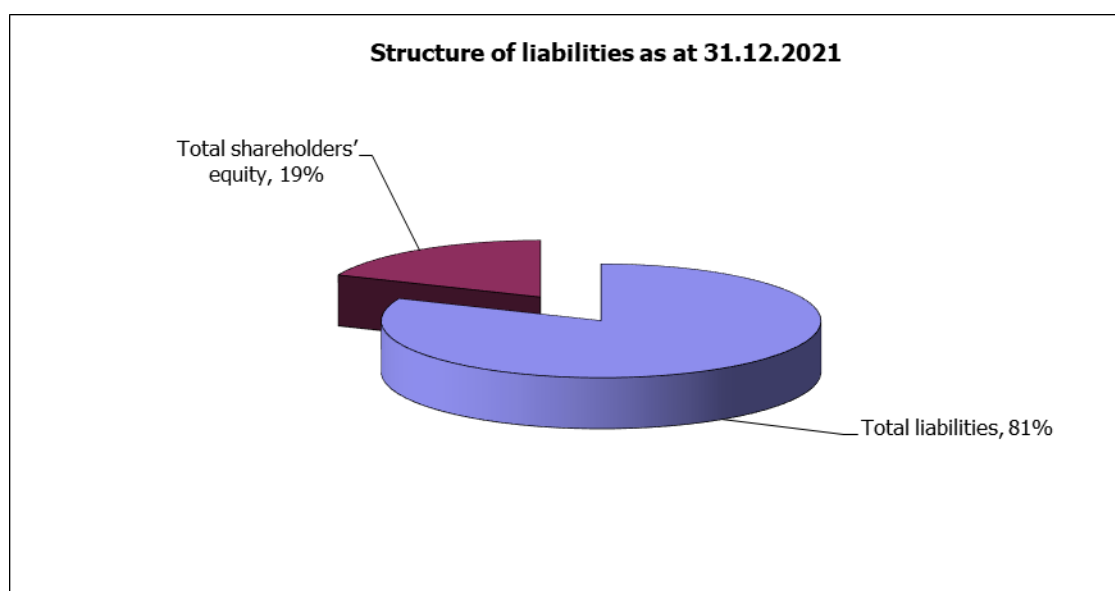
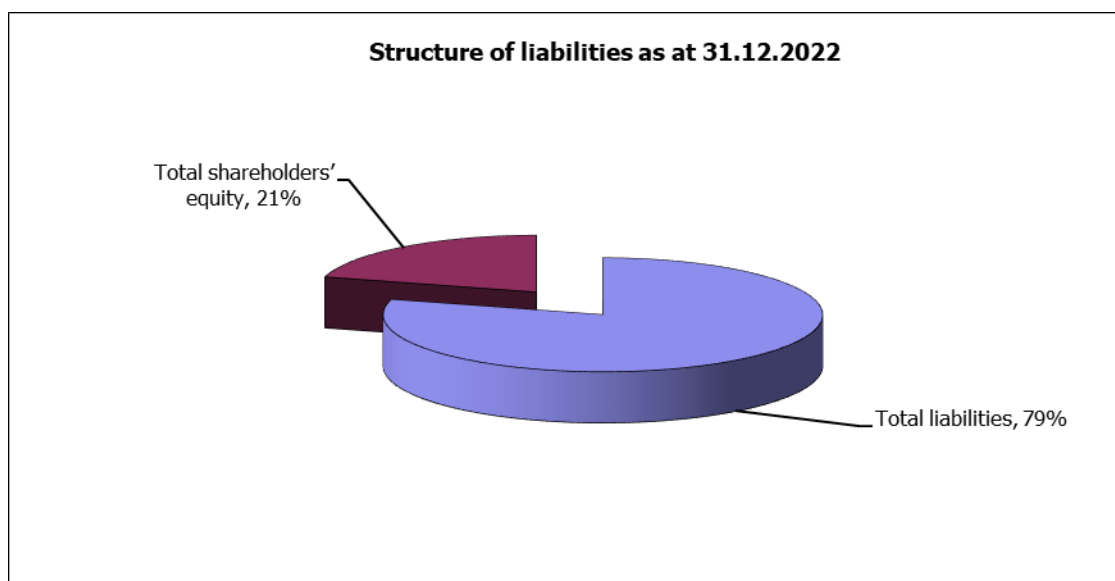
In 2022 the Bank placed its resources in loans, deposits in banks and NBM, State Bonds, and NBM instruments (bank certificates).

## LIABILITIES

Liabilities and share capital are sources of financing the operations of the Bank. As at 31.12.2022 the share of Bank's capital 21% and its liabilities – 79%.

Diagram 3

### Structure of liabilities



**Bank's liabilities** as at 31.12.2022 amounted to 2,467 million lei, increasing by 11.6% (or 257 million lei). The volume of individuals deposit accounts decreased by 2% (or 16 million lei), while the volumes of legal entities deposit accounts increased by 2% (or 44 million lei).

During 2022 the Bank's strategy on attracting the funds was oriented on attracting the term deposits from clients, mainly for term greater than 1 year. The Bank focused on term deposits from individuals, that have a lower risk of withdrawal at maturity and thus contributing to the reduction of deposits concentration rate.

Diagram 4

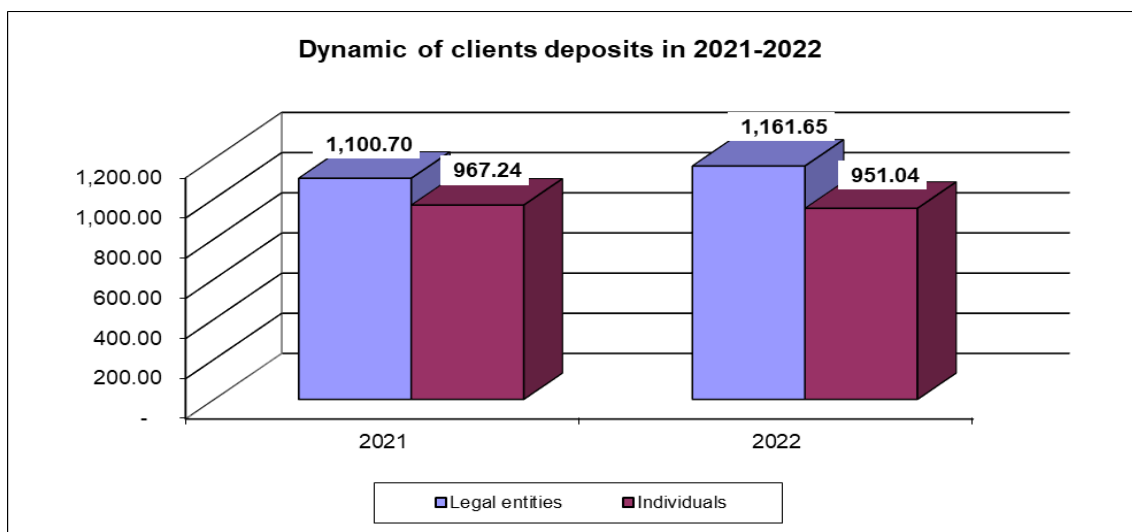
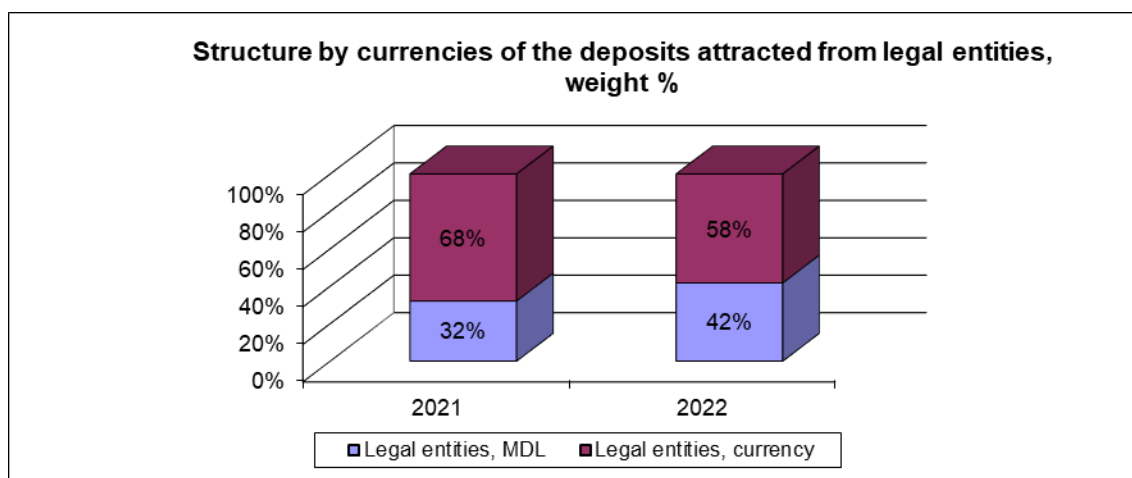
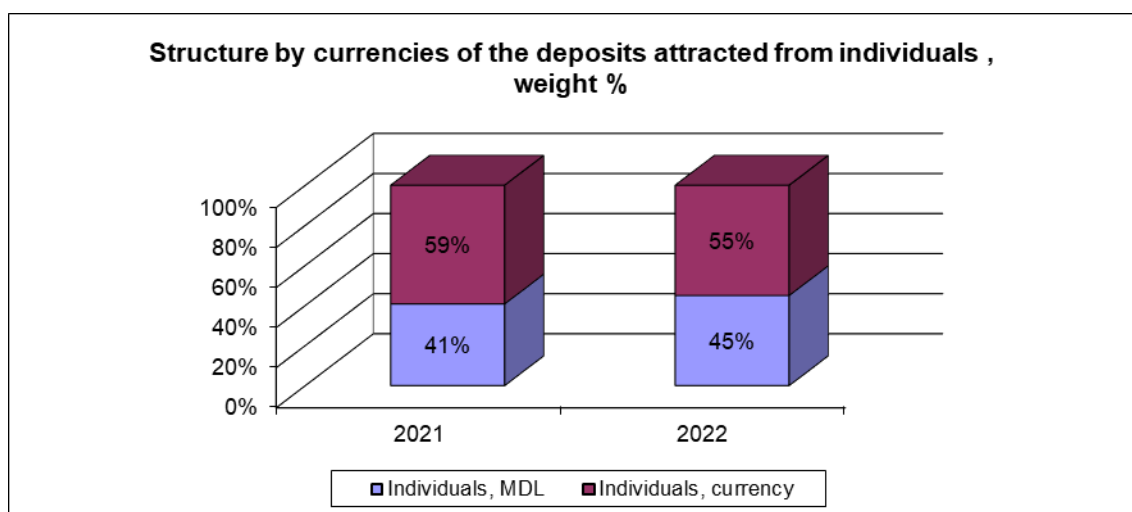
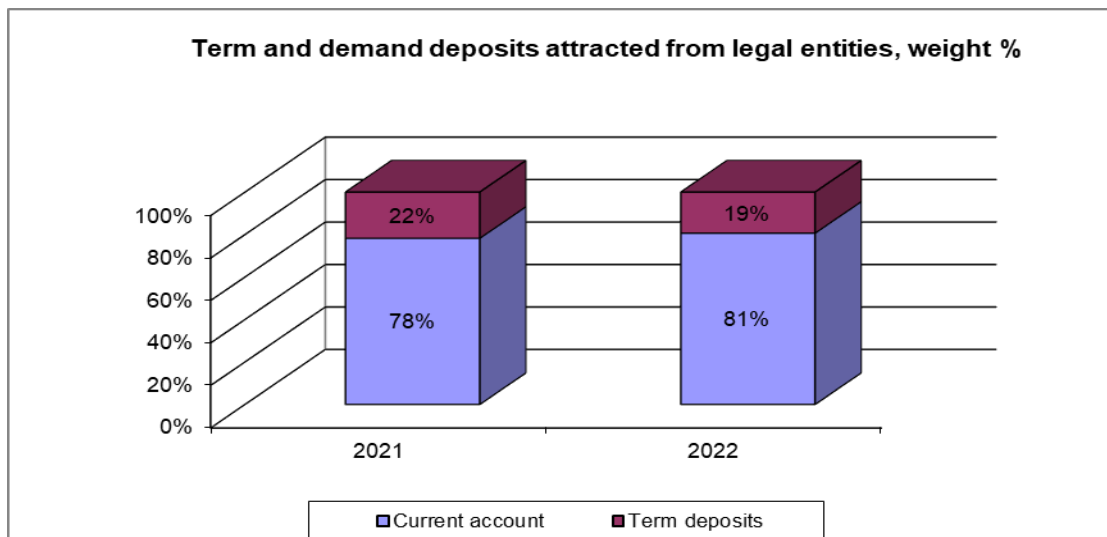
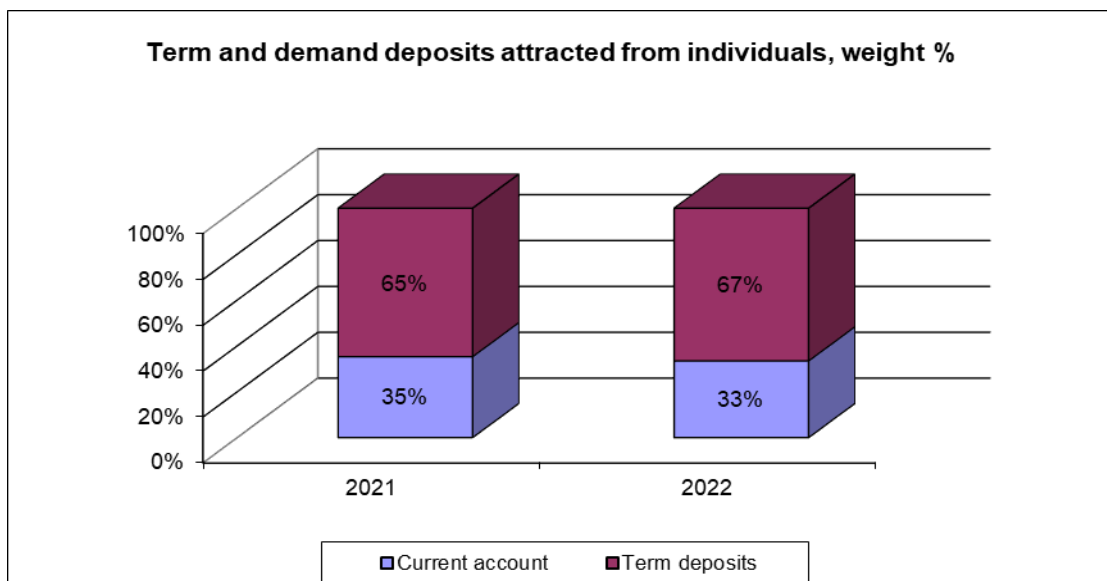


