

Raiffeisen Bank Ukraine: Reimagining Lending Journeys in Challenging Times

Innovating financial solutions during
economic uncertainty



Agenda

1

Introduction

Raiffeisen Bank Ukraine
overview and market
introduction

2

Economic Context

War-time economy and current
SME landscape

3

Market Challenges

Competition from fintechs and
legacy lending problems

4

Our Solution

Customer-centric lending approach and new
products

5

Results & Next Steps

Impact, feedback and future vision

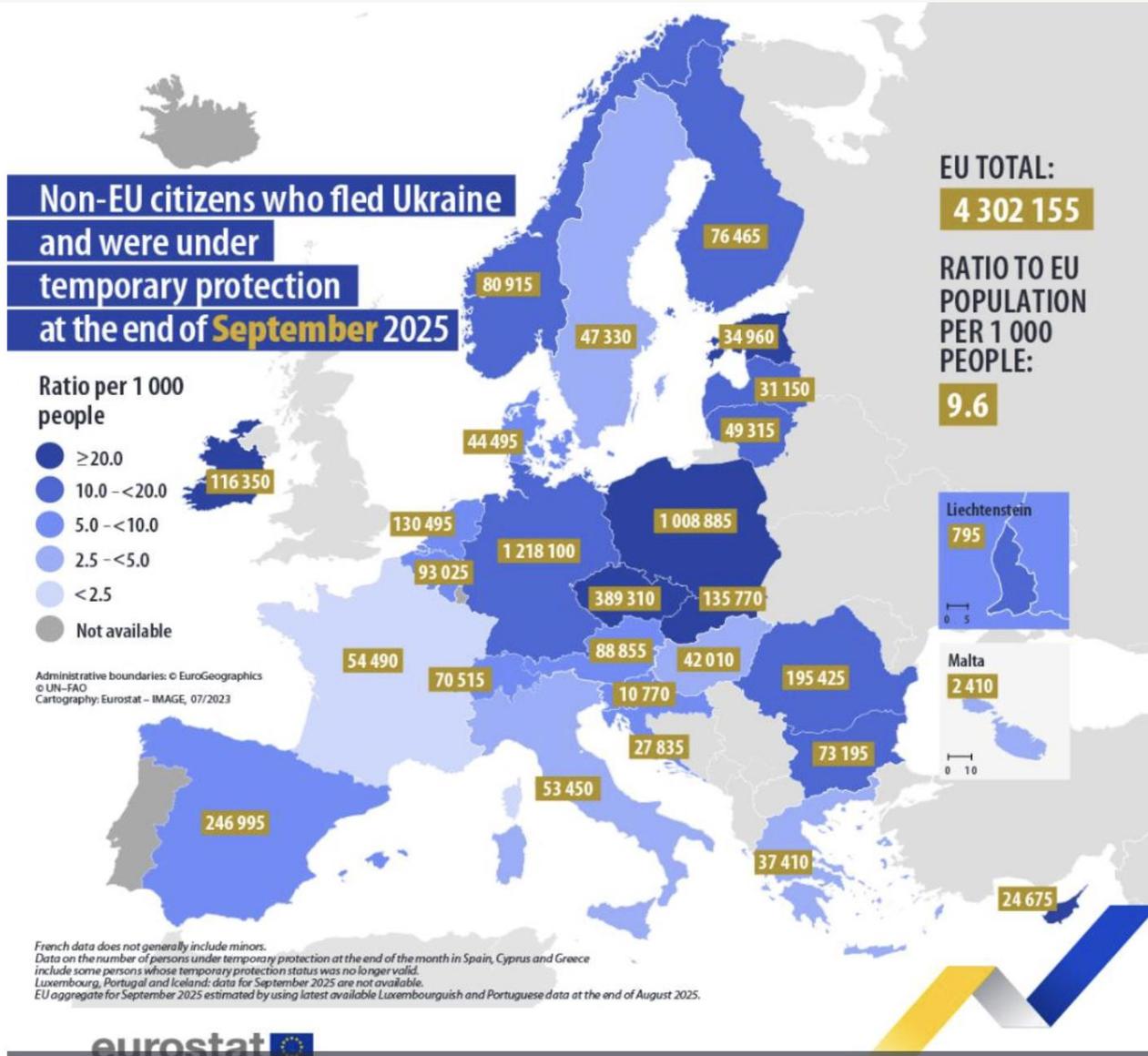
01

Economic context

- Credit card driven market
- State own banks
- GDP
- 4-th by assets



Ukraine's Economy: Loss of 5–6 Million Consumers and Workers



At the end of September 2025, a total of **4.3 million** non-EU citizens who fled Ukraine had temporary protection status in the EU.

The highest ratios of temporary protection beneficiaries per thousand people were observed in Czechia (35.7), Poland (27.6) and Estonia (25.5), whereas the corresponding figure at the EU level was 9.6 per thousand people.

In September 2025, EU countries issued 79,205 new decisions granting temporary protection to non-EU citizens fleeing Ukraine — a 49% increase from August and the highest monthly number since August 2023. This surge followed a Ukrainian government decree at the end of August 2025 allowing men aged 18–22 to leave Ukraine without restriction.

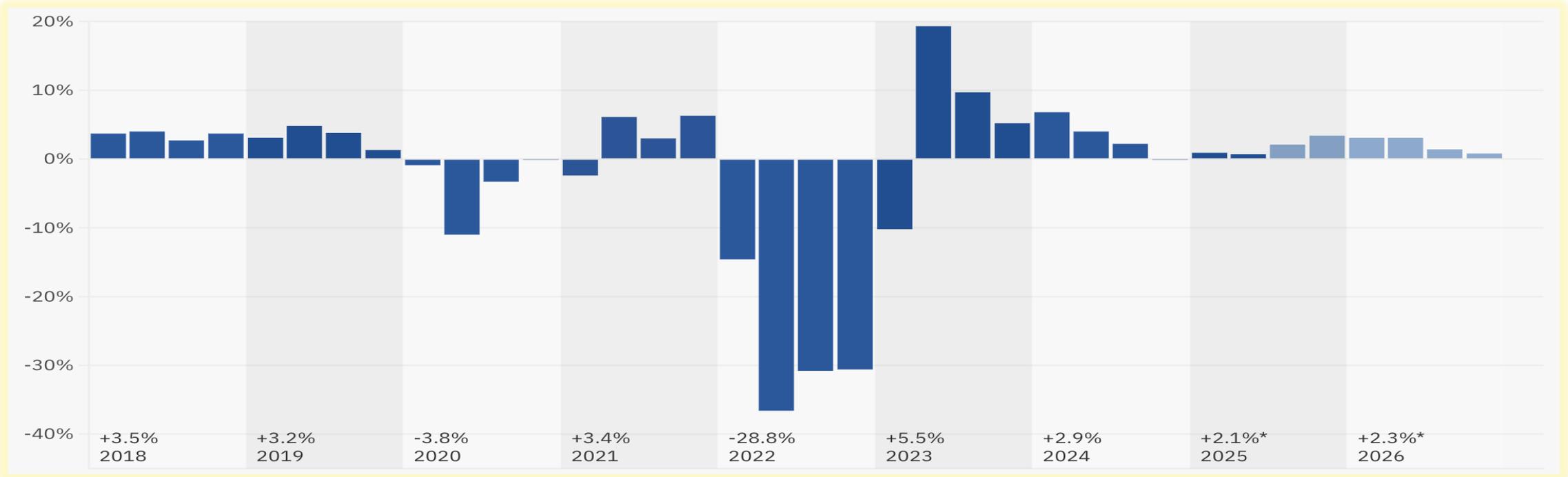
Demographics:
Adult women: 44.0%
Minors: 31.0%
Adult men: 25.1%





GDP: Despite three years of full-scale war, Ukrainian businesses continue to demonstrate resilience, adapting to unprecedented circumstances.

