

First Supplement dated 20 August 2020 to the Registration Document dated 17 July 2020

This document constitutes a supplement (the "First Supplement") for the purpose of Article 23 (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 17 July 2020 (the "Original Registration Document") of Raiffeisen Bank International AG (the "Issuer" or "RBI"). The Original Registration Document in the form as supplemented by this First Supplement is hereinafter referred to as the "Registration Document".



RAIFFEISEN BANK INTERNATIONAL AG

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

This First Supplement has been approved by the *Commission de Surveillance du Secteur Financier* (the "CSSF") and will be published together with any documents incorporated by reference in electronic form on the website of the Luxembourg Stock Exchange (www.bourse.lu) and on the website of Raiffeisen Bank International AG (www.rbinternational.com).

The CSSF only approves this First 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 First Supplement.

By approving this First 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 First Supplement. The Issuer hereby declares, that to the best of its knowledge, the information contained in this First Supplement is in accordance with the facts and that this First Supplement makes no omission likely to affect its import.

This First Supplement relates to the Issuer's base prospectus with regard to its EUR 25,000,000,000 debt issuance programme for the issuance of Debt Securities dated 17 July 2020.

In accordance with Article 23 (2) of the Prospectus Regulation, where the base prospectus to which this First 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 First Supplement is published have the right, exercisable within two working days after the publication of this First Supplement, i.e. until and including 24 August 2020, 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.

NOTICE

This First 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 First 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 RISK FACTORS

- 1) On page 18 of the Original Registration Document, in the risk factor "**b.2 The Issuer has to comply with its applicable regulatory capital requirements at any time**", the existing text in the second-last paragraph shall be modified as follows, whereby added text is printed in blue and underlined and deleted text is printed in ~~red and strikethrough~~:

"Legislation impacting ~~on~~ the regulatory capital requirements could be enacted with little preparatory periods as evidenced by the latest amendments amending of the CRR as regards certain adjustments in response to the COVID-19 pandemic (albeit such legislation did not result in stricter regulatory capital requirements)."

- 2) On page 18 of the Original Registration Document, in the risk factor "**b.3 The Issuer is obliged to contribute to the Single Resolution Fund and to the deposit guarantee fund.**", the existing text in the second paragraph shall be modified as follows, whereby added text is printed in blue and underlined and deleted text is printed in ~~red and strikethrough~~:

"The Issuer and some of its Austrian subsidiaries like Raiffeisen Bausparkasse GmbH are ~~is-a~~ members of the Einlagensicherung AUSTRIA Ges.m.b.H. ("ESA"), the statutory (Austrian) deposit guarantee scheme within the meaning of Austrian Deposit Guarantee and Investor Protection Act (*Einlagensicherungs- und Anlegerentschädigungsgesetz* – "ESAEG"). The ESAEG stipulates a target level of the ex-ante financed deposit guarantee fund for the ESA of 0.8 per cent. of covered deposits which shall be fully composed by contributions of its members (including the Issuer) until 3 July 2024. If (in case of a crisis of a member institution) required, the Issuer may also be obliged to make certain (ex post) contributions to the SRF and the deposit guarantee fund. "

- 3) On page 24 of the Original Registration Document, in the risk factor "**d.4 Risk of epidemic/pandemic outbreaks.**", the existing text in the second paragraph shall be modified as follows, whereby added text is printed in blue and underlined and deleted text is printed in ~~red and strikethrough~~:

"Pandemics, epidemics and outbreaks of infectious diseases such as the recent outbreak of the corona virus disease (COVID-19) can have severe impacts on banking operations, the social and economic environment, and financial market developments. Forced closures of bank premises due to infection and travel restrictions and the quarantine of areas and even whole regions can have a severe impact on RBI Group's ability to maintain banking operations. Clients of RBI Group could be forced to reduce or close down their own operations or, in the case of private individuals, could lose their wage income, which would result in a material worsening of their ability to service their liabilities towards members of RBI Group. In such a situation, legislators might also enact a temporary moratorium in particular for private individuals and small companies on their credit obligations towards members of RBI Group. Governments and central banks might also restrict or inhibit dividend payments from RBI's subsidiaries to RBI. Stressed financial market conditions as a result of such an outbreak might negatively impact the liquidity situation of RBI, in particular if these conditions were to prevail for a longer time including in case of subsequent outbreaks or if the ~~expected~~ responses from central banks and governmental authorities in such a situation were to prove ineffective."