Diagram 5

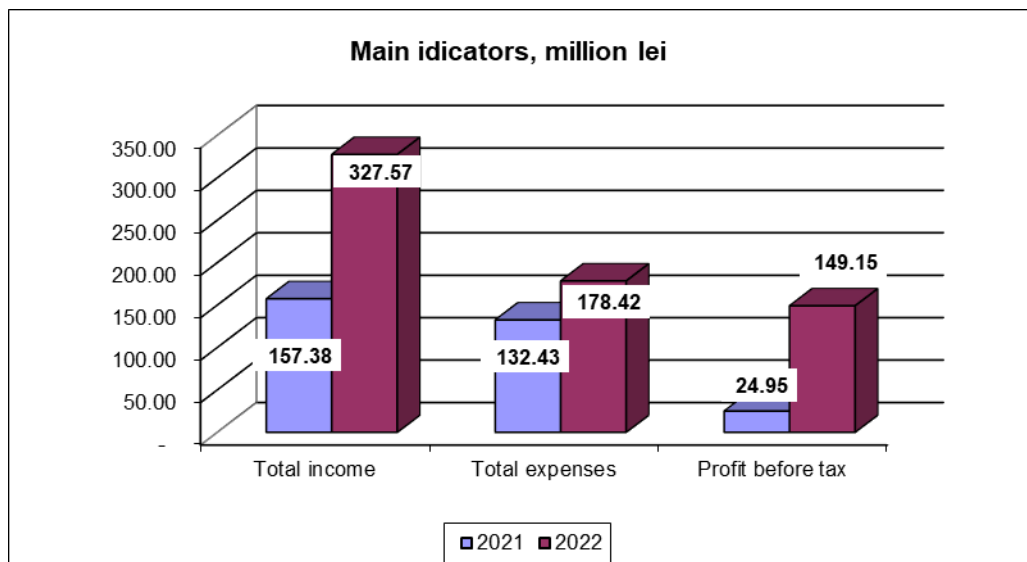




### Analysis of income and expenses

Based on 2022 **results** the Bank registered a net profit of 130.7 million lei, compared to net profit of 24.5 million lei in 2021. Loan loss provisions amounted to 20.2 million lei, while recoveries of written-off loans amounted to 0.8 million lei.





Total income increased by 108.1% amounting to 327.6 million lei, while total expenses amounted to 178.4 million lei, increasing by 34.7%.

The main share in total income (71.0%) represent interest income, amounting to 232.5 million lei showing an increase by 130.3% compared to 2021. Non-interest income in amount of 95.0 million lei increased by 47.4% compared with previous year.

Increase in interest income was caused by higher interest rate for securities and NBM placements during the year.

Commission income increased in 2022 by 13.6% compared to previous year. The main increase of 12.2% being registered for clients' accounts servicing.

Total expenses (Total interest and non-interest expenses) amounted 178.4 million lei. The main share in total expenses has salary expenses, other general and administrative expenses and interest expense on clients' deposits and borrowings.

The weighted average interest rates on new term deposits and on new loans granted in the national currency accentuated their upward trend.

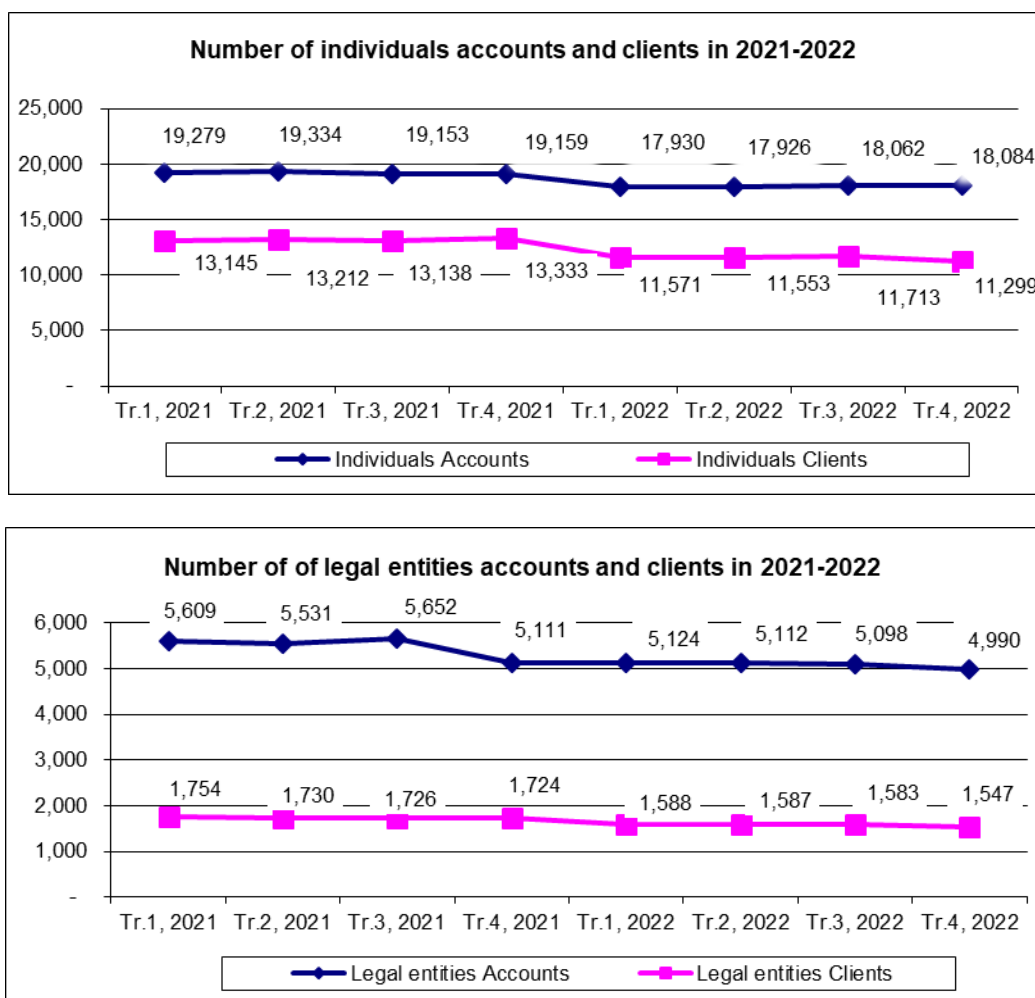
Over the whole of the IV quarter of 2022, the weighted average interest rate for deposits in MDL continued to grow and reached 13.23 percent annually, higher than that of the IV quarter of 2021 by 9.40 p.p., and that of the III quarter of 2022 by 1 .80 p.p.. The weighted average interest rate for term deposits attracted in national currency from individuals increased by 10.71 p.p. compared to the fourth quarter of 2021 and amounted to 15.15 percent. And the weighted average interest rate for term deposits attracted from legal entities increased and constituted 8.50 percent annually, compared to 2.65 percent annually from the fourth quarter of 2021.

The weighted average interest rate for new loans granted in national currency was 14.14 percent annually in the reference quarter, higher than in the fourth quarter of 2021 by 5.70 p.p.

