# Raiffeisen Bank International AG

*(Vienna, Republic of Austria)*

# EUR 650,000,000 Fixed to Reset Rate Additional Tier 1 Notes of 2024 with a First Reset Date on 15 June 2030

**ISIN XS2785548053, Common Code 278554805, WKN A3L5ZH**

**Issue price: 100.00 per cent.**

Raiffeisen Bank International AG (the "**Issuer**" or "**RBI**") will issue on 25 November 2024 (the "**Issue Date**") EUR 650,000,000 Fixed to Reset Rate Additional Tier 1 Notes of 2024 with a First Reset Date on 15 June 2030 (the "**Notes**") in the denomination of EUR 200,000 each.

The Notes will bear distributions on the Current Principal Amount (as defined below) at the rate of 7.375 per cent. *per annum* from and including 25 November 2024 (the "**Distribution Commencement Date**") to but excluding 15 June 2030 (the "**First Reset Date**") and thereafter at the relevant Reset Rate from and including each Reset Date to but excluding the next following Reset Date. "**Reset Date**" means the First Reset Date and each 5$^{th}$ anniversary thereof for as long as the Notes remain outstanding. The "**Reset Rate**" for each reset period will be the sum of the Reference Rate and the Margin, such sum converted from an annual basis to a semi-annual basis in accordance with market convention (both as defined in the terms and conditions of the Notes (the "**Terms and Conditions**")). Distributions will be scheduled to be paid semi-annually in arrear on 15 June and 15 December in each year, commencing on 15 June 2025 (long first coupon).

Distribution payments are subject to cancellation, in whole or in part, and, if cancelled, are non-cumulative and distribution payments in following years will not increase to compensate for any shortfall in distribution payments in any previous year.

"**Current Principal Amount**" will mean initially EUR 200,000 (the "**Original Principal Amount**") which from time to time, on one or more occasions, may be reduced upon the occurrence of a Trigger Event (as defined in the Terms and Conditions) by a write-down and, subsequent to any such reduction, may be increased by a write up, if any (up to the Original Principal Amount) subject to limitations and conditions (as defined in the Terms and Conditions).

The Notes are perpetual and have no scheduled maturity date. The Notes are redeemable by the Issuer at its discretion on each Payment Business Day during the period from and including 15 December 2029 to but excluding the First Reset Date, the First Reset Date and on each Distribution Payment Date thereafter or in other limited circumstances and, in each case, subject to limitations and conditions as described in the Terms and Conditions. The "**Redemption Amount**" per Note will be the Current Principal Amount per Note.

The Notes, as to form and content, and all rights and obligations of the holders and the Issuer will be governed by the laws of the Federal Republic of Germany ("**Germany**"). The status provisions in § 2(1) to (4) of the Terms and Conditions of the Notes will be governed by, and will be construed exclusively in accordance with, the laws of the Republic of Austria ("**Austria**").

The Notes will be issued in bearer form and be represented by a Global Note without coupons (as defined in the Terms and Conditions).

This document (the "**Securities Note**") constitutes a securities note within the meaning of Article 6(3) of Regulation (EU) No 2017/1129 (as amended, the "**Prospectus Regulation**") and together with the registration document of the Issuer dated 19 April 2024 as supplemented on 7 May 2024, 14 May 2024, 2 August 2024, 11 September 2024, 24 September 2024, 24 October 2024 and 6 November 2024 (the "**Registration Document**") constitutes a prospectus (the "**Prospectus**") within the meaning of Article 6(3) of the Prospectus Regulation. This Securities Note will be published in electronic form on the website of the Luxembourg Stock Exchange (www.luxse.com).

This Securities Note has been approved by the *Commission de Surveillance du Secteur Financier*, Luxembourg ("**CSSF**") in its capacity as competent authority under the Prospectus Regulation. The CSSF only approves this Securities Note as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should neither be considered as an endorsement of the Issuer that is subject of this Securities Note nor of the quality of the securities that are the subject of this Securities Note. The CSSF gives no undertaking as to the economic and financial soundness of the transaction or the quality or solvency of the Issuer. Investors should make their own assessment as to the suitability of investing in the Notes.