GDP to grow by 1.9% in 2025 — new NBU forecast. In the first half of the year, real GDP grew by only 0.8%, with Q2 growth at 0.7% y-o-y.



-28.8%

GDP contraction

Initial war shock in 2022

+5.5%

Recovery growth

Economic rebound in 2023

2.9%

Lower growth

Slowing recovery in 2024

3.3%

EBRD forecast

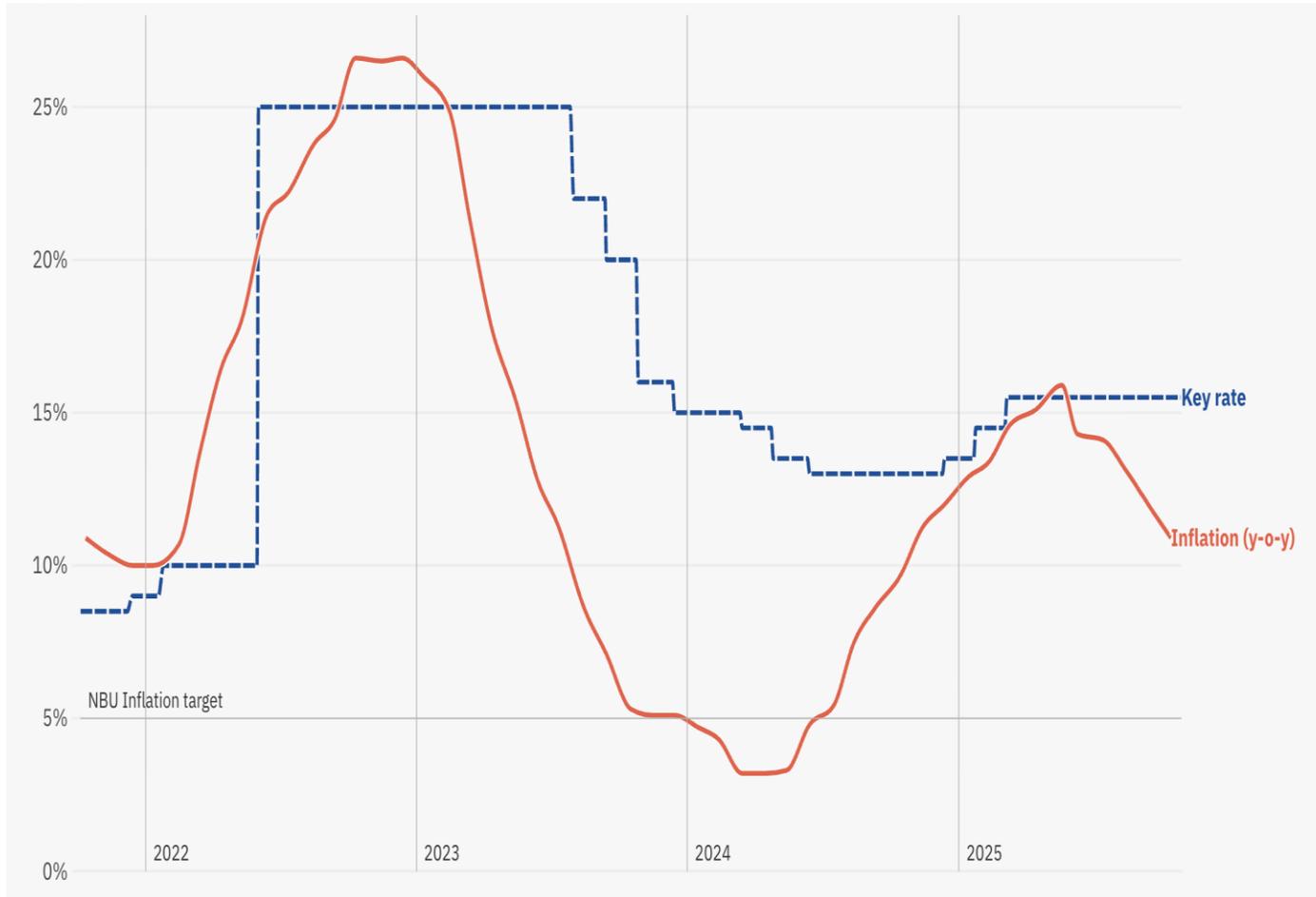
Revised downward for 2025



Inflation: From Wartime Peak to Gradual Stabilization



Inflation slows down



- The inflation peak occurred in October 2022 at 26.6% year-on-year, driven by the shock of war, destruction of production facilities, supply chain disruptions, and monetary emission to finance the budget.
- In 2023, inflation was brought under control thanks to economic stabilization, competent NBU policy, and a record-high harvest.
- In 2024, inflation accelerated again due to electricity shortages, labor shortages, and drought.
- By October 2025, inflation had declined to 10.9% year-on-year (down from 11.9% in September), but consumer prices saw the highest monthly increase in the past five months (+0.9% month-on-month).



About the bank

- Raiffeisen Bank Ukraine is the 4- th largest by assets and profit, serving
 - Corporate and FI partners
 - 120,000 SME customers and
 - 2,4 million of private individuals .
- The Ukrainian market is credit-card driven with
 - 55% of bankable population holding cards,
 - 15% using BNPL, and Installments
 - 30% entrepreneurs relying on credit solutions.
- European Support Impact: Risk Sharing Finance from EBRD, EIB and other international partners, sustaining the economy during difficult times.
- My role: Leading digital and agile transformation of our lending business model for both private individuals and SMEs. Experience in digital CRM and BNPL business models.
- Data- driven Lending, CRM, customer-value management, digitalization of business models, and agile transformation in focus





