

Second Supplement dated 14 May 2024 to the Registration Document dated 19 April 2024

*This document constitutes a supplement (the "**Second Supplement**") for the purpose of Article 23 (1) and Article 10 (1) of the Regulation (EU) 2017/1129 of the European Parliament and of the Council (as amended, the "**Prospectus Regulation**") and is supplemental to and should be read in conjunction with, the registration document dated 19 April 2024 (the "**Original Registration Document**") as supplemented by the first supplement dated 7 May 2024 (together with the Original Registration Document, the "**Supplemented Registration Document**") of Raiffeisen Bank International AG (the "**Issuer**" or "**RBI**"). The Supplemented Registration Document in the form as supplemented by this Second Supplement is hereinafter referred to as the "**Registration Document**".*



RAIFFEISEN BANK INTERNATIONAL AG

Terms defined in the Supplemented Registration Document have the same meaning when used in this Second Supplement. To the extent that there is any inconsistency between (a) any statement in this Second Supplement and (b) any other statement in the Supplemented Registration Document prior to the date of this Second Supplement, the statements in (a) will prevail.

This Second Supplement has been approved by the *Commission de Surveillance du Secteur Financier* (the "**CSSF**") and will be published in electronic form on the website of the Luxembourg Stock Exchange (www.luxse.com) and on the website of Raiffeisen Bank International AG (www.rbinternational.com).

The CSSF only approves this Second Supplement as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer that is the subject of this Second Supplement.

By approving this Second Supplement, the CSSF assumes no responsibility as to the economic and financial soundness of the transaction or the quality or solvency of the Issuer pursuant to Article 6 (4) of the Luxembourg act relating to prospectuses for securities dated 16 July 2019 (*Loi du 16 juillet 2019 relative aux prospectus pour valeurs mobilières et portant mise en oeuvre du règlement (UE) 2017/1129*, the "**Luxembourg Prospectus Law**").

The Issuer with its registered office at Am Stadtpark 9, 1030 Vienna, Austria, accepts responsibility for the information contained in this Second Supplement. The Issuer hereby declares, that to the best of its knowledge, the information contained in this Second Supplement is in accordance with the facts and that this Second Supplement makes no omission likely to affect its import.

This Second Supplement relates to the Issuer's (i) base prospectus with regard to its EUR 25,000,000,000 Debt Issuance Programme for the issuance of Debt Securities dated 19 April 2024 and (ii) base prospectus with regard to its Structured Securities Programme dated 19 April 2024.

In accordance with Article 23 (2) of the Prospectus Regulation, where the base prospectus to which this Second Supplement applies relates to an offer of debt securities to the public, investors who have already agreed to purchase or subscribe for any debt securities before this Second Supplement is published have the right, exercisable within two working days, which the Issuer has decided to extend to three working days, after the publication of this Second Supplement, i.e. until and including 17 May 2024, to withdraw their acceptances, provided that the significant new factor, material mistake or material inaccuracy arose or was noted before the closing of the offer period or the delivery of the debt securities, whichever occurs first. Investors may contact the relevant financial intermediary if they wish to exercise their right of withdrawal.

The reason for this Second Supplement is the decision of RBI's Board of Management as published in the ad-hoc release of the Issuer dated 8 May 2024 not to pursue the acquisition of STRABAG SE shares by RBI.

NOTICE

This Second Supplement does not constitute an offer of, or an invitation by or on behalf of the Issuer to subscribe for, or purchase, any debt securities RBI may issue.

No person has been authorised by RBI to give any information or to make any representation other than those contained in this Second Supplement or the Registration Document. If given or made, any such information or representation should not be relied upon as having been authorised by RBI.

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SUPPLEMENTAL INFORMATION

Part A – Amendments to the section DESCRIPTION OF THE ISSUER

- 1) On pages 37 - 42 of the Supplemented Registration Document, the section "**4.3. Information on any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Issuer's prospects for at least the current financial year**", shall be modified as follows, whereby added text is printed in blue and underlined and deleted text is printed in ~~red and strikethrough~~:

"4.3. Information on any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Issuer's prospects for at least the current financial year

RBI has identified the following trends, uncertainties, demands, commitments, or events that are reasonably likely to have a material effect on its prospects for at least the current financial year:

- ***Russian invasion of Ukraine***

RBI Group has material business interests and generates a substantial share of its earnings in the Eastern European ("EE") countries (Russia, Ukraine, and Belarus). Among others, it operates subsidiary banks in each of these countries.