Part B – Amendments to the section DESCRIPTION OF THE ISSUER

- 4) On page 26 of the Original Registration Document, in the chapter "**1.1.3. Statutory auditors**", the following paragraph shall be inserted as third paragraph, just after the paragraph starting with "KPMG audited ..." and ending with "... on 28 February 2020, respectively":

"Furthermore, KPMG reviewed RBI's German language condensed interim consolidated financial statements for the period from 1 January 2020 to 30 June 2020 in accordance with Austrian Standards for Chartered Accountants, in particular in compliance with KFS/PG 11 "Principles of Engagements to Review Financial Statements" and with the International Standard on Review Engagements (ISRE 2410) "Review of Interim Financial Information performed by the Independent Auditor of the Entity" and issued its review report dated 5 August 2020."

- 5) On page 26 of the Original Registration Document, in the chapter "**1.1.4. Any recent events particular to the Issuer and which are to a material extent relevant for the evaluation of its solvency**", the existing text shall be deleted and replaced by the following wording:

"The Issuer is not aware of any recent events particular to RBI (*i.e.* occurring after the most recent published reviewed interim consolidated financial statements of the Issuer as of 30 June 2020) that are to a material extent relevant to the evaluation of its solvency."

- 6) On pages 30 to 31 of the Original Registration Document, in the chapter "**2.5 Capital requirements**", the following paragraphs of the existing text shall be modified as follows, whereby added text is printed in blue and underlined and deleted text is printed in ~~red and strikethrough~~:

"2.5. Capital requirements

Based on the Supervisory Review and Evaluation Process ("**SREP**") in 2019 and the ECB decision dated 8 April 2020, both, RBI and RBI Regulatory Group, shall meet a Pillar 2 requirement ("**P2R**") of 2.25 per cent., while RBI Regulatory Group shall additionally meet a Pillar 2 guidance ("**P2G**") of 1.00 per cent. The P2R shall be met with at least 56.25 per cent. Common Equity Tier 1 ("**CET 1**") capital and 75 per cent. Tier 1 capital. Furthermore, the P2G of 1.00 per cent. shall be met with 100 per cent. CET 1 capital.

As of ~~31 March~~ 30 June 2020, the following capital requirements apply to RBI Regulatory Group and to RBI:

Capital requirements as of 31 March <u>30 June</u> 2020	RBI Regulatory Group	RBI
CET 1 Pillar 1 requirement (Article 92 CRR)	4.50 per cent.	4.50 per cent.
CET 1 Pillar 2 requirement	1.27 per cent.	1.27 per cent.
Capital buffers:		
<i>Countercyclical capital buffer</i>	0.32 <u>0.24</u> per cent.	0.04 <u>0.5</u> per cent.
<i>Capital conservation buffer</i>	2.50 per cent.	2.50 per cent.
<i>the higher of the following: *</i>		
– <i>Other systemically important institution buffer</i>	2.00 per cent.	2.00 per cent.
– <i>Systemic risk buffer</i>	2.00 per cent.	2.00 per cent.
Combined buffer requirement	4.8 2 <u>4</u> per cent.	4.5 4 <u>5</u> per cent.

CET 1 requirement (incl. capital buffers)	10.59 60 per cent.	10.31 2 per cent.
AT 1 requirement (Article 92 CRR)	1.50 per cent.	1.50 per cent.
AT 1 Pillar 2 requirement	0.42 per cent.	0.42 per cent.
Tier 1 requirement (incl. capital buffers)	12.512 per cent.	12.234 per cent.
Tier 2 requirement (Article 92 CRR)	2.00 per cent.	2.00 per cent.
Tier 2 Pillar 2 requirement	0.56 per cent.	0.56 per cent.
Total capital requirement (incl. capital buffers)	15.079 per cent.	14.7980 per cent.
Pillar 2 guidance	1.00 per cent.	0.00 per cent.
CET 1 requirement (incl. capital buffers & P2G)	11.5960 per cent.	10.312 per cent.

(Source: unaudited internal data)

* With the implementation of the EU Banking Package into Austrian law (until 28 December 2020 at the latest), the way of applying these two buffers will change insofar that these buffers will be cumulative in general. However, no impact is expected on the capital requirements as the Austrian Financial Market Stability Board (*Finanzmarktstabilitätsgremium – "FMSG"*), which has been established to strengthen cooperation in the field of macroprudential supervision and to promote financial market stability, proposed adjusting the systemic risk buffer and the other systemically important institution (O-SII) buffer as of 29 December 2020.