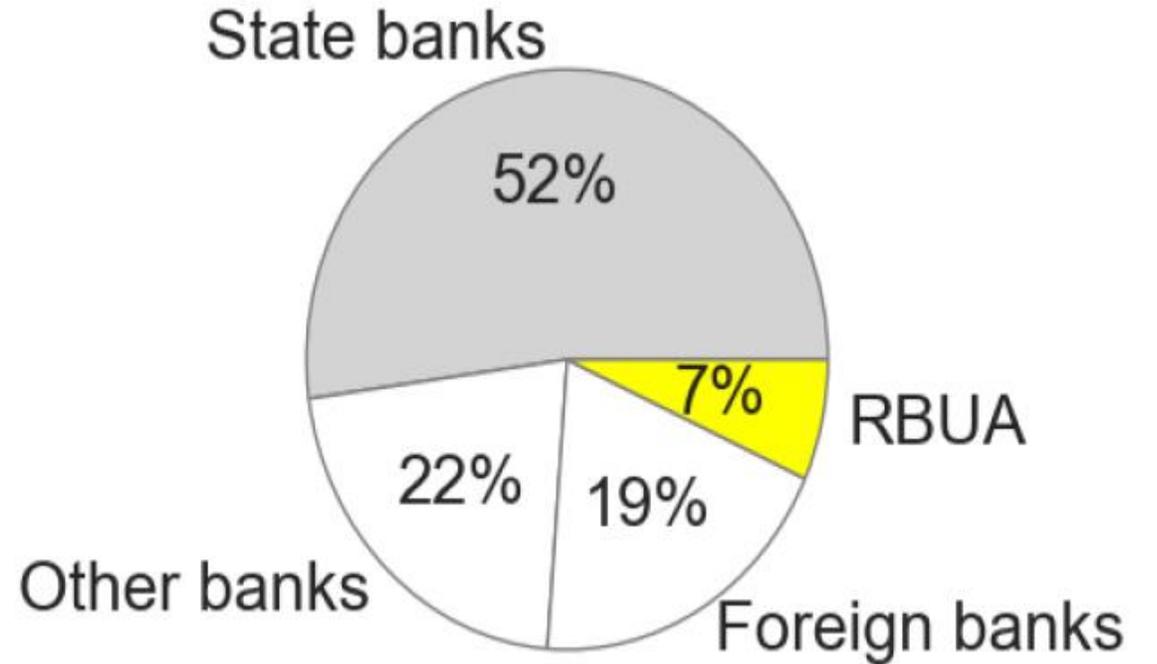
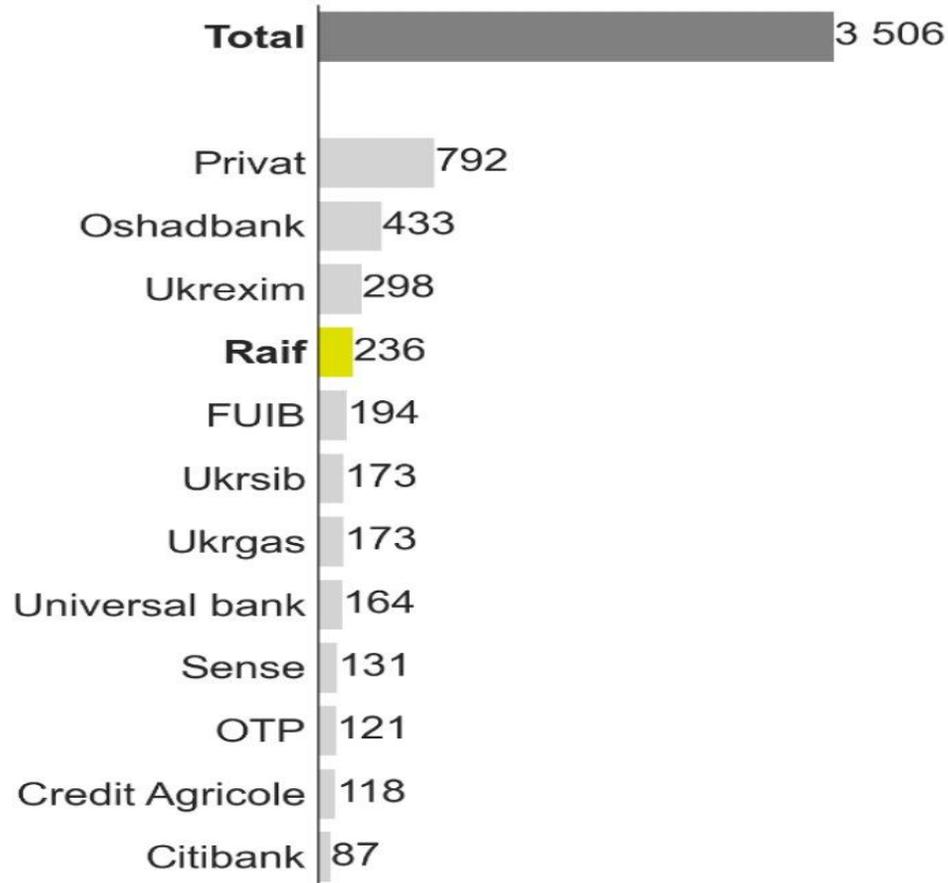
Raiffeisen Bank Ukraine market share in Assets



Raiffeisen is 4-th by assets

Raiffeisen total assets increased by **+7.3%** year-to-date, market share increased by 0.3 percentage point stand as of date comprised **6.7%** market.

2025'1-6





Fintech competitors: top logistics and e-com companies



NovaPay

14,399 followers

3w · 🌐

...

🚫 Loans that work for people and businesses

More than **50,000 Ukrainians** — both private clients and entrepreneurs — are already using **NovaPay loans**.

!?!? **Why?** Because it's simple, fast, and without unnecessary barriers.

As of August, our **loan portfolio is UAH 1.35 billion**. Since the beginning of the year, it has grown by **60%**. Here are some interesting facts:

- ◆ **Installment plan** — leader with a portfolio of **UAH 607 million**;
- ◆ **Loans for parcels** — Ukrainians took out loans worth **UAH 310 million**, **89%** of which were processed online;
- ◆ **Credit card** — **UAH 232 million**, launched in May and already opened by **30,000 clients**.

What do Ukrainians most often buy on credit?

🚗 Car goods, household appliances, gadgets, and electronics.

NovaPay also lends to businesses: more than **250 sole entrepreneurs (FOPs) and companies** have raised **UAH 144 million** for development. And **40%** of them have already returned for repeat financing.

💖 **Credit is not just about money. It's about opportunities that arise when they are needed.**

Ukraine's SME lending landscape is experiencing significant disruption as major fintech players from **e-commerce** and **logistics** sectors enter traditional banking territory.

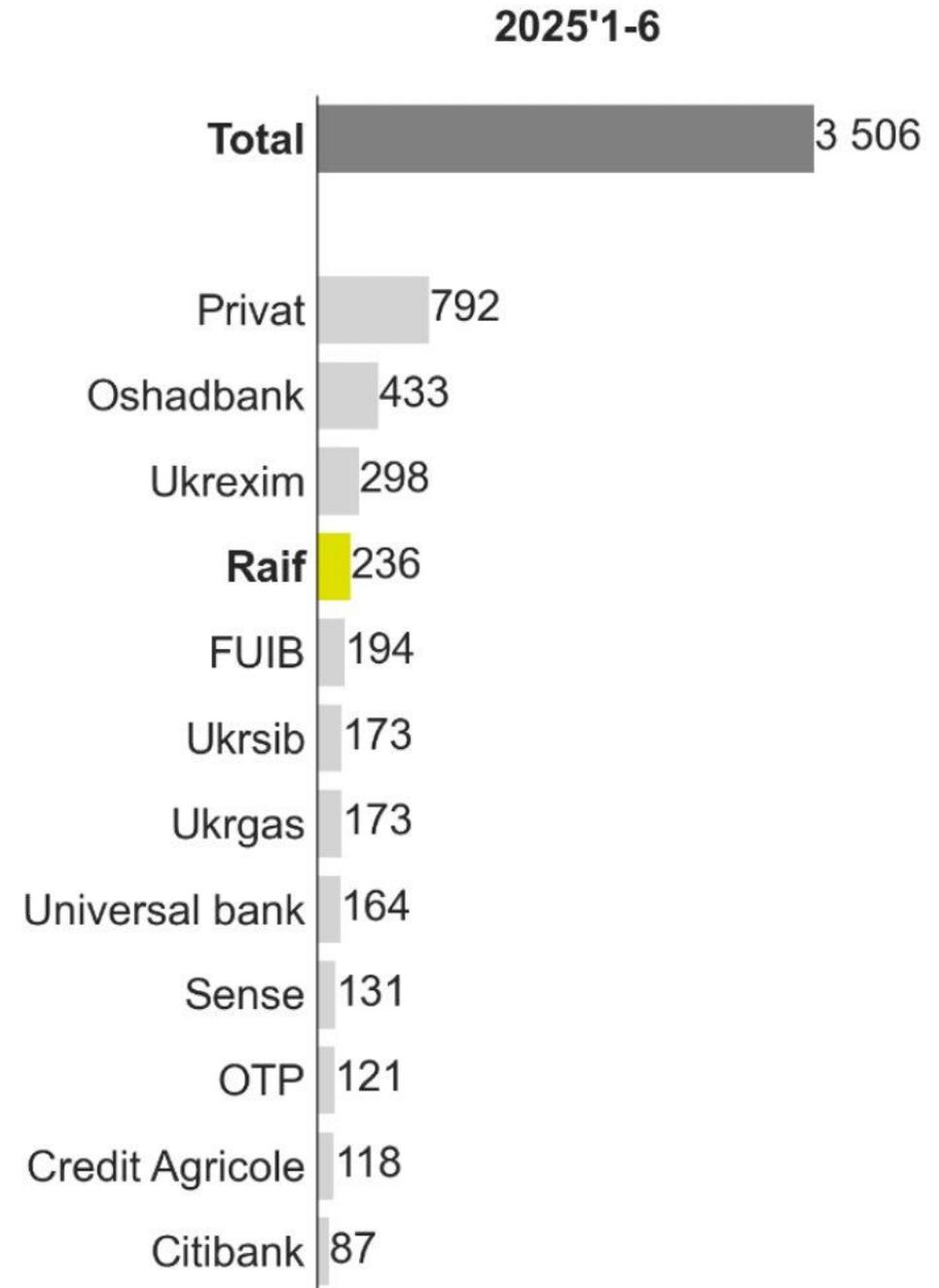
- **RozetkaPay**, the financial arm of Ukraine's largest e-commerce marketplace ROZETKA,
- and **NovaPay**, the fintech subsidiary of the country's leading delivery operator Nova Poshta.