As of 31 March 2024, loans to customers amounted to approximately EUR 5.8 billion in Russia, EUR 1.3 billion in the Ukraine and EUR 0.9 billion in Belarus. Profit after tax reported for the first quarter 2024 amounted to approximately EUR 326 million in Russia, EUR 61 million in the Ukraine and EUR 30 million in Belarus. The EUR equivalents for loans to customers as of 31 March 2024 were calculated based on the closing rates 99.870 EUR/RUB, 42.367 EUR/UAH and 3.502 EUR/BYN. The profit after tax is based on the following average exchange rates: EUR/RUB Q1 2024: 98.674; as well as EUR/UAH Q1 2024: 41.739; as well as EUR/BYN Q1 2024: 3.494. (Source: all internal data, unaudited).

The following selected financial information relates to RBI Group excluding Russia and Belarus as specified below:

In EUR million (unless stated otherwise)	RBI Group 31 December 2022 (audited)	RBI Group excluding- Russia/Belarus 31 December 2022 (unaudited, internal data)
Net interest income	5,053	3,399
Net fee and commission income	3,878	1,739
Net trading income and fair value result	663	254
Impairment losses on financial assets	(949)	(459)
Consolidated profit ¹⁾	3,627	1,435
Loans to customers	103,230	93,922
Common equity tier 1 ratio (transitional)	16.0%	14.0% ²⁾

1) Including the gain on the sale of the Bulgarian units of EUR 453 million.

2) Excluding Russia only.

In EUR million (unless stated otherwise)	RBI Group 31 December 2023 (audited)	RBI Group excluding- Russia/Belarus 31 December 2023 (unaudited, internal data)
Net interest income	5,683	4,282
Net fee and commission income	3,042	1,724
Net trading income and fair value result	186	30
Impairment losses on financial assets	(393)	(296)
Consolidated profit	2,386	997
Loans to customers	99,434	92,815
Common equity tier 1 ratio (transitional) – incl. profit	17.3%	14.6% ¹⁾

1) Excluding Russia only.

In EUR million (unless stated otherwise)	RBI Group 31 March 2024 (unaudited, internal data)	RBI Group excluding- Russia/Belarus 31 March 2024 (unaudited, internal data)
Net interest income	1,455	1,092
Net fee and commission income	669	427
Net trading income and fair value result	17	(8)
Impairment losses on financial assets	(25)	(3)
Consolidated profit	664	333
Loans to customers	100,434	93,831
Common equity tier 1 ratio (transitional) – incl. profit	17.3%	14.6% ¹⁾

1) Excluding Russia only.

	RBI Group 31 December 2022 (audited)	RBI Group excluding- Russia/Belarus and Bulgaria ¹⁾ 31 December 2022 (unaudited, internal data)
Consolidated return on equity ²⁾	26.8%	8.7%

	RBI Group 31 December 2023 (audited)	RBI Group excluding- Russia/Belarus 31 December 2023 (unaudited, internal data)
Consolidated return on equity ²⁾	14.8%	7.6%

	RBI Group 31 March 2024 (unaudited, internal data)	RBI Group excluding- Russia/Belarus 31 March 2024 (unaudited, internal data)
Consolidated return on equity ²⁾	15.0 %	9.9%

¹⁾ The exclusion of Bulgaria refers to the impact of the sale and deconsolidation of Raiffeisenbank (Bulgaria) EAD and Raiffeisen Leasing Bulgaria EOOD in 2022.

²⁾ Consolidated return on equity – Consolidated profit less dividend on Additional Tier 1 capital in relation to the average consolidated equity (i.e., the equity attributable to the shareholders of RBI). The average consolidated equity is based on month-end figures excluding non-controlling interests and does not include current year profit.