## IV. CLIENTS

**The basis for offering services to clients** was to offer to its clients an integral and modern set bank services and products at the highest level of quality. In 2022 the number of clients decreased by 14.7% (from 15,057 in 2021 to 12,846), and the number of accounts decreased by 4.9% (from 24,270 to 23,074 accounts). The decrease in the number of accounts and clients was registered for individuals (-5.6%, from 19,159 to 18,084 accounts, and -15.5%, from 13,333 to 11,299 clients). For legal entities was registered a decrease in the number of accounts and clients -2.4%, from 5,111 to 4,990 accounts, and -10.3%, from 1,724 to 1,547 clients).

Diagram 8



It should be mentioned the fact that, besides corporate clients that have active accounts, the Bank serves many clients without opening an account. These are payments made for the benefit of service suppliers, Forex operations etc.

BCR Chişinău S.A. offers to its clients a large set of services, including loans and transactional banking services, salary projects etc.

The Bank guarantees to its clients:

- Confidentiality;
- Individual approach and flexibility in relations;
- Complete information about the activity of the Bank.

## V. CREDITING ACTIVITY

In 2022, BCR Chişinău S.A. continued to develop and improve its lending policies.

Bank's ***lending policy*** in 2022 was characterized by rationality and responsibility. The bank focused mainly on lending to Corporate and SME clients with a good financial standing and an impeccable reputation, and lending to private individuals as well.

***Priority directions*** of Bank lending activity were oriented towards the following segments:

1. Loans granted to commerce;
2. Loans granted to productive industry;
3. Loans granted to private individuals for acquisition/construction of residential properties.

***The main focus of credit activity*** of the Bank in 2022 was to insure profitable placements of funds while minimizing the risks by:

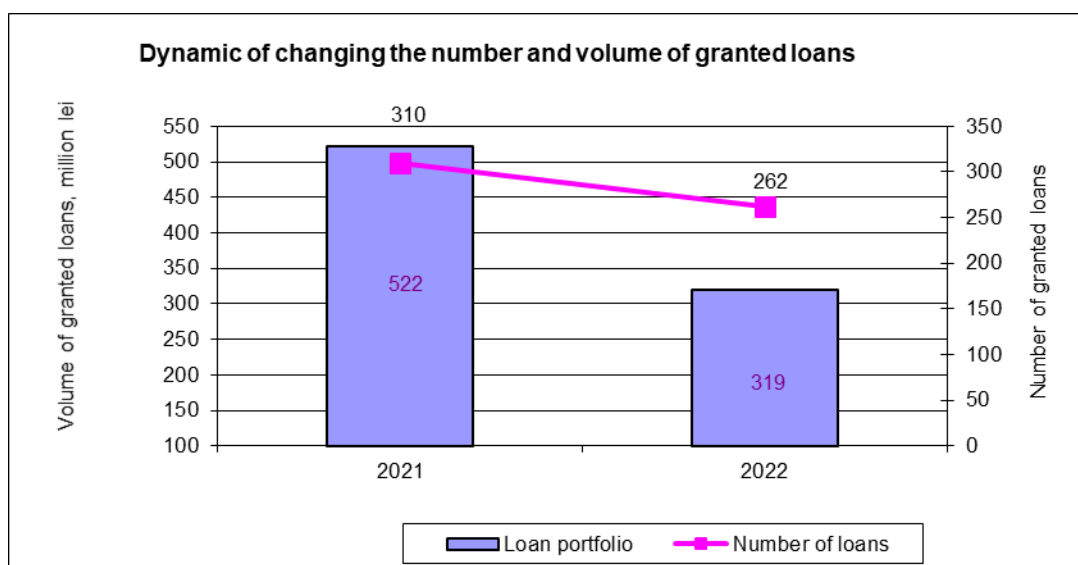
- Improvement of loan portfolio quality by rigorous selection of potential clients and implementing the actions to diminish the stock on non-performing loans;
- Reduction of concentration in loan portfolio;
- Diversification of loan portfolio on following dimensions: credit product; collateral type, related industry.
- Diversification of services rendered to its clients.

As of 31.12.2022 the volume of net loan portfolio (including factoring) amounted 1,193 million lei, representing 38.4% of total assets (in 2021 the net loan portfolio amounted to 1,090 million lei, representing 40.1% of total assets). In 2022 the bank has strengthened the efforts in developing long term relationship with key clients and has set up a growth strategy for 2023 based on banking activity on all segments (Corporate, SME and Retail).

BCR Chişinău S.A. placed on 8th place on the market based on loan portfolio, with a share of 2.03% that represents a decrease by 0.04 p.p. compared to previous year (in 2021 was on 8th place).

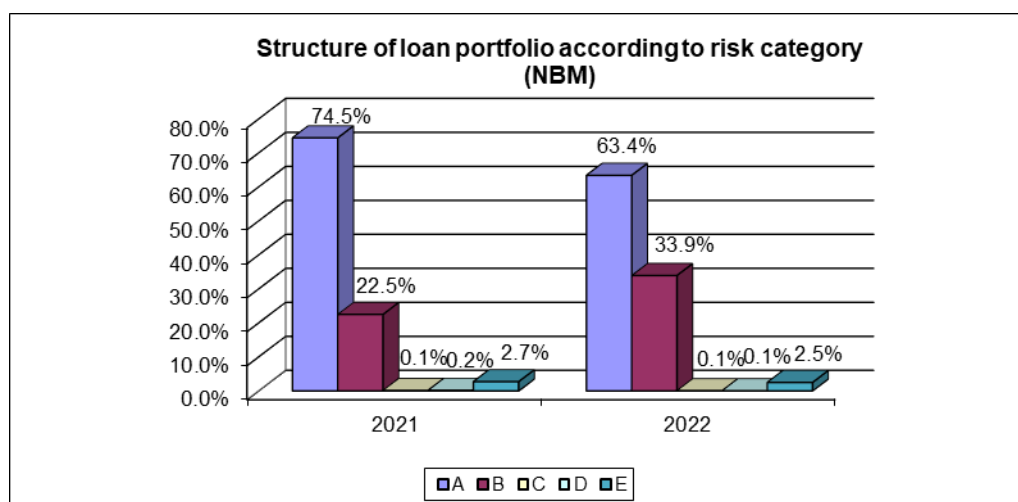
***Loans volume.*** In 2022 the Bank clients benefited from 262 loans in total amount of 319 million lei.

Diagram 9



**Loan portfolio quality:** As at 31.12.2022 the main share in the loans portfolio had performant loans (classified in „Standard” and „Watch” risk category) – 97.4% (as at 31.12.2021 – 97.0%).

**Diagram 10**



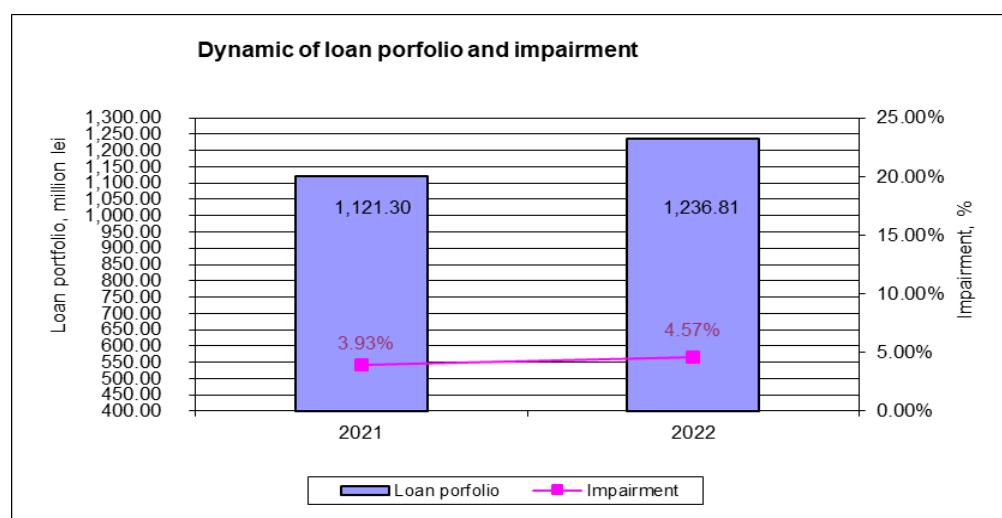
Indicator of nonperforming loans valued according to prudential norms / total portfolio (principal) is 1.78 p.p., being lower than the bank sector (6.44%).

**Table 4**

**Indicators of loan portfolio quality**

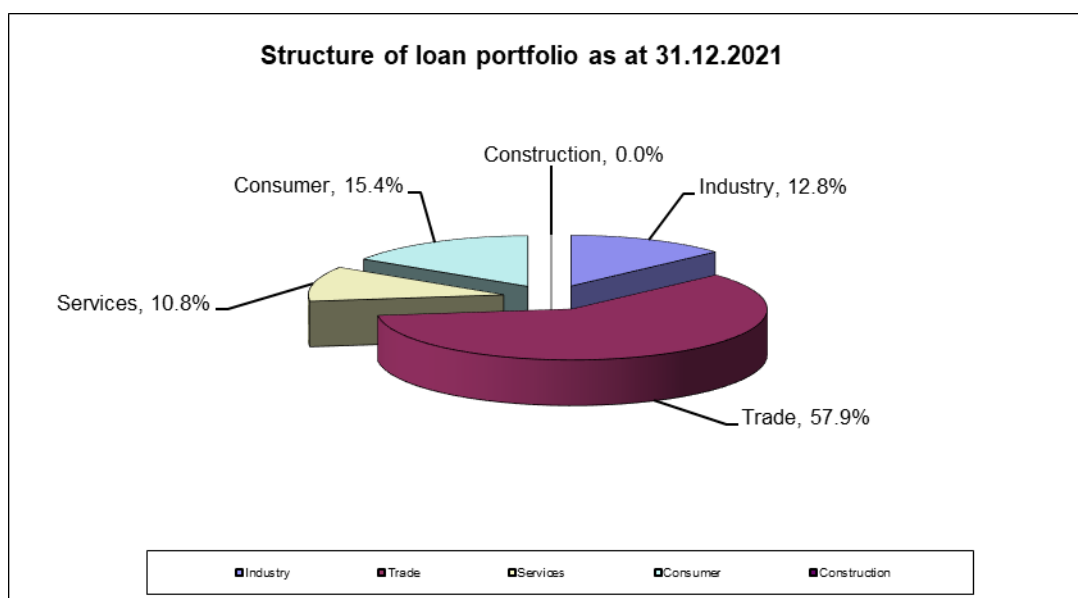
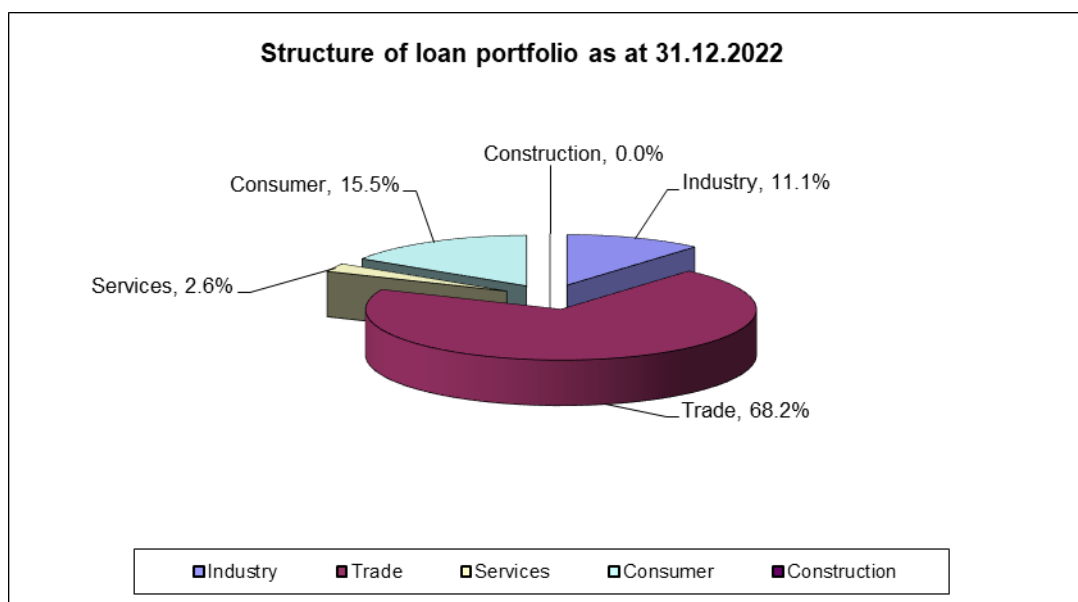
Indicator	31.12.2021	31.12.2022	Change
Non-performing Loans / Loans ratio	1.89%	2.28%	0.39 p.p.
Provisions for loan losses/ Total loans	2.09%	1.78%	-0.31 p.p.
Top 10 net exposures/Net loans	41.29%	43.12%	1.83 p.p.