These non-traditional entrants are leveraging their extensive customer bases and operational infrastructure to create competition for incumbent banks in the SME lending sector.

02

Market overview summary

- GDP is growing slowly
- State own banks >50% of market
- Credit card driven market in PI
- **Raiffeisen is 4-th by assets in UA**
- Fintech entrance



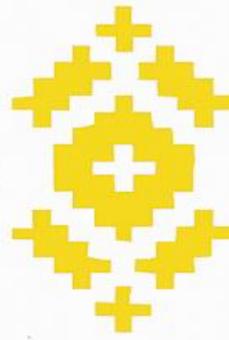
03

Market challenges

- Need of customers
- Main pains
- Research and interviews
- Journey design



Entrepreneurship in Wartime



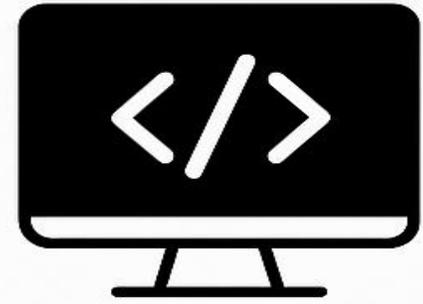
Personal services



Retail & wholesale trade



Agriculture



IT and programming

The backbone of Ukraine's economic resilience lies in the adaptability of SMEs and entrepreneurs, who continue to maintain critical economic functions despite significant challenges. **Agricultural industry** remains one of the biggest GDP generators.



By businesses faced following difficulties.

The biggest challenges faced by businesses over the past year have been a decline in the number of customers, their insolvency, and rising resource costs. Among the IE segment, the vast majority face challenges such as a decrease in the number of customers and an increase in the cost of resources. Among MICRO respondents, the most frequently mentioned barriers are staff mobilisation and an increase in the cost of resources; these barriers are also relevant for the SME segment.

	Entrepreneurs	Companies
Decrease in the number of customers , insolvency	23%	13%
Increase in the cost of resources	21%	20%  36%
Frequent/unpredictable changes in legislation	18%  36%	13%  33%
Mobilisation of personnel/shortage of workers due to military service	17%	24%
Shortage of qualified personnel on the market	15%  30%	17%  27%
Poor emotional and psychological state	12%	8%
Reduction in the number of staff in the company	10%	10%
Logistics problems	9%	7%
Interruptions in the work of suppliers or partners	9%	11%  18%
Lack of prospects for business development in the country	8%  18%	2%
Problems related to the war	7%	5%
Problems with access to financing/credit	7%	11%
Destruction of business infrastructure due to war	5%	10%
Difficulties in dealing with the tax authorities	3%	8%
Difficult to answer / no issues	24%	19%

No 12

Question: Q21. What barriers or difficulties did your business face during the last year?

Base: all respondents - IE (n=501), MICRO (n=409), SME (n=101)  significantly more for RB
% - most pronounced values by segment

Typical Product Development steps in RBUA

PDLC steps

Product Initiation

We start with the hypothesis, shape it into the Product outline, and decide whether we should proceed with the implementation or stop now.

Product Team Forming (an optional step)

The sooner we allocate the team for Product implementation, the higher-quality product we'll get. The Team is the co-creator of the Product

Product Design

We create and test prototypes, define the architecture, requirements, test approach. We end up with actionable items for implementation

Period Planning

We roadmap our releases for a given period (currently – a quarter), prioritizing Product features and understanding their costs and effects.

Agile Development

Here, we work on planned features implementation, employing Agile & Engineering best practices, following the quality, security, compliance, API governance, Data governance requirements, etc.

Regulatory/ Change request process

This section describes how we deal with regulatory changes and change requests.

Release to Production

Now, we are ready for release. This section describes how to properly release a public version, strictly following all the processes to maintain high quality and security standards

Support and Maintenance

This is a perpetual process. It starts after the first release and ends with Product Decommission. While the team returns to the Agile Development phase, it still monitors the Product live and addresses incidents and bugs. The Product Owner and CX team analyze product usage and discover further improvements and functionality for the Product

Product Decommission

This is the final point of the Product's life. Here, we perform the actions to properly shut the Product down and process all related data and information. We do the post-mortem analysis and case studies to use the knowledge we obtained during the Product's life in the future

Product Team Withdrawal

We decide what to do with the Product team and perform the required actions to implement the decision



We went through our product development playbook



PDLC steps

Product Initiation

We start with the hypothesis, shape it into the Product outline, and decide whether we should proceed with the implementation or stop now.

Product Team Forming (an optional step)

The sooner we allocate the team for Product implementation, the higher-quality product we'll get. The Team is the co-creator of the Product

Product Design

We create and test prototypes, define the architecture, requirements, test approach. We end up with actionable items for implementation

Period Planning

We roadmap our releases for a given period (currently – a quarter), prioritizing Product features and understanding their costs and effects.

Agile Development

Here, we work on planned features implementation, employing Agile & Engineering best practices, following the quality, security, compliance, API governance, Data governance requirements, etc.

Regulatory/ Change request process

This section describes how we deal with regulatory changes and change requests.

Release to Production

Now, we are ready for release. This section describes how to properly release a public version, strictly following all the processes to maintain high quality and security standards

Support and Maintenance

This is a perpetual process. It starts after the first release and ends with Product Decommission. While the team returns to the Agile Development phase, it still monitors the Product live and addresses incidents and bugs. The Product Owner and CX team analyze product usage and discover further improvements and functionality for the Product

Product Decommission

This is the final point of the Product's life. Here, we perform the actions to properly shut the Product down and process all related data and information. We do the post-mortem analysis and case studies to use the knowledge we obtained during the Product's life in the future

Product Team Withdrawal

We decide what to do with the Product team and perform the required actions to implement the decision