The Russian invasion of and the war in Ukraine have led to sovereign downgrades of the three aforementioned countries by the major rating agencies, which impacts credit risk calculations of RBI Group. Given the ongoing war, the political and economic implications as well as present and future sanctions and countersanctions, a full and final quantification of the financial impact on and the possible damage to RBI Group, RBI Regulatory Group and RBI Resolution Group Austria (caused by bodily harm to RBI Group's employees and clients, physical damages to properties and business infrastructure of RBI Group and its clients, nationalisation or expropriation of RBI Group entities, discontinuation of dividend payments from or write-downs/write-offs of group entities in this region, decrease of capital and own funds, impact on MREL ratios, asset freezes, increase of defaults, decrease of asset prices, devaluation of local currencies, restrictions on foreign currency transactions, further rating downgrades, financial or other sanctions imposed on RBI Group entities or representatives, withdrawal of licences of RBI Group entities by regulatory or governmental authorities, legal implications, etc.) is still not possible as of the date of this Prospectus. In any case, the impact on RBI Group, RBI Regulatory Group, RBI Resolution Group Austria, and RBI is material.

Since the outbreak of the war RBI is reducing its exposure in Russia and is working on a deconsolidation of Raiffeisenbank Russia and its subsidiaries (Raiffeisenbank Russia and its subsidiaries together, the "**Russian Subsidiaries**") from the RBI Group by way of a sale or spin-off of the Russian Subsidiaries, in full compliance with local and international laws and regulations and in consultation with the relevant competent authorities. In case of a spin-off, the Russian Subsidiaries would be carved out of the RBI Group and RBI shareholders would receive shares in an entity that holds this stake.

In a scenario where RBI Group deconsolidates its Russian Subsidiaries from its balance sheet without any proceeds from a sale ("**P/B Zero Deconsolidation Scenario**"), RBI Group's risk weighted assets ("**RWA**") are reduced by approximately EUR 15 billion whilst the CET 1 capital of RBI Group is reduced by approximately EUR 4.8 billion. In addition, the operational risk from Russia to be phased out would lead to an increase in the CET 1 ratio of RBI Group excluding Russia of approximately plus 64 basis points (Source: all internal data, unaudited).

In order to further reduce its exposure in Russia, [in December 2023](#) RBI ~~has had~~ taken ~~the~~ decision to acquire 28,500,000 shares in STRABAG SE, representing 27.78 per cent. of outstanding shares, via its Russian subsidiary Raiffeisenbank Russia from Russian based MKAO "Rasperia Trading Limited" for a cash consideration of EUR 1,510 million (including past dividends). ~~Closing of the acquisition is subject to various conditions precedent including, inter alia, satisfactory completion of the sanctions compliance due diligence by RBI, regulatory approvals, and merger clearance.~~

Upon the ~~successful~~ closing of the acquisition, Raiffeisenbank Russia ~~intends~~ [would have intended](#) to transfer the shares in STRABAG SE to RBI by issuing a dividend in kind. ~~The approval of the dividend in kind by the competent Russian authorities is also a condition precedent for the acquisition of the shares in STRABAG SE by Raiffeisenbank Russia.~~

The impact on RBI's consolidated CET 1 ratio at closing ~~is~~ [was estimated to be](#) approximately minus 11 basis points, while on the level of the RBI Group excluding Russia, (P/B Zero Deconsolidation Scenario: 14.6 per cent. proforma including profits as of 31 December 2023) CET 1 ratio ~~is~~ [was](#) expected to increase by approximately 125 basis points (at closing) (Source: all internal data, unaudited).

~~After closing, RBI intends to retain the shares in STRABAG SE as a long-term equity participation which will be contributed to and managed by a fully consolidated subsidiary.~~

[On 8 May 2024, however, RBI announced that its Board of Management has decided not to pursue the proposed acquisition of STRABAG SE shares by RBI Group. In recent exchanges with the relevant authorities, RBI had been unable to obtain the required comfort in order to proceed with the proposed transaction and therefore decided not to pursue the transaction.](#)

For the purpose of steering the RBI Group without its Russian Subsidiaries, and to prepare for the potential deconsolidation scenario of its Russian Subsidiaries, RBI has integrated a "dual steering approach" in its Internal Capital Adequacy Assessment Process ("**ICAAP**"), including its risk appetite framework, capital planning process, ICAAP reporting, capital limit trigger monitoring, and stress testing. "Dual steering approach" means the supplementary monitoring and steering of RBI Group's consolidated capital ratios without its Russian Subsidiaries.