**Diagram 11**



In 2022 the structure of loan portfolio divided by industries hasn't changed compared to 2021. The share of loans granted individuals increased from 15.4% in 2021 to 15.5% and loans granted for trade increased from 57.9% in 2021 to 68.2%, while loans granted for industry and services decreased from 12.8% and 10.8% in 2021 to 11.1% and 2.6% in 2022.

**Diagram 12**



According to market trend of overall bank sector, as well as BCR Chisinau S.A., the interest rate for new issued loans in lei and for loans in currency has increased. Thereof, the average interest rate for loans in lei granted to legal entities in 2022 increased compared to 2021 by 5.04 p.p. (from 8.24% to 13.28%), and for loans in currency increased by 1.05 p.p. (from 4.02% to 5.07%). The average interest rate for loans granted in lei to individuals increased by 10.07 p.p. (from 6.38% to 16,46%), and for loans in foreign currency increased by 0.31 p.p. (from 6.75% to 7,06%).

The Bank plans to maintain for the future a high quality of loan portfolio through an efficient and well developed crediting policy.

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## VI. OPERATING ENVIRONMENT AND ISSUES RELATED TO COVID-19

The year 2022 ended on a very negative note, with the IMF announcing, at the turn of the year, that a third of the world's economies are entering recession. Rising interest rates in most economies, aimed at easing pro-inflationary pressures, will dampen global consumer demand and dampen the outlook for economic growth. The rise in the number of COVID-19 cases in China and the delay in easing restrictions have fueled investor perceptions of subdued consumer demand and commodity inventories at very high levels in China. At the same time, the high temperatures in Europe caused the natural gas quotations to drop, given that the reduced gas consumption allows maintaining satisfactory levels of gas reserves in Europe. Oil prices fell after December 5, 2022, when the EU embargo on Russian oil came into effect, but uncertainties remain quite high, which causes oil prices to persist at high levels. The gradual decline in commodity and food prices on the international market in correlation with the high base of the past 18 months have reduced overall pro-inflationary pressures, even though levels are well above historical averages. The regional economy continues to be affected by the war in Ukraine, and the outlook is clouded by uncertainties and risks.

In the current forecast round, external assumptions point to weak external demand, lower rates of international price growth and the persistence of risks and uncertainties in the region. As the IMF warned, in 2023, one third of the world's economies will enter recession. Rising interest rates and tempering global demand will moderate international price growth rates, but they will still be well above pre-pandemic averages. In the region, the economic situation will continue to be affected by the war in Ukraine and the energy crisis in Europe. Although the abnormally high temperatures for the cold period of the year in Europe caused the natural gas quotations to fall, the energy crisis in Europe is far from over and will considerably influence the economic evolution in the coming years. Starting from the trajectory of interest rate forecasts in the US and the Eurozone, we can anticipate an increase in the EUR/USD parity, respectively a depreciation of the US dollar and the appreciation of the single European currency. At the same time, it is anticipated that the prices of agri-food products on the world market will decrease compared to the highs of 2022.

The annual rate of inflation will continue to trend downward rapidly during the current year and relatively stable thereafter until the end of the forecast period<sup>1</sup>. Inflation will return to the target range in the second quarter of 2024 and will hold until the end of the forecast horizon. In terms of monthly inflation, there is a high probability that it will be within the range of uncertainty at the end of December 2023.

## VII. FINANCING

2022 was productive for BCR Chişinău S.A. Due to an efficient liquidity and risk management resulted in a net operational income of 175.2 million lei.

**Capital.** At the year-end 2022 the share capital amounted to 728.13 million lei (2021: 728.13 million lei). The bank did not issue, not redeemed, acquired or alienated own shares during 2022.

As at the year-end 2022 The Own Funds amounted to 456.6 million lei.

The bank has its policy regarding dividend distribution. It should be mentioned that in the last 3 years the bank didn't pay dividends to its own shareholder.

Table 5

Nr.	Indicators	Normative	Value
1	Own funds (million lei)	min 200 mln. lei	456.58
2	Solvency ratio (%)	min 13.5%	37.76%
3	Long term liquidity (P I)	max 1	0.33
4	Current liquidity (P II)	min 20%	57.77%

## VIII. ACTIVITY ON THE FOREX MARKET

The activity on the Forex market in 2022 was oriented towards: currency conversion transactions, clients' operations with foreign currencies, contracts for placing and attracting funds with foreign banks.

The strategy for Forex operations on the market was determined by the following factors:

- Increase of the clients base;
- Satisfaction of bank clients that perform transactions of currency buying/selling;
- Dynamic of official exchange rate of the NBM.

It should be mentioned that BCR Chişinău S.A. has 5 units of currency exchange that operates with 5 currencies. The main operating currencies remained US dollar and Euro, having a share of – 89% of all operations in 2022, decreasing compared with 2021 (93%). In 2022 the share of operations in Euro was 79% (84% in 2021). For USD the share increased to 10% in 2022 (9% in 2021).

Volume of assets in currencies decreased by 4.5% compared to 31.12.2021, amounting to – 1,492.7 million lei as at 31.12.2022 (48% of total assets). The main decrease was for current deposits and placements in banks.

Income from Forex transactions in 2022 amounted to 62.4 million lei, which is 83% higher than in 2021.

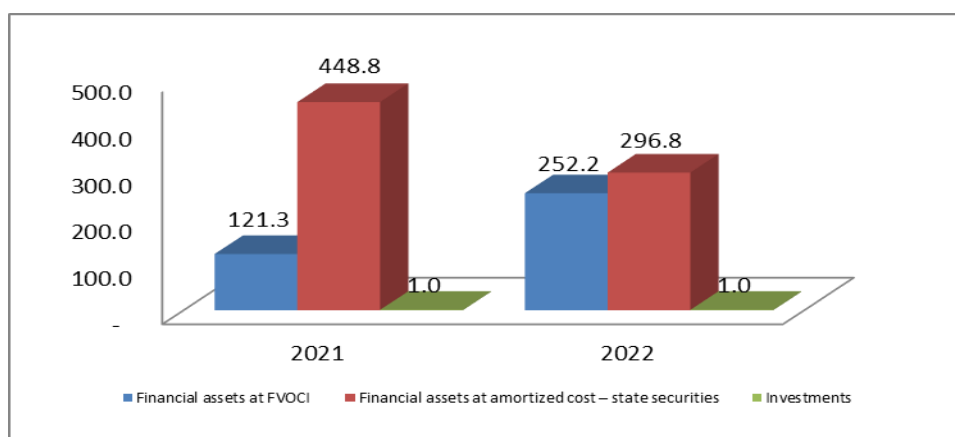
## IX. ACTIVITY ON THE INVESTMENT MARKET OF MOLDOVA

Another important element in the assets structure is the investment activity. The advantage of placing the funds into securities is the stable income with a minimum risk level and the possibility to manage the Bank's liquidity.

**Diagram 13**

**Analysis of investment portfolio (volumes in million lei)**



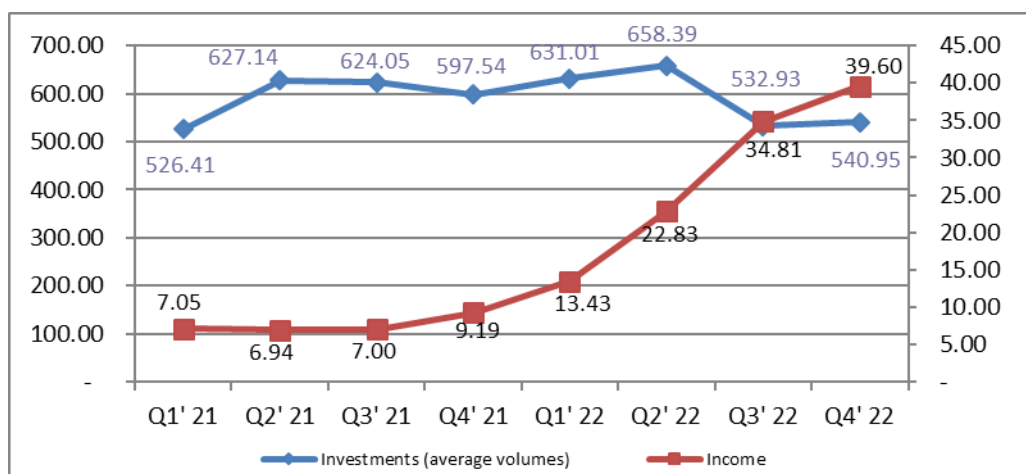


In 2022 the Bank placed a great amount of funds into acquisition of TB and NBM Certificates, generating 110.7 million lei of income from investment activity (or 33.8% of total income). Compared to the previous year the income has increased by 267% (or 80.5 million lei) as a result of increase in portfolio.

Investment portfolio volume as at 31.12.2022 amounted to 549.0 million lei.