Challenges for Lending – cost of money

High Interest Rates

NBU key policy rate maintained at 15.5% since March 2025

Persistent Inflation

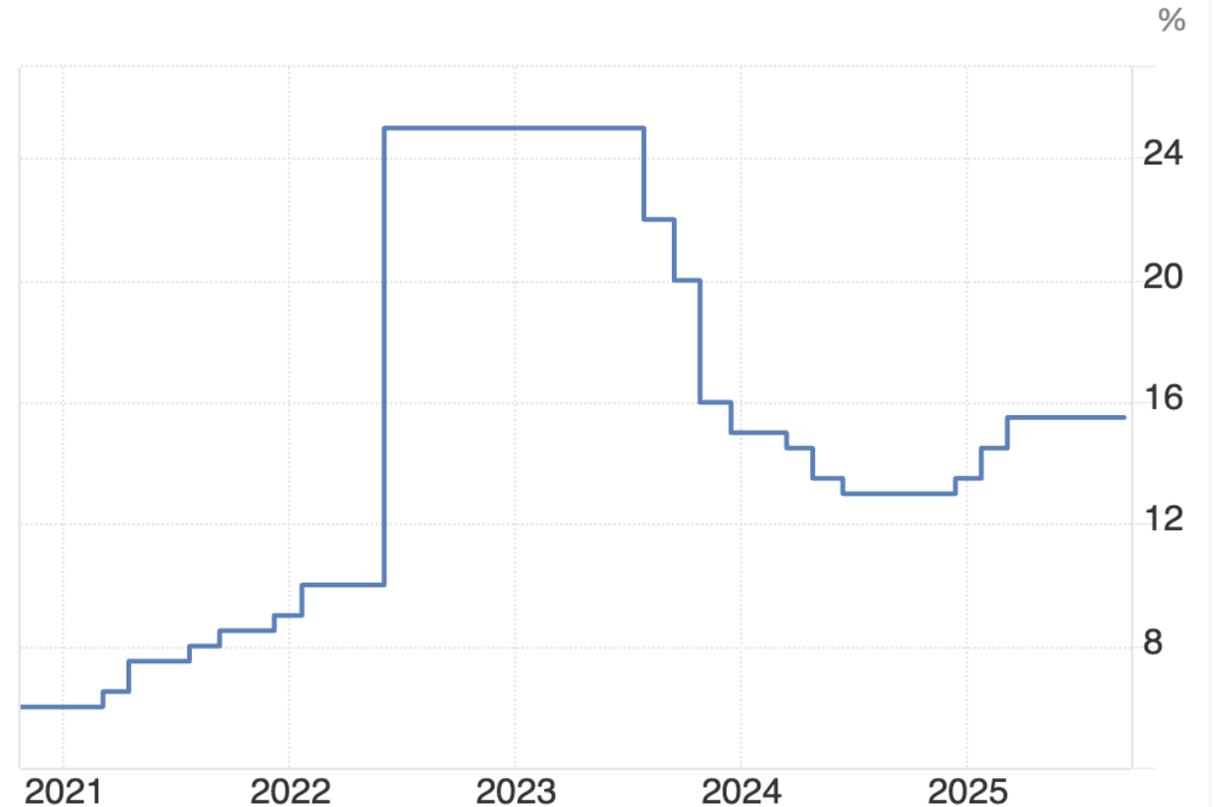
After peaking at 26% in 2022, still at 14.3% as of June 2025

Liquidity Constraints

Businesses struggling with cash flow and **working capital**

Ukraine Interest Rate

Summary Stats Forecast Calendar Alerts Download ▾



National Bank of Ukraine

Value Chg Chg%

Interview results: main customer pains

H

Manual Application

In-branch paperwork and lengthy credit applications



Documentation

Extensive collateral documents and physical or electronic signatures required



Slow Processing

5-7 Days to 2 weeks for approval decisions, 2-3 visits



Customer Pain

Businesses **had to use personal credit cards** for immediacy





Additional Research: Personal loans and credit cards for business purposes

17% of respondents among the individual entrepreneurs segment use personal loans for business purposes, 13% of them use a personal credit card. 47% of those who use personal loans for business purposes say that personal loans are easier and faster to obtain.

Using personal loans for business purposes:	Individual entrepreneur
Credit card	13%
Installment plan / payment in instalments	3%
Other consumer loan	1%
Why did you use a personal loan rather than a business loan:	Individual entrepreneur
Easier and faster loan application process	47%
Personal loans have lower interest rates	22%
Business loan application was rejected	9%
Did not want to go through a complicated verification process	5%
Higher limit on personal loans	5%
Did not have the necessary documents to obtain a business loan	3%

17% of individual entrepreneurs surveyed use personal loans for business purposes.

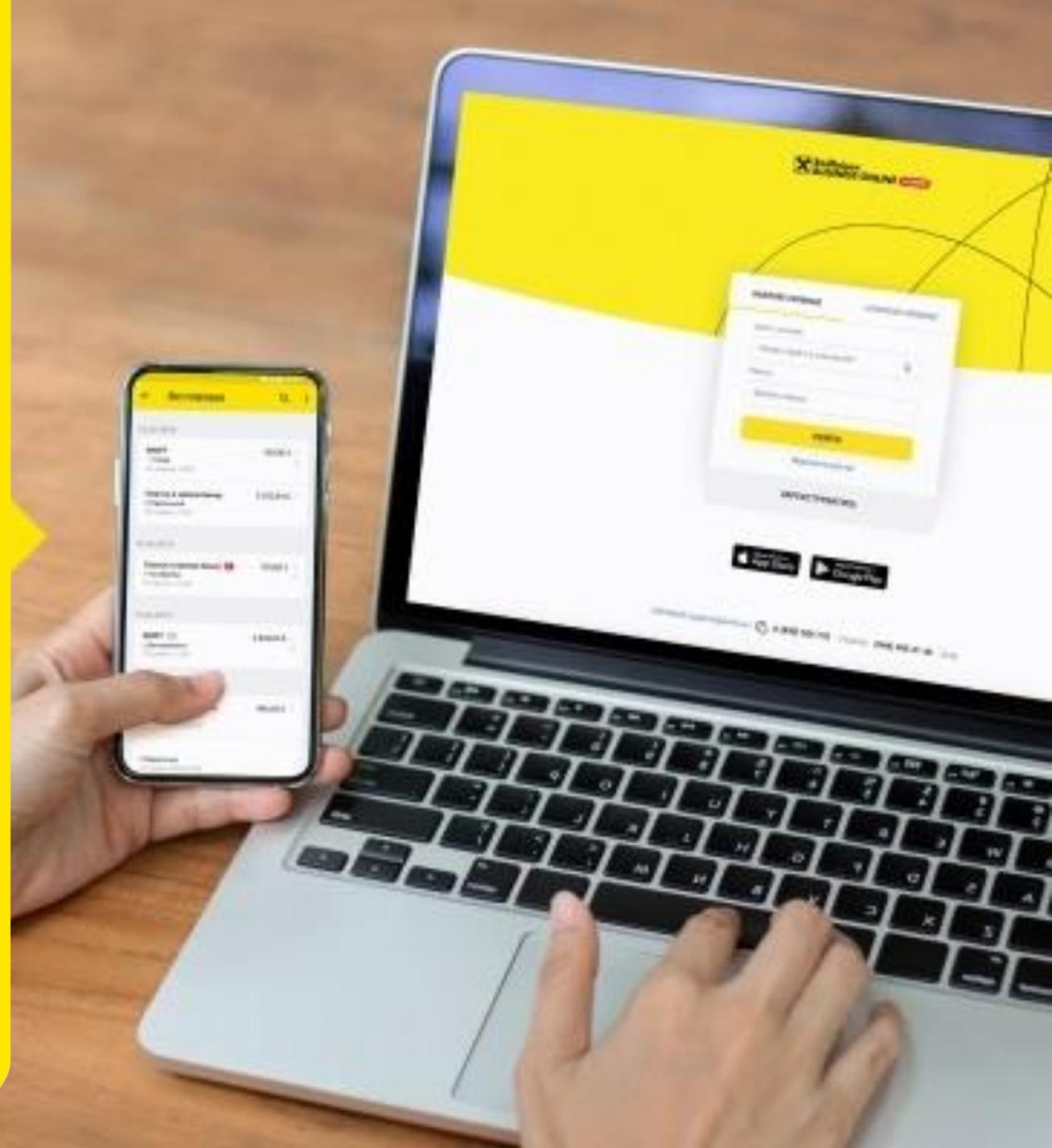
Question: Q49. Do you use personal loans for business purposes? If so, which ones? // Q50. Why did you decide to use a personal loan instead of a business loan?



04

Our solution

- Credit Card for Entrepreneurs
- Overdraft for SMEs
- Customer development strategy



Leveraging Credit Cards for SME Liquidity



Strategic Credit Card Reinvention

The bank enhanced its credit card with real-time scoring, free of charge 100 days **grace period** (to solve "high rates pain") and tailored **limits** to support SMEs' working capital needs.