The countercyclical capital buffer is calculated on"

- 7) On page 34 of the Original Registration Document, in the chapter "**4.2. Significant change in the financial performance of RBI Group since the end of the last financial period for which financial information has been published**", the existing text shall be deleted and replaced by the following wording:

"Save as disclosed in 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*", first bullet point ("**Outbreak of the corona virus disease (COVID-19)**") below, there has been no significant change in the financial performance of RBI Group since 30 June 2020."

- 8) On page 44 of the Original Registration Document, in the chapter "**7. FINANCIAL INFORMATION AND DOCUMENTS INCORPORATED BY REFERENCE**", the following wording shall be inserted just below the last paragraph of the sub-section "**c. Translation of the unaudited interim consolidated financial statements of RBI for the three months ended 31 March 2020** / Extracted from RBI's First Quarter Report 2020 as of 31 March 2020 " and just above the paragraph starting with "The auditor's reports dated 27 February 2019 ...":

"

d. Translation of the reviewed interim consolidated financial statements of RBI for the six months ended 30 June 2020

Extracted from RBI's Semi-Annual Financial Report as at 30 June 2020

- Statement of Comprehensive Income pages 39 - 40
- Statement of Financial Position page 41
- Statement of Changes in Equity page 42
- Statement of Cash Flows pages 43 - 44
- Segment Reporting pages 45 - 49
- Notes pages 50 - 137
- Report on the Review Pages 139 - 140

The Semi-Annual Financial Report as at 30 June 2020 of RBI containing the reviewed interim consolidated financial statements of RBI for the six months ended 30 June 2020 is made available on the website of the Issuer under

<http://qr022020.rbinternational.com>

"

- 9) On page 44 of the Original Registration Document, in the chapter "**7. FINANCIAL INFORMATION AND DOCUMENTS INCORPORATED BY REFERENCE**", the paragraph starting with "The auditor's reports dated 27 February 2019 ..." and ending with "..., as the case may be" shall be modified as follows, whereby added text is printed in blue and underlined:

"The auditor's reports dated 27 February 2019 and 28 February 2020, respectively, regarding the German language annual consolidated financial statements of RBI for the fiscal years 2018 and 2019 do not contain any qualifications. Equally, there was no qualification in the auditor's report on the review of RBI's German language condensed interim consolidated financial statements for the first half year 2020 dated 5 August 2020. RBI is responsible for the non-binding English language convenience translation of all financial information incorporated by reference as well as any related auditor's reports or reports on a review, as the case may be."

- 10) On pages 53 - 54 of the Original Registration Document, in the chapter "**8. LEGAL AND ARBITRATION PROCEEDINGS**", the wording of item 8.30 shall be modified as follows, whereby added text is printed in blue and underlined and deleted text is printed in ~~red and strikethrough~~:

8.30. RBI and members of RBI Group were involved in various tax audits, tax reviews and tax proceedings.

In Germany, a tax review and tax proceedings led to or may lead to an extraordinary tax burden of approximately EUR 27 million. Additionally, late payment interest and penalty payments may be imposed.

In Romania, this has resulted in an extraordinary tax burden in an aggregate amount of approximately EUR 33.1 million plus EUR 22.2 million penalty payments. Following an administrative appeal by Raiffeisen Bank S.A., Bucharest, the tax burden was reduced to EUR 29.9 million plus related penalty payments of estimated EUR 22 million.

In Russia, in July 2020, the tax audit for the tax periods 2015-2016 has finally resulted in ~~or may result in~~ an extraordinary tax burden in an aggregate amount of approximately EUR 2.5 million ~~9 million plus EUR 2.6 million late payment interest. Additionally, penalty payments may be imposed in an amount of up to EUR 3.5 million.~~ Additional fines were not claimed by the Russian tax authorities.

In the vast majority of the aforementioned amounts, the decision of the respective tax authorities is or will be challenged."

- 11) On page 54 of the Original Registration Document, in the chapter "**9. SIGNIFICANT CHANGE IN THE FINANCIAL POSITION OF THE GROUP**", the existing paragraph shall be deleted and replaced by the following paragraph:

"Save as disclosed in 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*", first bullet point ("**Outbreak of the corona virus disease (COVID-19)**") above, there has been no significant change in the financial position of RBI Group since 30 June 2020."