**Diagram 14**

#### **Dynamic of changes in average volumes of investments and related income (In million lei)**



## **X. OPERATIONS WITH CARDS**

In 2022 the cards issued by BCR Chisinau S.A. (BCRC) amounted to 3,985 units, card portfolio at the end of 2022 was 10,605 units. As at the end of 2022 the Bank had a 0.38% share (including 0.79% VISA cards) on the bank cards market in Republic of Moldova.

In 2022 the transactions at BCRC ATMs decreased by 6.6 % as volume (376 mil. lei - 2022 compared to 403 mil. lei - 2021) and by 7.36% as number (216,006 transactions - 2022 compared to 233,163 transactions - 2021) due that have been uninstalled 2 ATM units, and increase of on-line transactions. The volume of interchange commission generated by transactions made at ATM's BCR Chisinau SA increased by 45.08% compared to 2021 (4.2 mil. lei - 2022 compared to 2.87 mil. lei – 2021) due to the increase in the volume of cash withdrawals from foreign cards.

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At 31.12.2021 the card accounts balance amounted to 253.55 mil. lei, which represents an increase by 1.78% of the indicator for 2021.

In June 2021, the BCR-CVVkey mobile application was launched in production, application increases the security of online transactions and practically excludes the possibility of card fraud through online transactions. On 31.12.2022, 361 cards were registered in CVVkey mobile application.

## **XI. E - CHANNELS**

At the end of 2022, the total number of 24Banking clients consisted of 7,571 clients (6,999 individuals and 572 legal entities), which represents a 4.89% increase compared to 2021. The volume of transactions through 24Banking in 2022 amounted to 19,284 mil. lei.

At InfoCont service (the account balance and account statements online) at the end of 2022 was connected 955 legal entities and 1,979 individuals.

The amount collected from legal entities through Automatic Deposit Machine (ADM) in 2022 was in sum of 185.00 mil. lei and represents an increase by 61,51% compared to 2020. At the moment in Moldova only at BCR Chisinau there is such a device type.

## **XII. INFORMATIONAL TEHNOLOGIES**

In the age of information technologies, the development of a Bank cannot be achieved without investments in technologies, modern and reliable solutions in continuous development. The investment in the bank's technological development has a number of advantages, including modern technologies in executing operations and transfers more efficiently and quickly, with low risk and maximum accuracy, streamlining control, access management and information processing.

The new requirements for fast access to services and information, the exponential increase in data complexity increase the role of IT in the banking sector. Changes in the risk approach, regulatory requirements, the requirement to process large volumes of data require a complex and multilateral approach in the development of the bank's information systems. Thus, a high level of services can be ensured in the banking sector only by using modern information technologies.

Reducing the time related to processing a transaction, reducing its costs, optimizing processing flows are strategic concerns of the bank to achieve a higher level and a shorter service time.

The new challenges, which came with the pandemic, forced the banking sector to change its paradigm and approach to customer service, thus placing greater emphasis on new features and improvements implemented in the Internet Banking application, the ultimate goal being to digitize services to the fullest. Banking offered to customers.

Remote work was an indispensable condition for business continuity in 2021, thus providing with computing technology, secure solutions for access to banking data from remote jobs, in order to serve customers as efficiently as possible, was one of the priorities highlighted. New VPN and security technological solutions have been implemented so that about 75% of the bank's employees have the mobility necessary for good customer service both ex officio and working remotely.

The Bank has identified and concluded agreements with new IT development partners, so that it can have sufficient human and technical resources to implement projects and developments according to business needs and to ensure business continuity.

International studies show that the number of people using electronic solutions is constantly growing, and in the future customers will give up banks that do not offer quality electronic services.

The bank's website and the Intranet Portal are regularly improved and renewed to ensure a wide range of services and faster access to the information provided to internal and external customers.

The technological base and modern solutions allow the future development of new services and solutions according to the Bank's needs and customer expectations.

### **XIII. CORPORATE GOVERNANCE**

#### **CORPORATE GOVERNANCE**

Banca Comerciala Română Chisinau S.A. („Bank”) carries out its activity based on a corporate governance framework, in observance of the Republic of Moldova legal and regulatory requirements, as well alignment with BCR SA/Erste Group guideline and the best international practices in the field. Public acces to the corporate governance principles is ensured by publishing the Code Corporate Governance in Banca Comerciala Română Chisinau S.A. on the bank's web page at address: <https://www.bcr.md/ro/dezvaluire-informatii/informatie-guvernanta>.

##### **Bank's principles guiding the bank's activity:**

- **Client first**– we offer services of financial intermediation. We take over the risk and offer trust. We build a long-term mutually beneficial relation with our clients.
- **Performance** – We are concerned to ensure an efficient working environment and deliver outstanding results following four aspects: client satisfaction, the bank's profitability, market share and regulatory compliance.
- **Accountability** – Employees' accountability is part of the business model. We focus on increasing efficiency day by day, learning from mistakes and looking for solutions, not excuses..
- **Cooperation** – We base our work on the constructive cooperation principle by knowledge sharing and mutual support..
- **Initiative** – We encourage initiative, anticipation and prompt reaction to changes through implementation of valid solutions.
- **Discipline and results** – Building a successful bank showing that we are genuine professionals. The activity must be characterized by the best ethic behavioral and image standards.

BCR Chisinau S.A. is an authorized bank to operate all kinds of banking activities in the Republic of Moldova.

#### **BCR Chisinau SA principles, corporate governance structure and shareholding**

From BCR Chisinau S.A.'s perspective, Corporate Governance means all rules, systems and processes implemented with a view to establish the relation between shareholders, management, clients, employees, suppliers and other parties involved in setting the objectives and the manner to achieve them, for increasing economic performance and, implicitly, the Bank's value. It also highlights

the efficiency of the management systems, namely the role of the Supervisory Board and of the Management Board, the responsibilities and remuneration of these structures' members, the creditability of the financial statements and the efficiency of control functions.

BCR Chisinau S.A. establishes and reassess on an annual basis and publishes on its website the corporate governance principles that ensure an adequate framework for its activity, in observance of the legal and regulatory requirements of the legislative framework in Romania, the guiding principles of Erste Group Bank, as well as the best international practices in the field.

The report has the role of annually assessing the manner in which the general principles and the governance policy are implemented and reflected through the presentation of the corporate governance structure, including the manner in which it is transposed in the bank's internal governance and the manner in which its management body, through its supervisory and executive management functions, supervises and implements an activity management framework that ensures the efficient and cautious management of the credit institution..

Based on the provisions of the Law on joint stock companies no 1134-XIII of 02.04.1997, Law on banking activity, Law on capital market Corporate Governance Code and in compliance with Charter, BCR Chisinau S.A. is organized as a two-tier corporate governance structure

The management structure is designed so as to meet the following objectives:

- to fit the dimension and complexity of the bank activity;
- to allow a clear separation of responsibilities between the supervisory function and the management function;
- to allocate responsibilities and competencies along the functional/reporting lines in a clear, precise, well-defined and transparent manner;
- to ensure independence of the internal control system, so as to properly cover its main functions: risk management, compliance, internal audit;
- to improve the information flow, vertically, from top to bottom, and vice versa, and also horizontally, so as to ensure the delivery of comprehensive information, relevant in terms of the proper fulfilling of each organisational structure's tasks, in due time .

The BCR Chisinau S.A. management structure consists of the **Management Board** – representing the **management function**, which ensures the operational management of the bank, and the **Supervisory Board** – representing the **supervisory function**, which ensures the supervision and coordination of the Management Board activity. Their competencies and responsibilities are regulated through the Charter, the Internal Rules of each structure and also through Bank's Operational Book.

Efficiently organised corporate governance helps ensure the Bank's stability and maintains corporate governance and business conduct standards.

### Shareholding

The Bank's share capital is 728,130,000 lei, divided in 72,813 nominative shares, with a nominal value per share of 10,000 lei.

The shareholder structure of Banca Comerciala Româna SA as of 31.12.2022:

• **BCR SA**, *Calea Plevnei nr.159, Business Garden Bucharest, cladirea A, et.6, sector 6, Bucuresti, Romania*, holds 72,813 nominative shares, worth 10,000 lei each, representing 100% of the total share capital.

## **Shareholders - General Shareholders Meeting**

The shareholders exercise their rights within the General Shareholders Meeting („GMS” or „General Meeting”), which is the highest management body of the Bank.

The Bank’s shares are indivisible and offer its shareholders equal rights, each share representing the right to one vote in the General Shareholders Meeting.

The General Shareholders Meetings are convened by the Supervisory Board decisions with publishing information at least 30 days prior to the established meeting date.

The General Shareholders Meetings are ordinary and extraordinary. The Ordinary General Shareholders Meeting is held at least once a year, within 4 months from concluding the financial year and the Extraordinary General Meeting is convened whenever necessary.

The Bank carries out all diligences to protect and facilitate shareholders in exercising their rights, by clear and transparent provisions at the bank’s level:

- The right to safe registration means for shareholders/ associates;
- The right to timely, regular and relevant information with respect to the company’s development;
- The right to attend and vote during the GMS and additionally, the right to be informed with respect to the voting rules and procedures, applicable to this type of meetings; the right to their share of the company profit;
- The right to attend and to receive sufficient information with respect to the changes within the company: changes in the company Charter, authorization to issue new shares, one-off transactions (for example- sale of a significant part of the company’s assets);
- The right of the shareholders to address questions, also with respect to the independent auditor’s report, the right to participate in strategic decision making processes such as electing the Supervisory Board members or expressing opinions with respect to the remuneration of the Supervisory Board and Management Board members

In 2022, 3 meetings took place, one ordinary and 2 extraordinary meeting, with mainly the following topics on the agenda:

- Approval of the revenue & expenditure budget related to the 2022 financial exercise;
- Distribution of profit for the financial exercise concluded on 31.12.2021
- Appointment of the independent financial auditor

Transparency and timely dissemination of information is ensured in the Bank by:

- Regular and timely communication of relevant and material information with respect to the company, in order to guarantee that voting rights are properly exercised in the general shareholders meetings
- Timely, regular, complete and accurate reporting to shareholders and the independent auditor of all current, financial, administrative and extraordinary activities.

## **BCR Chisinau SA Management Structure**

### **A. Organisational structure of the BCR Chisinau SA**

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BCR Chisinau SA is organized on the functional lines at central level.

The territorial units' network of the Bank is formed of the units without legal personality, respectively branches and agencies. Executive Director of the Sales and Business Development insures the activity coordination and the organization of the units.

According to the legal requirements, the management structure has the role to monitor, assess and regularly revise the efficiency of the management framework of the bank's activity and of the policies, which refer to it, so that it takes into consideration any change of internal and external factors which affect the Bank.

## **B. Supervisory Board (SB)**

### **Members – persons, appointment**

The Supervisory Board is composed of three members, appointed for a period of (4) four years, with the possibility of being re-elected for another period.