Digitized Application Process in **PI mobile app**

The fully digital application reduced approval times to under two minutes, increasing efficiency and customer satisfaction.

Promotion and Education

Promotional campaigns on TV and social media, plus SME education webinars, empowered entrepreneurs to optimize credit use.

Incentives and Customer Experience

Relationship managers received incentives and re-education enhancing the bank's commitment to SMEs, improving experience.

Pains vs product features

Pains of Entrepreneurs		Product feature
Interest rates are too high	 29%	Grace period 100 days
Difficult to obtain a loan for the required amount	 13%	High limits
Bureaucracy	 7%	No paperwork at all, the same document as for tax authority
Difficulties with paperwork	 5%	Digital process in PI app
Unclear or hidden fees	 4%	100 free grace period, simple tariffs 3% every other fee
No transparency in decisions	 4%	PI product, risk decisions as for businessman
Unclear lending terms	 4%	simple tariffs
High commission for issuing or servicing	 3%	0 issuing fee, 0 servicing fee
No convenient way to repay	0%	Service model in the app, like private customer

Question: Q52. What difficulties or inconveniences have you encountered when using credit products for business?

Base: respondents who use the relevant service;  - significantly more compared to other segments;  - significantly more for RB;



Digital Credit Card for Entrepreneurs within Online Decision Engine process



STEP 1 – Client on-boarding and KYC process

- on-site or online from government web-portal and database (Diia) data launching, identification, segmentation and compliance check
- all customer's data completeness and public agreement signing



STEP 2 – Customer verification from in/external databases

- all internal checks in Bank in accordance with credit policy
- all external checks in Credit Bureau and other official open data-sources (Diia, Opendata, YouControl) in accordance with credit policy
- rating model scoring



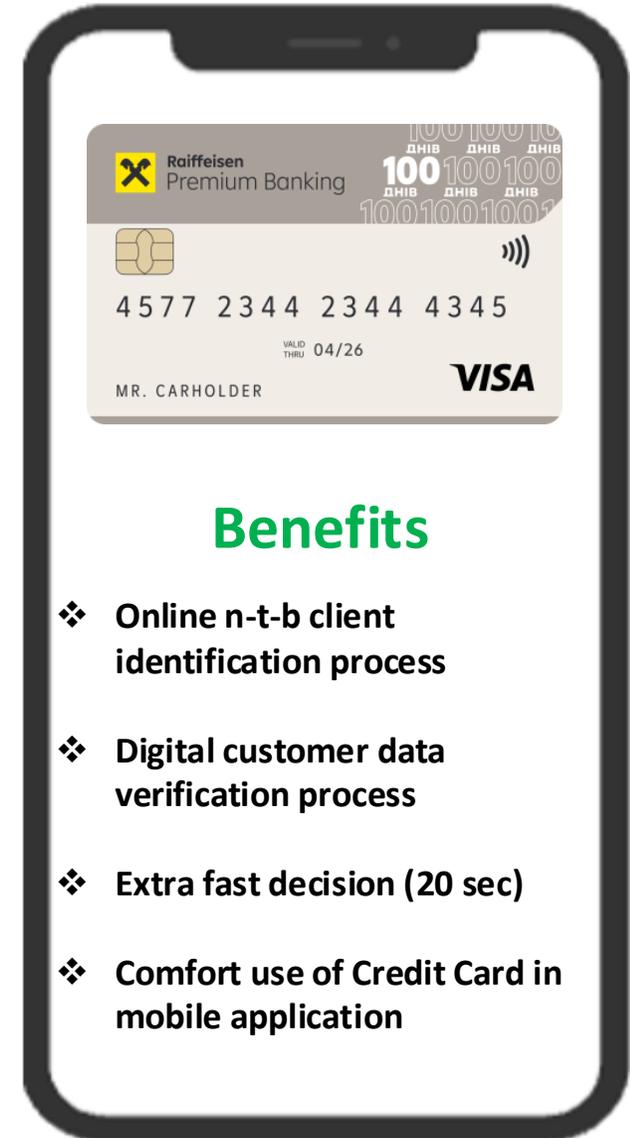
STEP 3 – Finance check and limit calculation

- digital verification of tax declaration (online launching from Diia or other official source)
- max eligible client's limit calculation process



STEP 4 – Pre-approve offer is provided to client

- instant pre-approved decision after successfully completing all 3 steps
- loan application completeness and contract signing
- fast online disbursement process



Benefits

- ❖ Online n-t-b client identification process
- ❖ Digital customer data verification process
- ❖ Extra fast decision (20 sec)
- ❖ Comfort use of Credit Card in mobile application

Digital Overdraft for Entrepreneurs and SMBs

Fast Digital Process, pre-approved customers, small welcome limits and bigger for existing customers



Fast Digital Liquidity

The overdraft service provides immediate liquidity with funds disbursed in under one minute.

Pre-approved Overdraft Limits

Eligible customers receive pre-approved limits; new users start with small limits that can grow with usage.

Paperless and Accessible

The fully digital process removes paperwork and branch visits, increasing accessibility and convenience.

Key Business Use Cases

The overdraft covers salaries, taxes, payments for goods and urgent expenses, supporting business continuity.

The overdraft offers a fully digital flow with a one-minute disbursement process, enabling quick access to funds.

05

Results and next steps

- Sales boom
- Additional customers
- Portfolio growth significantly above budget



Credit cards for entrepreneur

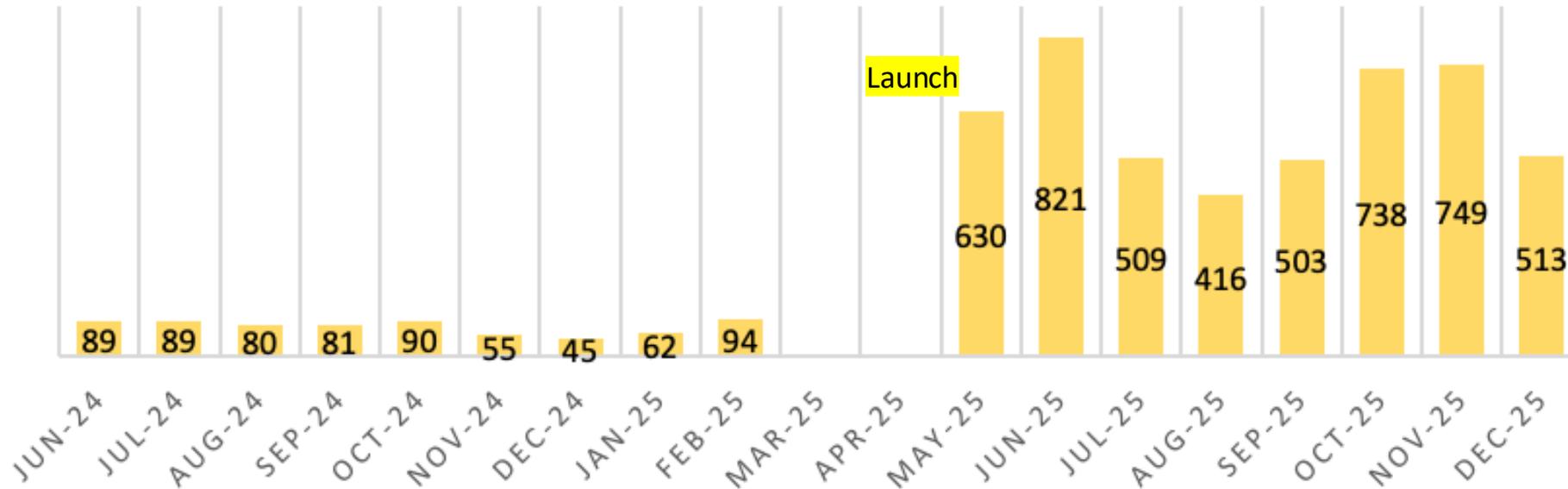
Lunch

for both types of need, with tax authority informing

Significant growth of sales, development for new to bank customers is going life this month