In addition to the capital requirements based on the SREP 2023 as referred to in section "*2.5 Capital requirements*", the ECB informed the Issuer that the Issuer shall maintain a CET 1 capital ratio without the Russian Subsidiaries of 13.0 per cent. on or before 30 September 2023 and of 13.5 per cent. at any time thereafter, assuming: (a) a full loss of the equity of its Russian Subsidiaries; (b) the deduction of associated risk-weighted assets from the Russian Subsidiaries; and (c) a full loss of subordinated instruments issued by the Russian Subsidiaries which are held by the Issuer ("**Assumptions**"). As regards Assumption (c), it should be noted that the intra-group subordinated instruments issued by Raiffeisenbank Russia were repaid in full in June 2023.

On 22 April 2024, RBI received from the ECB a request for an acceleration of the business reduction in Russia, which RBI has been conducting since February 2022. Under these requirements, loans to customers would decrease significantly by 2026 (up to 65 per cent. vs. Q3/2023), as would international payments originating from Russia. Since February 2022, RBI has taken substantial measures to mitigate the risks deriving from its ownership of the Russian Subsidiaries, including specifically risks to its capital position and liquidity, and risks from increased sanction compliance requirements. The ECB's requirements go far beyond RBI's own plans to further reduce the Russian

business and may adversely impact RBI's options to sell the Russian Subsidiaries. RBI is committed to achieving the deconsolidation of its Russian Subsidiaries, including via a sale of the units.

On 14 February 2024, RBI announced that it is in advanced negotiations on the disposal of its 87.74 per cent. stake in Priorbank JSC, Belarus, and its subsidiaries, with Soven 1 Holding Limited, an investor from the United Arab Emirates, resulting in a potential exit of RBI from the Belarusian market. The signing of the transaction is – among other conditions – pending proof of funds by the investor with transfer of full collateral for the transaction consideration. The expected impact on the CET 1 ratio of RBI Group would be minimal. The transaction would trigger a loss of approximately EUR 225 million on RBI Group, resulting from the difference of the purchase price and book value of the equity of Priorbank JSC, Belarus. At closing, a further negative impact in the range of EUR 450 million is expected on RBI Group's consolidated profit, relating to the reclassification of predominantly historical foreign currency ("FX") losses currently recognized in other comprehensive income. This reclassification of losses would have no impact on the regulatory capital of RBI Group. (Source: all internal data, unaudited)

The provision ratio for 2024 is expected to be at around 50 basis points for RBI Group excluding Russia and Belarus. (Source: all internal data, unaudited)

- ***Imposition of new taxes in Hungary***

With effect from 1 July 2022, banks are required to pay extra profit tax and the scope of the existing financial transaction tax has been extended (which only has a minor effect). The extra profit tax was limited to the years 2022 and 2023 but with effect from 1 June 2023 was prolonged for the year 2024. The extra profit tax base is basically the net income from usual operation for the previous year. For the year 2022, the rate of extra profit tax was 10 per cent. For the year 2023, the tax base was divided into two parts. In the first half of 2023 the tax base equalled 50 per cent. of the original tax base (as stated above) and the tax rate was 8 per cent. For the second half year, a new calculation method has been introduced. The tax base equals 50 per cent. of the net profit of 2022 modified by several items and the tax rate is 13 per cent. up to an amount of HUF 10 billion (approximately EUR 26.5 million) of the tax base, and 30 per cent. above such threshold limit. The amount of the extra profit tax for RBI's subsidiary Raiffeisen Bank Zrt., Hungary ("**RBHU**") was EUR 73 million for the year 2023.

For the year 2024, the tax calculation is basically the same as for the second half of 2023. Based on this calculation, the estimated amount of the extra profit tax for RBHU for 2024 is EUR ~~9088~~ million which will be reduced by up to 50 per cent (EUR 44 million) due to the increased ~~However, this estimated amount can be reduced by up to 50 per cent. depending on the~~ volume of Hungarian Government Bonds held by RBHU. Such reduction possibility, which RBHU intends to utilize, is defined by the Hungarian tax law. EUR 44 million extra profit tax was booked in the first quarter of 2024 and will be paid in June 2024. (Source: internal data, unaudited)

- ***Imposition of new taxes in the Czech Republic***

In the Czech Republic, a new tax called windfall tax (Zufallsgewinnsteuer) applies from 1 January 2023, for the 2023, 2024 and 2025 taxable periods. The windfall tax applies to exceptionally profitable companies in the energy production and trading, banking, petroleum, and fossil fuel extraction sectors. The windfall tax is a 60 per cent. tax surcharge applied to the companies' excess profits determined as the difference between the tax base and the average of the tax bases over the years 2018-2021 plus 20 per cent. RBI Group is affected only through Raiffeisenbank a.s., Prague ("**RBCZ**") which is subject to this new tax. Other consolidated entities on RBCZ level are not subject to this new tax. Thus, the estimated impact arising from this additional tax is between EUR 50 and 70 million (depending on the business development) for all taxable periods taken together (Source: internal data, unaudited). The first prepayment period started already in 2023, therefore, the windfall tax was calculated already for 2022 but only for determining the amount of tax prepayments payable from 2023.