As such, the Supervisory Board structure at the end of 2022 was the following:

<b>SB Member</b>	<b>Position</b>	<b>Starting date of the mandate</b>	<b>Ending date of the mandate</b>
Manea Sergiu Cristian	President	30.04.2012	29.04.2024
Ganna Lishchenko	Member	12.09.2018	12.09.2026
Mihail Manoli	Member	17.06.2021	17.06.2025

### **Internal SB internal structure - subcommittees and their responsibilities**

The Supervisory Board gathers in quarterly meetings or on any occasion necessary. In 2022 there were 24 Supervisory Board meetings, organised in compliance with the provisions of the Charter and of the Supervisory Board Internal Rules, out of which 4 were regular meetings and the others were held through correspondence.

In order to fulfil its attributions, the Supervisory Board established the following committees:

**Audit, Compliance and Risks Administration Committee** – it has a consultative role, as it was established in order to assist the Supervisory Board in carrying out its attributions, drafting recommendations within the limits of its competencies, according to its responsibilities and attributions provisioned in the Internal Rules, in relation to internal control, compliance, audit, risk, financial crime and litigations;

### **Control instruments in relation to the Management Board**

The Supervisory Board supervises and coordinates the activity of the Management Board, as well as compliance with legal provisions, the Charter and the decisions of the General Shareholders Meeting related to the Bank's activity.

The Supervisory Board exercises a permanent control over the Bank's management and specifically over the Management Board's activity, based on the following responsibilities:

- The Supervisory Board should monitor the compliance of administrative operations carried out by the Management Board based on the applicable legislation, the Bank's Charter and the resolutions of the General Shareholders' Meeting of the Bank;
- The Supervisory Board represents the Bank in what concerns communications with the Management Board;



- The Supervisory Board is not involved in the day-to-day administration of the Bank, and these attributions are not appointed to the Supervisory Board, except for certain provisions included in the applicable legislation and/or the Bank's Charter.

### C. Management Board (MB)

#### Members – persons, appointment

According to the provisions of the Management Board Internal Rules, the management of the Bank carries out its responsibilities under the supervision of the Supervisory Board, which appoints and revokes Management Board members and the Management Board chairman from the existing members, acting in accordance with the current provisions of the Bank's internal regulations and Charter.

According to the provisions of the Charter, the number of the members of the Management Board is established by the Supervisory Board (on December 31st, 2022, the Management Board had 3 members).

Management Board membership as at December 31st 2022:

MB Member	Position	Starting date of the mandate	Ending date of the mandate
Juan Luis Martin Ortigosa	President	01.10.2013	15.04.2026
Codreanu Natalia	Member	23.09.2013	21.09.2024
Revenco Victoria	Member	12.08.2020	12.08.2024

#### Internal structure – subcommittees and their responsibilities

The Management Board meets in weekly meetings or whenever necessary. During 2022, the Management Board had 79 meetings, namely 48 regular meetings and 31 extraordinary meetings.

In order to carry out its responsibilities, the MB has created the following committees:

Name	Responsibilities
<b>Loan Committee</b>	Loan committee is organized and operates as assessment/pre-approval/approval bodies of documents on loans approval, modification of granting conditions, usage, granting and/or reimbursement of some anterior granted loans, requirements to conclude the agreements and extending the period of validity, the issue of guarantee letters, loan contracts, factoring operations and other facilities, in the limit settled through Bank's regulations.
<b>Asset-Liability Committee (ALCO)</b>	ALCO review, report and assists to MB in performing its activity in the area of asset and liability structure management, financing strategy, interest rate policy, liquidity policy, and is an analysis and decision-making body that issues decisions and recommendations according to established authority limits. ALCO may set up committees, subcommittee that are organized and function on the basis of their own operating regulations approved by the MB.
<b>Project committee</b>	The Project Committee is the analytical, advisory and approval body for the Bank's newly created and ongoing portfolio of



	programs and projects, at the local or group level, which are defined and approved in line with the Bank's strategy, on budget allocation for projects implementation.
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#### **IV. Community**

**Any community values dignity, kindness, honesty and wisdom.** These core values are part of BCR's principles: **Client first, Accountability, Performance, Cooperation, Initiative, Discipline and Results.**

This is what we are offering to our clients when we work and behave according to Bank's principles.

**Bank's strategic directions** in the relation with the community:

- Supporting and promoting leaders and role-models;
- Education for practical skills development;
- Civic leadership.
- **Supporting and promoting leaders and role models**, by taking part in the creation of a positive and inspirational framework for Moldova's development.
- **Education for practical skills development**, by strategic partnerships with the largest universities in the country, with the main goal of creating projects which help develop practical skills of students for an easier integration in the labour market.
- **Civic leadership**, by developing projects which annually support hundreds of NGOs, as well as by encouraging employees to be responsible citizens, thus integrating the bank in the community.

Also, **Bank's team members** are encouraged to act as **responsible citizens** in the communities they belong.

#### **XIV. RISK MANAGEMENT**

Ensuring a responsible, prudent and profitable banking activity first and foremost requires the identification, assessment, monitoring, managing and reporting of significant risks.

**Material risks** are determined conditional upon the nature, volume and complexity of the activities carried out by the bank within the annual risk materiality's assessment exercise.

In this respect, the risks, which may strongly affect the patrimonial status and/or the reputation of the bank, that BCR Chisinau S.A. considers material risks, are **credit risk, market risk, liquidity risk, operational risk, strategic risk, compliance risk, political risk, inter-concentration risk, macroeconomic risks, pandemic risk and ESG risks**. For a proper management of significant risks, the bank uses:

- a system of procedures for the authorization of operations affected by the respective risks, consisting in the drawing up of credit approval competences (pouvoirs) for: granting of loans and credit products, interbank placements, etc.;

- a reporting system of risk exposures, as well as additional aspects related to these risks, to the proper management levels (reports on the bank's exposure to significant risks, the compliance with the risk limits etc.);
- a system of responsibilities, policies, norms and procedures on internal control at bank level;
- a system for the management of legal and compliance risk;
- criteria for the recruitment and remuneration of personnel, including criteria drawn up in order to avoid conflicts of interest, which stipulates high standards of qualification, experience and integrity;
- staff training programs;

The risk management function is consolidated within the Functional Line Financial and Risk. Therefore, risk management specialists are clearly delimited from organizational point of view from the employees who have responsibilities in the business development area.

The bank properly assigns attributions to its organizational levels, ensuring that the staff does not have responsibilities that might lead to conflicts of interest (e.g. dual responsibilities for one individual, such as: carrying on activities both in front-office and back-office; approval of funds withdrawal and performing the respective withdrawal; the assessment of the credit documentations and the monitoring of the client after the loan was granted, etc.).

**Credit risk** refers to the risk arising from the non-payment or non-performance by a contracting party in accordance with agreed terms and therewith associated negative consequences (e.g. partial or complete loss of principal and interest, disruption to cash flows, and increased collection costs.) due to counterparty's insolvency, inability or lack of willingness to pay or perform, or due to events or measures taken by the political or monetary authorities of a particular country. It is the main risk faced by the bank as loans represent more than 40% of total assets and more than 80% of risk-weighted assets.

The main objective of credit risk management focuses on active management of the loan portfolio, improvement of the asset quality (keeping NPL under control) and continuous growth of healthy loan portfolio.

In the context of the potential global crisis, BCR Chisinau S.A. establishes limits on countries, sovereign entities, banks and financial institutions affiliated to bank groups, closely monitors its exposures, performing risk analysis whenever negative information emerge on one of its counterparties and implement adequate measures with respect to the assigned risk limits.

**Market risk** is the risk to incur losses corresponding to on-balance and off-balance positions due to adverse market price movements of financial instruments, interest rates and foreign exchange rates.

The bank pays special attention to the identification of the market risk sources, evaluation of its risk exposure and setting of proper limits mitigation/limitation. The main objective is to ensure proper structure of its portfolio, which in case of movement of interest rates, FX rates and market prices will not have an important negative impact on BCR Chisinau S.A. activity and financial performance.

**Liquidity risk** represents the risk that the bank is unable to meet its payment obligations when they come due or only being able to meet these obligations at excessive cost.

The administration of liquidity risks envisages the ensuring of the necessary liquid funds enabling the bank to cover its financial obligations at any point, to maintain a proper liquidity level for all time buckets and the maximization of the net income obtained from interests. The bank pays special attention to the identification of the liquidity risk sources, to the assessment of the bank's exposure to this risk and to the drawing up of the appropriate risk limits.

**Operational risk** is defined as the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events and includes legal risk, model risk and ICT.

The management of operational risks seeks to ensure the internal framework that enables the identification, assessment, monitoring and undertaking of appropriate measures in order to decrease the operational losses.

**Strategic risk** represents the possibility of adverse effect on the bank's financial result or capital due to absence of adequate strategies and adverse business decisions, or their inadequate implementation, changes in the business environment in which the bank operates or failure of the bank to adequately respond to these changes.

Strategic risk is managed at bank level as part of its business activities. This is reflected in the business plan targets that are set in line with the budget and strategic guidelines. The risk is regularly monitored within strategic planning as well as in the budgeting process in order to ensure alignment with the target risk profile.

**Compliance risk** is the risk is the risk of material financial loss, regulatory sanctions, restrictions or limitations or a loss of reputation a bank may suffer as a result of its failure to comply with laws, regulations, rules, related selfregulatory organization standards, and codes of conduct applicable to its banking activities (together, "compliance laws, rules and standards").

The Bank ensures the reduction and monitoring of compliance risk by reviewing and implementing of policies and procedures specific to the field of compliance, ensuring their compliance with the legal regulatory framework, continuous assessment of indicators on compliance risk assessment and conducting compliance-testing activities.

**Political risk** is the exposure to a loss, caused by events in a particular country which are under the control of the government but clearly not under the control of an independent private enterprise or individual, e.g. expropriation, changes in regulatory/legal regime (incl. changes of banking regulatory regime defined by national or international authorities), war, terrorism and other political upheaval, which might have negative impact on the capital position or profitability.

Some risks – such as political risk - arise from events outside the Bank and are beyond its influence or control. Because the Bank cannot prevent such risk/events from occurring, management must focus on identification and mitigation of their impact. In order to support the management of political risk, the bank tracks the internal and external market evolution, considering the implications of the political changes and government initiatives, which can have wider economic implications on the banking industry.

**Inter-Concentration Risk** refers to risk concentrations that may arise from interactions between different risk exposures across different risk categories. The interactions between the different risk exposures may stem from a common underlying risk driver or from interacting risk drivers.

Concentration risk management in BCRC is based upon a framework of processes, methods and reports. Concentration risks are also taken into account systematically as stress factors of stress tests.

**Macroeconomic risk** is the risk that the bank incurs losses due to adverse changes in the overall economic environment. It includes also a risk of severe shock that could result in such financial instability that will spread in all parts of financial system and to the extent that could have negative impact on the real economy.

In order to support the management of macroeconomic risk and ensure the timely reaction to potential adverse developments, the evolution of the macroeconomic environment, equity markets and banking sector are monitored on a regular basis by the bank.