X 7 sales

Growth from 50-100 per month to 500-700 per month



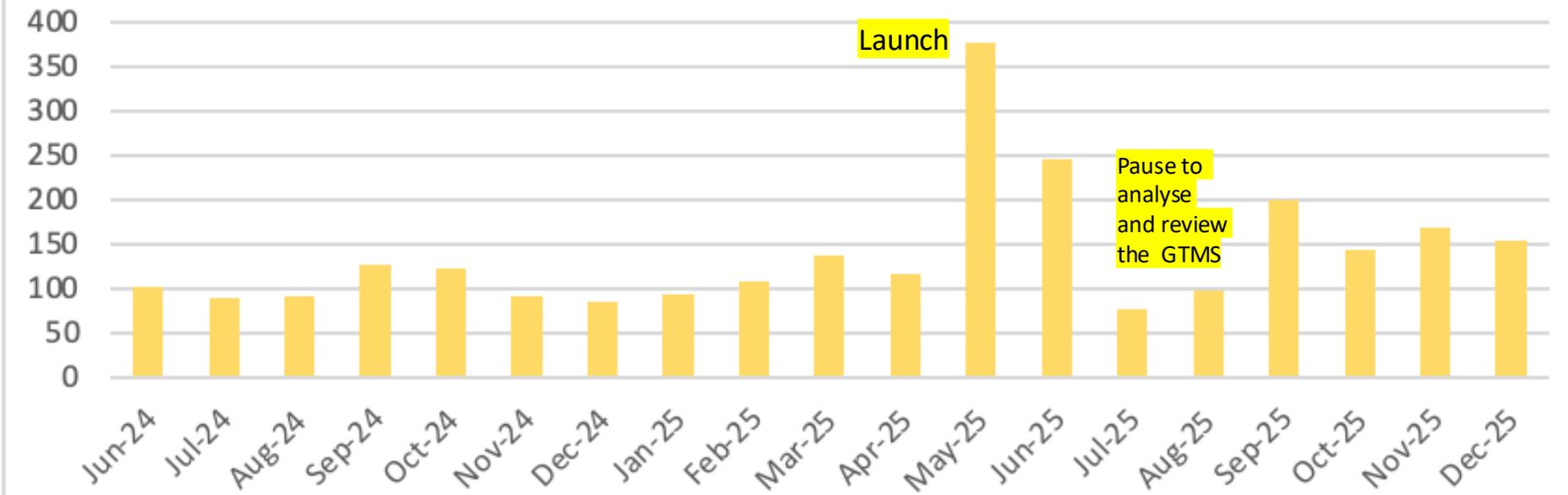
Next steps: same product & new decision-making process for new to bank customers and income verification

Business overdrafts of entrepreneurs and SMBs

E2E digital process, further cross sell

Significant growth of sales and portfolio

Business overdrafts new deals



+90% avg

Launch in May

For LEs- September

Short pause to analyse results, customer and branch managers feedback and review risk policies.

05

War related risk

- Collect data
- Stress tests
- Effects on provisions



✂ How to incorporate war related risk into models?



Step 1: Collected data:

- Surveys - information from client.
- Open data - external information
- Statistical analysis - internal information



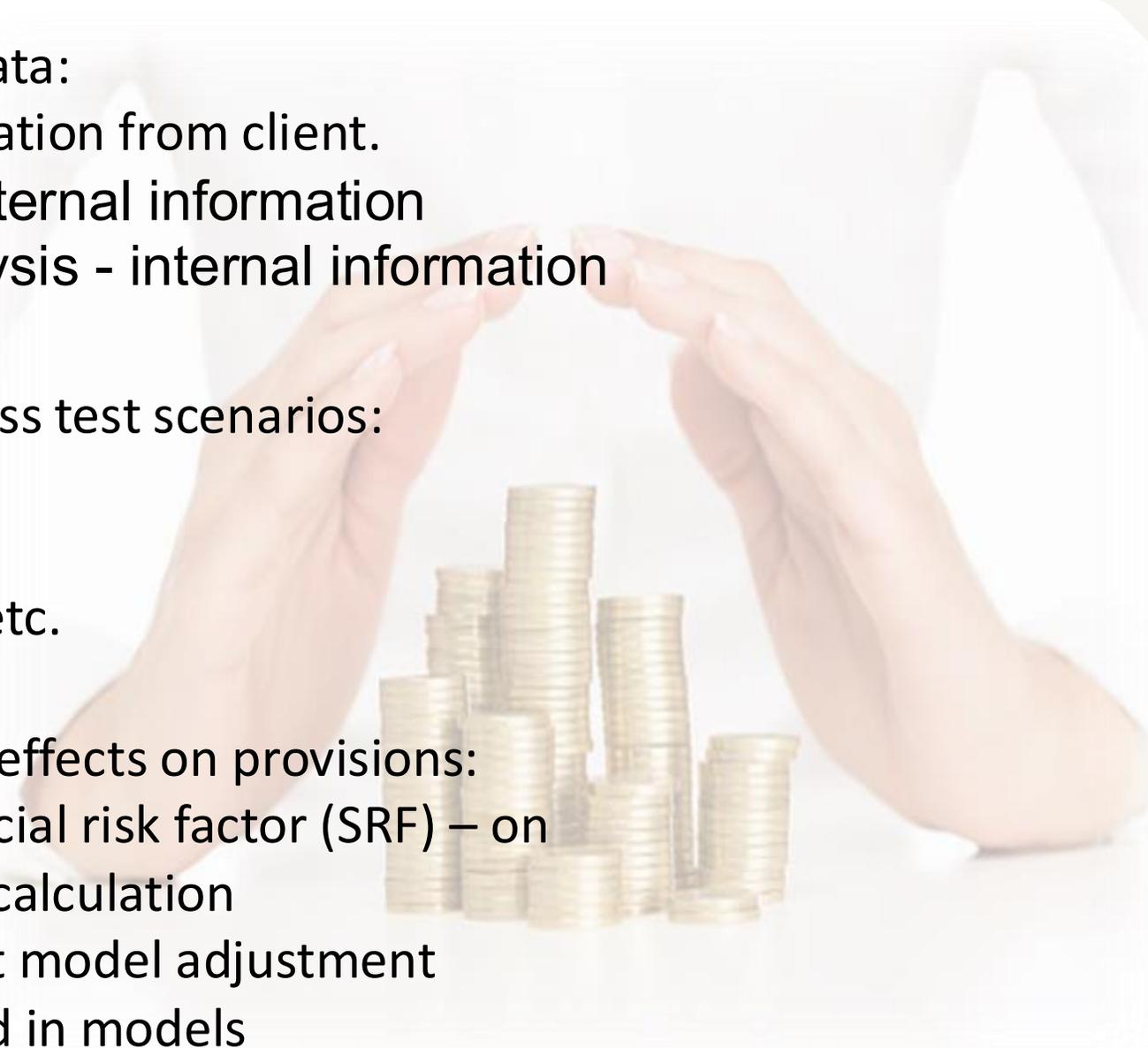
Step 2: Making stress test scenarios:

- Blackout
- Logistic
- Missiles attack, etc.