- ***Imposition of new taxes in Russia***

In Russia, a new law on a one-off special tax (windfall tax) was enacted on 4 August 2023 and came into force on 1 January 2024. The tax base is calculated as a difference between the average value of taxable profits for 2021 and 2022 over the average value of taxable profits for 2018 and 2019. The common tax rate is 10 per cent.; in case companies have transferred 50 per cent. of the windfall tax in the form of a voluntary "security payment" to the Russian federal budget between 1 October and 30 November 2023 they may actually reduce the effective tax rate of windfall tax to 5 per cent. RBI Group was affected through Raiffeisenbank Russia and several of Raiffeisenbank Russia's subsidiaries, which paid the "security payment" in the amount of RUB 4,115,037,781 in November 2023.

- ***Imposition of new taxes in Slovakia***

In Slovakia, the Amendment to the Act on the Special Levy on Regulated Entities became effective on 1 January 2024 laying down the obligation for banks to pay the special levy as of 2024. The levy is paid via prepayments on a monthly basis, at a coefficient of 0.025, which represents a rate of 30 per cent. p.a. of the profit/loss adjusted to comply with Slovak Accounting Standards and by a coefficient reflecting the share of income from banking operations in total income. The special levy of regulated entities is a tax-deductible expense. The levy rate will be gradually reduced by 5 per cent. p.a. over the 2025 -2027 period (2025: 24.96 per cent., 2026: 20.04 per cent., 2027: 15 per cent.). From 2028, a tax rate of 4.356 per cent. for banks and all licenced industries will remain as part of the government's taxation package.

A first rough impact estimate of the banking tax on RBI's Slovak subsidiary Tatra banka, a.s. was calculated in the amount of a net profit after tax 2024 reduction of EUR 64 million. (Source: internal data, unaudited)

- ***General trends regarding the financial industry***

The trends and uncertainties having an impact on the financial sector in general and consequently also on RBI Group continue to be affected by the Russian invasion of Ukraine, the conflict in the Gaza Strip with an acute risk of a widening of the conflict, an environment of elevated interest rates due to a slow moderation of inflation, as well as financial market concerns that have emerged with the failure of a number of US and European banks. The financial sector as a whole, but in particular also RBI Group, is affected by the economic impact from and related uncertainties about the Russian invasion of Ukraine, interruptions in the global production chains, high materials, food and energy prices and as a result a slow moderation of inflation rates, persistently elevated interest rates and increased volatility on the financial and real estate markets. Thus, RBI Group will not be able to escape the effects of corporate insolvencies, deteriorations in the creditworthiness of borrowers and valuation uncertainties. Although the ECB has increased its key interest rates, the still lower interest rate level in the Euro area against higher interest rate levels in the US, in CEE and in other countries could affect the behaviour of investors and clients alike, which may lead to reduced fee income and/or pressure on the interest rate spread. Furthermore, an increase in the funding spread of RBI caused by the Russia-Ukraine crisis may influence both, the liability, and the asset side, and make RBI less competitive.

- ***Trends regarding real estate markets***

Given the current economic environment, real estate markets suffer considerable tensions. In particular, project developers experience difficulties in refinancing or marketing their projects. This also affects large developers in Germany and Austria and has even led to first bankruptcy proceedings. In addition, falling real estate prices are putting the industry under increasing pressure. RBI Group's commercial real estate and developer ("CRE") portfolio amounted to EUR 13.7 billion as of end of Q1 2024, of which approximately 16 per cent. are attributable to its five largest customers. RBI Group aims to gradually reduce the CRE exposure in the books and as of end of Q1

2024 has set aside EUR 460 million in provisions plus additional around EUR 120 million in loan loss provisions for potentially emerging risks. (Source: all internal data, unaudited)"