**Pandemic risk** is possibility of adverse effect on the bank's financial result, capital or operations due to the impact of widespread infectious disease in humans on human health, economies, and communities. A salient characteristic of this risk is that it combines a low probability of occurring with high, potentially catastrophic, global impact.

For risk management purposes BCR Chisinau S.A. is regularly monitoring the risk profile taking into consideration COVID-19 context and took additional measures specific to the current crisis for each of the main risk category:

**Environmental, Social and Governance (ESG) Risks** means the risk of losses arising from any negative financial impact on the institution stemming from the current or prospective impacts of environmental, social or governance (ESG) factors on the institution's counterparties or invested asset.

In order to ensure an adequate management of ESG risks, BCR Chisinau S.A. integrated the risks in the ICAAP architecture, lending processes but also within the existing governance framework.

## **XV. HUMAN RESOURCES ACTIVITY AND ORGANISATIONAL STRUCTURE**

In 2022 HR management continued to be one of the most important issues for Bank management. The organizational changes have been focused on strengthening sales force, improving customer service and increase efficiency of support and control functions. The total number of employees at December 31<sup>st</sup>, 2022 amounted to 90 persons and remained within the targets approved by Bank management.

The Bank offered a number of possibilities to its employees to show their potential and develop a career. The Bank policy is to promote first of all its own stuff. At the same time the Bank continued to attract talents from outside based on core competences required to the organizational development.

Achieving new strategic goals implies personnel development in line with the Bank development. In 2023, human resources policy is oriented towards to the development of corporate culture, continuing professional development, improving individual performance, managing and promoting talent, increasing productivity and work efficiency. Human resources activity will contribute to the implementation of overall Bank objectives.

## **XVI. EVENTS AFTER THE REPORTING DATE**

In 2023 BCR Chisinau will change it's shareholder. There are no other events after reporting date.

## **XVII. ANNEXES**

## BALANCE SHEET

## INCOME STATEMENT

Indicator	2021		2022		Change	
	mil. Lei	share, %	mil. Lei	share, %	mil. Lei	%
<b>Interest income from</b>						
Due from NBM	2.42	1.54%	53.56	16.35%	51.14	2113.22%
Due from banks	-	0.00%	0.44	0.13%	0.44	100.00%
Financial investments- AFS	8.72	5.54%	46.06	14.06%	37.34	428.21%
Financial investments- HTM	21.46	13.64%	64.62	19.73%	43.16	201.12%
Loans interest	60.32	38.33%	67.86	20.72%	7.54	12.50%
Other interest income	-	0.00%	-	0.00%	-	
<b>Total interest income</b>	<b>92.92</b>	<b>59.04%</b>	<b>232.53</b>	<b>70.99%</b>	<b>139.61</b>	<b>150.25%</b>
<b>Interest expense on</b>						
Due to banks	1.64	1.23%	3.45	1.75%	1.81	110.37%
Deposits of individuals	18.29	13.76%	23.45	11.91%	5.16	28.21%
Deposits of legal entities	10.14	7.63%	22.42	11.39%	12.28	121.10%
Other borrowings	0.03	0.02%	0.53	0.27%	0.50	1666.67%
<b>Total interest expense</b>	<b>30.11</b>	<b>22.65%</b>	<b>49.84</b>	<b>25.32%</b>	<b>19.73</b>	<b>65.53%</b>
<b>Net interest income</b>	<b>62.82</b>	<b>39.92%</b>	<b>182.69</b>	<b>55.77%</b>	<b>119.87</b>	<b>190.82%</b>
Less: Loan loss provision	2.20	1.66%	18.93	9.62%	16.73	760.45%
<b>Net interest income after LLP</b>	<b>60.62</b>	<b>38.52%</b>	<b>163.76</b>	<b>49.99%</b>	<b>103.14</b>	<b>170.14%</b>
<b>Non-interest income (expense)</b>						
Fees and commissions income	27.46	17.45%	31.19	9.52%	3.73	13.58%
Fees and commissions expense	10.83	8.15%	13.76	6.99%	2.93	27.05%
<b>Net fees and commission income</b>	<b>16.63</b>	<b>10.57%</b>	<b>17.43</b>	<b>5.32%</b>	<b>0.80</b>	<b>4.81%</b>
<b>Income (expense) from FOREX</b>	<b>34.02</b>	<b>21.62%</b>	<b>62.38</b>	<b>19.04%</b>	<b>28.36</b>	<b>83.36%</b>
<b>General and administrative expenses</b>						
Wages	45.89	34.53%	53.94	27.40%	8.05	17.54%
Other general and administrative expenses	19.96	15.02%	21.77	11.06%	1.81	9.07%
Depreciation	11.41	8.58%	11.58	5.88%	0.17	1.49%
<b>Total General and administrative expenses</b>	<b>77.26</b>	<b>58.13%</b>	<b>87.29</b>	<b>44.34%</b>	<b>10.03</b>	<b>12.98%</b>
<b>Other operating result</b>						
Other operating income	2.98	1.89%	1.47	0.45%	(1.51)	-50.67%
Other operating expense	11.90	8.95%	7.36	3.74%	(4.54)	-38.15%
Impairment of non-financial assets	0.13	0.10%	1.24	0.63%	1.11	853.85%
<b>Profit (loss) before taxation and extraordinary items</b>	<b>24.95</b>	<b>15.85%</b>	<b>149.15</b>	<b>45.53%</b>	<b>124.20</b>	<b>497.80%</b>
Income tax charge (release)	0.48	0.36%	18.45	9.37%	17.97	3743.75%
<b>Profit (loss) before extraordinary items</b>	<b>24.47</b>	<b>15.55%</b>	<b>130.69</b>	<b>39.90%</b>	<b>106.22</b>	<b>434.08%</b>
Extraordinary profit (loss)	-	0.00%	-	0.00%	-	
Income tax	-	0.00%	-	0.00%	-	
Extraordinary profit (loss) less income tax	-	0.00%	-	0.00%	-	
<b>Net profit (loss)</b>	<b>24.47</b>	<b>15.55%</b>	<b>130.69</b>	<b>39.90%</b>	<b>106.22</b>	<b>434.08%</b>

Indicator	2021		2022		Change	
	mil. Lei	share, %	mil. Lei	share, %	mil. Lei	%
<b>ASSETS</b>						
Cash on hand	99.00	3.65%	78.17	2.51%	(20.83)	-21.04%
Balances with National Bank	510.28	18.79%	1,129.02	36.30%	618.74	121.25%
Due from banks	406.44	14.97%	111.58	3.59%	(294.86)	-72.55%
Loans and advances to customers	1,077.27	39.68%	1,180.28	37.95%	103.01	9.56%
Financial assets at fair value through other comprehensive income (FVOCI) / (2017:Financial investments – available-for-sale)	122.27	4.50%	253.22	8.14%	130.95	107.10%
Financial assets at amortized cost – state securities / (2017:Financial investments – held-to-maturity)	448.77	16.53%	296.76	9.54%	(152.01)	-33.87%
Property and equipment	20.18	0.74%	15.59	0.50%	(4.59)	-22.75%
Intangible assets	3.84	0.14%	3.55	0.11%	(0.29)	-7.55%
Deferred tax assets	2.14	0.08%	2.31	0.07%	0.17	7.94%
Other assets	24.88	0.92%	39.69	1.28%	14.81	59.53%
<b>Total assets</b>	<b>2,715.08</b>	<b>100.00%</b>	<b>3,110.17</b>	<b>100.00%</b>	<b>395.09</b>	<b>14.55%</b>
<b>LIABILITIES</b>						
Due to banks	53.99	1.99%	117.87	3.79%	63.88	118.32%
Other borrowings	50.45	1.86%	178.12	5.73%	127.67	253.06%
Due to customers	2,067.94	76.16%	2,112.69	67.93%	44.75	2.16%
Other liabilities	33.69	1.24%	38.80	1.25%	5.11	15.17%
Deferred tax liabilities	3.55	0.13%	19.20	0.62%	15.65	440.85%
<b>Total liabilities</b>	<b>2,209.62</b>	<b>81.38%</b>	<b>2,466.68</b>	<b>79.31%</b>	<b>257.06</b>	<b>11.63%</b>
<b>EQUITY</b>						
Ordinary shares	728.13	26.82%	728.13	23.41%	-	0.00%
Statutory reserve	21.03	0.77%	22.25	0.72%	1.22	5.80%
Accumulated deficit	(249.40)	-9.19%	(119.93)	-3.86%	129.47	-51.91%
Available-for-sale financial assets reserves	5.70	0.21%	13.04	0.42%	7.34	
<b>Total shareholders' equity</b>	<b>505.46</b>	<b>18.62%</b>	<b>643.50</b>	<b>20.69%</b>	<b>138.04</b>	<b>27.31%</b>
<b>Total liabilities and shareholders' equity</b>	<b>2,715.08</b>	<b>100.00%</b>	<b>3,110.17</b>	<b>100.00%</b>	<b>395.09</b>	<b>14.55%</b>

## CASH FLOW STATEMENT

Indicatori	2021	2022
	million Lei	million Lei
<b>Cash flows from operating activities</b>		
Interest receipts	92.90	221.44
Interest payments	(29.96)	(45.93)
Fee and commission receipts	27.38	31.19
Fee and commission payments	(10.87)	(13.47)
Net financial and other operating income	36.99	63.85
Recovery of written-off loans	2.30	0.79
Staff costs paid	(43.42)	(41.01)
Payments of general and administrative expenses	(33.49)	(31.80)
Income tax payments	(0.38)	(18.98)
<b>Operating profit before working capital changes</b>	<b>41.45</b>	<b>166.08</b>
<i>(Increase) / decrease in operating assets:</i>		
Bank placements	-	8.49
Loans, net	(175.62)	(121.09)
Other assets	(1.13)	(14.99)
<i>Increase / (decrease) in operating liabilities:</i>		
Due to banks	(53.04)	81.20
Due to customers and public authorities	(307.60)	40.84
Other liabilities	1.45	18.83
<b>Net cash flow from / (used in) operating activities</b>	<b>(494.48)</b>	<b>179.36</b>
	-	-
Purchase of property and equipment and intangible assets	(3.91)	(6.70)
Receipts from tangible and intangible assets	0.01	6.91
Proceeds from Financial investments AFS	3,998.98	5,918.23
Purchase of Financial investments AFS	(3,998.30)	(5,912.13)
Proceeds from Financial investments HTM	3,654.40	3,491.91
Purchase of Financial investments HTM	(3,650.25)	(3,481.50)
<b>Net cash used in investing activities</b>	<b>0.93</b>	<b>16.72</b>
<b>Cash flows from financing activities</b>		
Receipts from borrowings	15.73	142.68
Payments of borrowings	(4.54)	(21.58)
Payments for leasing	(7.35)	(6.79)
<b>Net cash from financing activities</b>	<b>3.84</b>	<b>114.31</b>
Foreign currency effect	(0.67)	1.15
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(490.37)</b>	<b>311.54</b>
Balance as at 1 January	1,511.26	1,020.88
<b>Balance as at 31 December</b>	<b>1,020.88</b>	<b>1,332.42</b>



## STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

2022	Share capital	Reserve capital	Accumulated deficit	Other reserves	Revaluation of financial assets at FVOCI	Total
	mln. Lei	mln. Lei	mln. Lei	mln. Lei	mln. Lei	mln. Lei
<b>Balance as at 1 January</b>	<b>728.13</b>	<b>21.03</b>	<b>(249.40)</b>	<b>-</b>	<b>5.70</b>	<b>505.46</b>
Net profit for the year	-	-	130.69	-	-	130.69
Other comprehensive income	-	-	-	-	7.35	7.35
Transfers between reserves	-	1.22	(1.22)	-	-	-
<b>Balance as at 31 December</b>	<b>728.13</b>	<b>22.25</b>	<b>(119.93)</b>	<b>-</b>	<b>13.04</b>	<b>643.50</b>

2021	Share capital	Reserve capital	Accumulated deficit	Other reserves	Revaluation of financial assets at FVOCI	Total
	mln. Lei	mln. Lei	mln. Lei	mln. Lei	mln. Lei	mln. Lei
<b>Balance as at 1 January originally presented</b>	<b>728.13</b>	<b>19.84</b>	<b>(261.64)</b>	<b>11.32</b>	<b>5.03</b>	<b>502.68</b>
Correction of error	-	-	(22.36)	-	-	(22.36)
<b>Restated balance as at 1 January</b>	<b>728.13</b>	<b>19.84</b>	<b>(283.99)</b>	<b>11.32</b>	<b>5.03</b>	<b>480.33</b>
Net profit for the year	-	-	24.47	-	-	24.47
Other comprehensive income	-	-	-	-	0.66	0.66
Transfers between reserves	-	1.19	10.13	(11.32)	-	-
<b>Balance as at 31 December</b>	<b>728.13</b>	<b>21.03</b>	<b>(249.40)</b>	<b>-</b>	<b>5.70</b>	<b>505.46</b>

## FINANCIAL INDICATORS

Indicator	31.12.2021	31.12.2022	Change (%)
Total Assets	2,715.08	3,110.17	14.55%
Other assets	24.88	39.69	59.54%
Loans	1,077.27	1,180.28	9.56%
Liquid assets	2,009.15	1,796.85	-10.57%
Bank Deposits	53.99	117.87	118.31%
Client Deposits	2,067.94	2,112.69	2.16%
Own funds	432.56	456.58	5.55%

Market share			
	31.12.2021	31.12.2022	Change
Total Assets	2.29%	2.37%	0.08%
Loans	1.99%	2.03%	0.04%
Liquid assets	3.43%	2.88%	-0.55%
Total Deposits	2.35%	2.34%	-0.01%
Capital	2.60%	0.00%	-2.60%

Rating			
	31.12.2021	31.12.2022	Change
Total Assets	9	8	-1
Loans	8	8	0
Total Deposits	9	8	-1
Client Deposits	9	8	-1
Capital	9	9	0

Profitability indicators			
	31.12.2021	31.12.2022	Change
Net profit	24.47	130.69	106.22
Net Interest Income	62.79	182.69	119.87
Net Non-Interest Income	(35.14)	(14.61)	21.05
Provision allocation	2.20	18.93	16.73
ROA	0.92%	4.20%	3.30 p.p.
ROE	5.77%	28.62%	22.97 p.p.
Cost / Income ratio	68.11%	33.25%	-34.84 p.p.

Indicators of the loan portfolio quality			
	31.12.2021	31.12.2022	Change
Overdue Loans /Total loans	1.89%	2.28%	0.39 p.p.
Non-performing Loans (non-interest) / Total loans	2.09%	1.78%	-0.31 p.p.
Provisions for loan losses/ Total loans	4.30%	4.41%	0.11 p.p.
Large Loans/Total loans	41.29%	43.12%	1.83 p.p.
Solvency ratio	38.64%	37.76%	-0.88 p.p.
Liquidity ratio	57.68%	57.77%	0.09 p.p.

**Declarația de guvernanță corporativă  
„Conformare sau justificare”**

Nr. d/o	ÎNTREBARE	DA	NU	DACĂ NU, ATUNCI JUSTIFICARE
1.	Dispune societatea de o pagină web proprie? Indicați denumirea acesteia.	<b>DA</b> www.bcr.md		
2.	Societatea a elaborat Codul de guvernanță corporativă care descrie principiile de guvernanță corporativă, inclusiv modificările la acesta?	<b>DA</b>		
3.	Codul de guvernanță corporativă este plasat pe pagina web proprie a societății, cu indicarea datei la care a fost operată ultima modificare?	<b>DA</b> Aprobat la sedinta Consiliului de Supraveghere din 23.11.2022		
4.	În Codul de guvernanță corporativă sunt definite funcțiile, competențele și atribuțiile consiliului, organului executiv și comisiei de cenzori a societății?	<b>DA</b>		Comisia de Cenzori nu exista
5.	Raportul anual al conducerii (organului executiv) prevede un capitol dedicat guvernanței corporative în care sunt descrise toate evenimentele relevante, legate de guvernanța corporativă, înregistrate în perioada de gestiune?	<b>DA</b>		
6.	Societatea asigură tratamentul echitabil al tuturor acționarilor, inclusiv minoritari și străini, deținători de acțiuni ordinare și/sau preferențiale?	<b>DA</b>		
7.	Societatea a elaborat, a propus și a aprobat procedurile pentru convocarea și desfășurarea ordonată și eficientă a lucrărilor adunării generale a acționarilor, fără a prejudicia însă dreptul oricărui acționar de a-și exprima liber opinia asupra chestiunilor aflate în dezbateră?	<b>DA</b>		
8	Societatea publică pe pagina web proprie informații cu privire la următoarele aspecte privind guvernanța corporativă:			
	1) informații generale cu privire la societate – date istorice, genurile de activitate, datele de înregistrare, etc.;	<b>DA</b>		
	2) raportul societății cu privire la respectarea principiilor de guvernanță corporativă și a prevederilor legislației;	<b>DA</b>		
	3) statutul societății;	<b>DA</b>		
	4) regulamentele societății, regulamentele consiliului societății, organului executiv, precum și politica de remunerare a membrilor organelor de conducere, de asemenea reglementarea procedurii privind convocarea și	<b>DA</b>		Componenta, responsabilitățile si atribuțiile Consiliului de Supraveghere, Comitetului Executiv, precum si politica de remunerare a

	desfășurarea adunării generale a acționarilor, în cazul în care astfel de procedură a fost adoptată;			membrilor organelor de conducere sunt incorporate în Codul guvernanta corporativa în BCR Chișinău S.A., care este document public și este plasat pe pagina web al băncii. Reglementările de organizare și funcționare a organelor de conducere sunt documente de uz intern.
	5) situații financiare și rapoarte anuale ale societății;	<b>DA</b>		
	6) informații privind auditul intern și auditul extern al societății;	<b>DA</b>		Pe pagina web a băncii este publicată organigrama care prezintă existența și modul de subordonare a funcției de audit intern. Pe pagina web a băncii este publicată informația privind auditul extern (raport anual)
	7) informații cu privire la organul executiv, membrii consiliului societății (pentru fiecare membru separat). Se indică experiența de lucru, funcțiile deținute, studiile, informații cu privire la numărul de acțiuni deținute, cât și mențiunea privind independența acestora;	<b>DA</b>		Pe pagina web a băncii este publicată informația necesară.
	8) acționarii care dețin cel puțin 5% din acțiunile societății, cât și informațiile privind modificările operate în lista acționarilor;	<b>DA</b>		
	9) orice alte informații care trebuie dezvăluite public de societate, în conformitate cu legea, de exemplu informații cu privire la tranzacțiile de proporții, orice evenimente importante, comunicate de presă ale societății, informații arhivate cu privire la rapoartele societății pentru perioadele precedente;	<b>DA</b>		
	10) Declarația de guvernanță corporativă.	<b>DA</b>		
9	Acționarul poate utiliza notificări electronice cu privire la convocarea adunării generale a acționarilor (dacă există o astfel de preferință)?	<b>DA</b>		
10.	Societatea publică pe pagina web proprie (într-o secțiune separată) informații privind adunările generale ale acționarilor:	<b>DA</b>		
	1) decizia de convocare a adunării generale a acționarilor?	<b>DA</b>		
	2) proiectele de decizii care urmează să fie examinate (materialele/ documentele aferente ordinii de zi), precum și orice alte informații referitoare la subiectele ordinii de zi?	<b>DA</b>		
	3) hotărârile adoptate și rezultatul votului?	<b>DA</b>		
11.	Există în cadrul societății funcția de secretar corporativ?	<b>DA</b>		

12.	Există în cadrul societății un departament/ persoană specializat(ă) dedicat(ă) relației cu investitorii?	<b>DA</b>		
13.	Consiliul se întrunește cel puțin o dată pe trimestru pentru monitorizarea desfășurării activității societății?	<b>DA</b>		
14.	Toate tranzacțiile cu persoane interesate sunt dezvăluite prin intermediul paginii web a societății?	<b>DA</b>		
15.	Consiliul societății/ organul executiv a adoptat o procedură în scopul identificării și soluționării adecvate a situațiilor de conflict de interese?	<b>DA</b>		
16.	Persoana interesată respectă prevederile legale și prevederile Codului de guvernanță corporativă referitor la tranzacțiile cu conflict de interese?	<b>DA</b>		
17.	Structura consiliului societății asigură un număr suficient de membri independenți?	<b>DA</b>		
18.	Alegerea membrilor consiliului societății are la bază o procedură transparentă (criterii obiective privind calificarea profesională etc.)?	<b>DA</b>		
19.	Există un Comitet de remunerare în cadrul societății?		<b>NU</b>	Legislația nu obliga pentru bancile ne semnificative. Atribuțiile sunt indeplinite de Consiliul de Supraveghere.
20.	Politica de remunerare a societății este aprobată de adunarea generală a acționarilor?		<b>NU</b>	Politica de remunerare este aprobată de Consiliul de Supraveghere (pentru banci competența Consiliului conform Legii privind activitatea băncilor nr. 202 din 06.10.2017, art. 41 )
21.	Politica de remunerare a societății este prezentată în Statutul/ Regulamentul intern și/sau în Codul de guvernanță corporativă?	<b>DA;</b> Codul de guvernanță corporativă (principii generale)		Există și o reglementare separată
22.	Societatea publică pe pagina web proprie informațiile în limba rusă și/sau engleză?	<b>DA</b>		în limba rusă și engleză
23.	Există în cadrul societății un Comitet de audit?	<b>DA</b>		
24.	Societatea, a căror instrumente financiare sunt admise spre tranzacționare pe piața reglementată, prezintă pieței reglementate Declarația sa cu privire la conformarea sau neconformarea cu prevederile Codului de guvernanță corporativă?	<b>DA</b>		Instrumentele financiare ale băncii nu sunt tranzacționate pe piața reglementată