Step 3: Calculation effects on provisions:

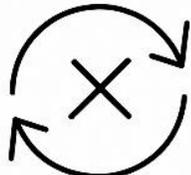
- Approach 1: Special risk factor (SRF) – on top after model calculation
- Approach 2: Post model adjustment (PMA) – included in models



Business model

Before

Top premium customers



Big tickets

Customer churn



Concentration in agricultural firms

Evolved

Low and grow



Cross-sell working capital loans and investment loans



Start with credit cards and overdrafts for SMEs

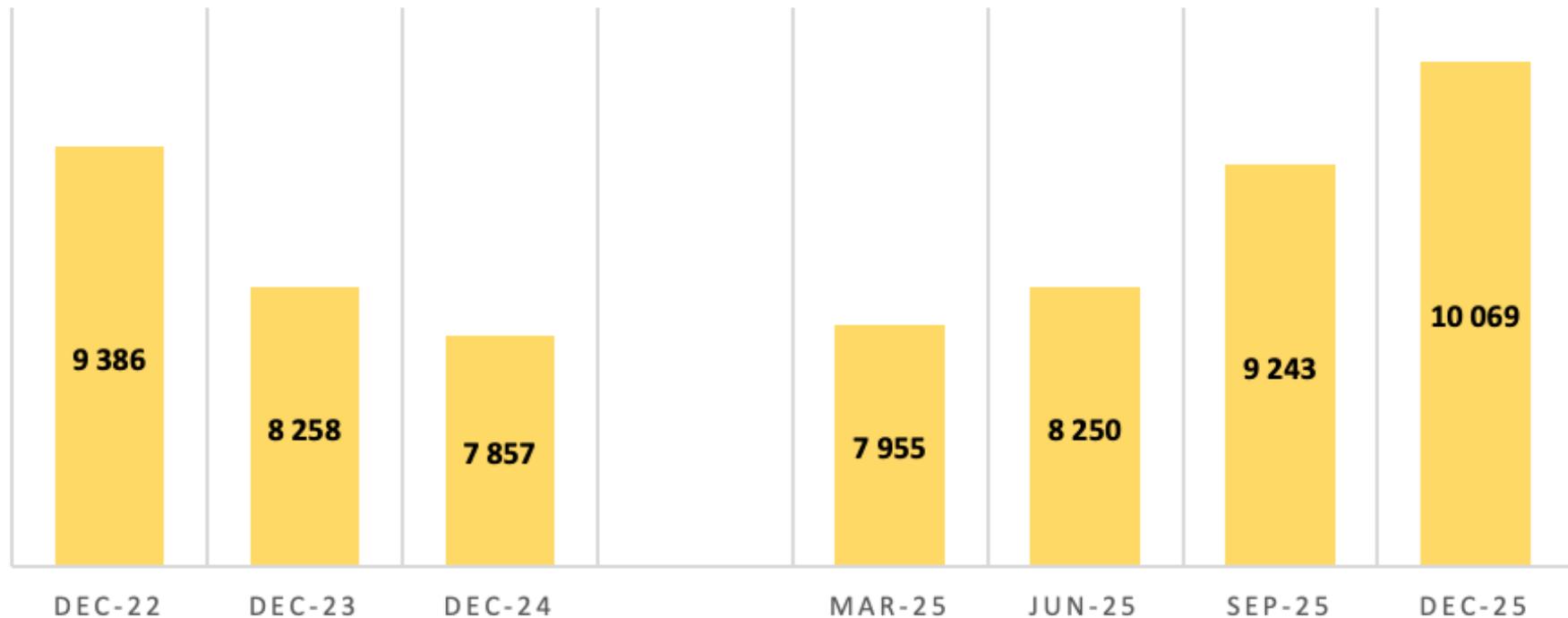


+8%

of overdrafts and Credit Cards users applied for working capital finance or investment loans during summer campaign

Credit customers count growth

SME LENDING CUSTOMERS



+28 %

Of lending customers in 2025

With the critical **churn** before

Final conclusions:

Understand Context

Recognize how customers are actually using your products (e.g., personal credit cards for business needs)

Ask Customers First

Base innovations on direct feedback rather than assumptions

First Things First

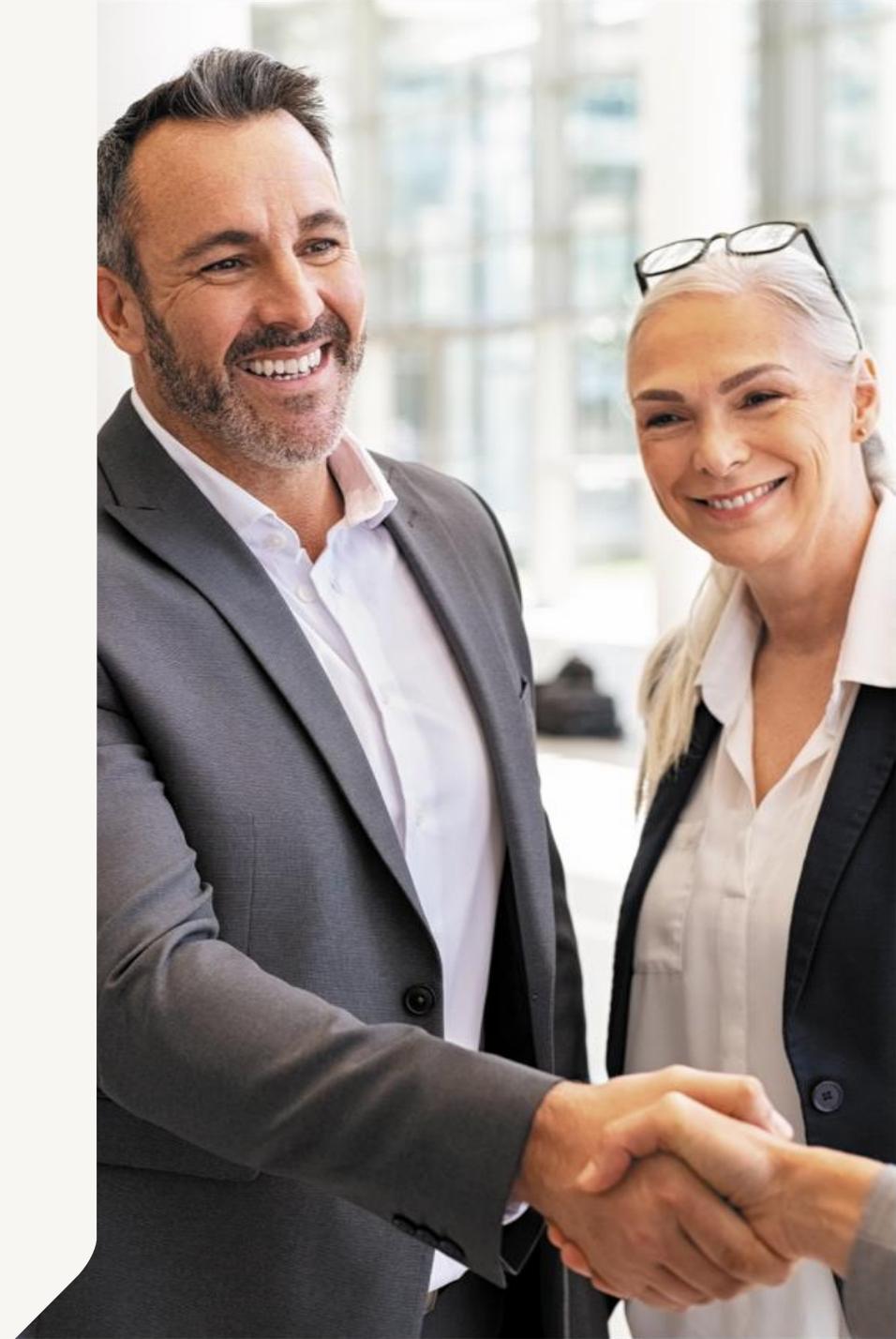
Focus on delivering core value before expanding features

Co-creation with Risk Colleagues

Find innovative ways to work within legacy system and current constraints

Next Steps: Scaling Success

Expanding credit card offerings for new-to-bank entrepreneurs with enhanced decision engine
Customer development and cross-sell



Thank you
for listening