This Securities Note will be valid until 21 November 2025 and may in this period be used for admission of the Notes to trading on a regulated market. In case of a significant new factor, material mistake or material inaccuracy relating to the information included in this Securities Note which may affect the assessment of the Notes, the Issuer will prepare and publish a supplement to this Securities Note without undue delay in accordance with Article 23 of the Prospectus Regulation. The obligation of the Issuer to supplement this Securities Note will cease to apply once the Notes have been admitted to trading on a regulated market and at the latest upon expiry of the validity period of this Securities Note.

Application has been made to the Luxembourg Stock Exchange for the Notes to be listed on the official list of the Luxembourg Stock Exchange (the "**Official List**") and to be admitted to trading on the Luxembourg Stock Exchange's regulated market. The regulated market of the Luxembourg Stock Exchange is a regulated market for the purposes of Directive 2014/65/EU (as amended, the "**MiFID II**").

This Securities Note does not constitute an offer to sell, or the solicitation of an offer to buy, the Notes in any jurisdiction where such offer or solicitation is unlawful.

**The Notes have not been and will not be registered under the U.S. Securities Act of 1933 (as amended, the "Securities Act") and subject to certain exceptions, the Notes may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons.**

The Notes issued pursuant to this Securities Note are complex financial instruments and are not a suitable or appropriate investment for all investors. In some jurisdictions, regulatory authorities have adopted or published laws, regulations, or guidance with respect to the offer or sale of securities such as the Notes to retail investors. Please refer to the paragraph "*Restrictions on Marketing and Sales to Retail Investors*" below.

Prospective purchasers of the Notes should ensure that they understand the nature of the Notes and the extent of their exposure to risks and that they consider the suitability of the Notes as an investment in light of their own circumstances and financial condition. Investing in the Notes involves certain risks. Please review the section entitled "*Risk Factors relating to the Notes*" beginning on page 7 of this Securities Note and the corresponding section entitled "*Risks relating to the Issuer and RBI Group*" in the Registration Document.

*Joint Lead Managers and Joint Structuring Advisors*

**BNP PARIBAS** | **Raiffeisen Bank International AG** | **UBS Investment Bank**

*Joint Lead Managers*

**BofA Securities** | **Citigroup** | **Crédit Agricole CIB**

*Co-Managers*

**Banco Sabadell** | **ING**

## RESPONSIBILITY STATEMENT

The Issuer with its registered office in Vienna, Austria, accepts responsibility for the information contained in this Securities Note and hereby declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Securities Note is, to the best of its knowledge, in accordance with the facts and does not omit anything likely to affect the import of such information.

## NOTICE

No person is authorised to give any information or to make any representation other than those contained in this Securities Note and, if given or made, such information or representation must not be relied upon as having been authorised by or on behalf of the Issuer or the Managers (as defined in the section "*Subscription and Sale of the Notes*").

This Securities Note should be read and understood in conjunction with any supplement hereto and with the Registration Document.

Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer. Neither this Securities Note nor the Registration Document constitutes an offer of Notes or an invitation by or on behalf of the Issuer or the Managers to purchase any Notes. Neither this Securities Note, the Registration Document nor any other information supplied in connection with the Notes should be considered as a recommendation by the Issuer or the Managers to a recipient hereof and thereof that such recipient should purchase any Notes.

This Securities Note reflects the status as of its date. The offering, sale and delivery of the Notes and the distribution of the Prospectus may not be taken as an implication that the information contained therein is accurate and complete subsequent to the date hereof or that there has been no adverse change in the financial condition of the Issuer since the date hereof.

To the extent permitted by the laws of any relevant jurisdiction, neither any Manager nor any of its respective affiliates nor any other person mentioned in this Securities Note, except for the Issuer, accepts responsibility for the accuracy and completeness of the information contained in this Securities Note, nor the Registration Document or any document incorporated by reference, and accordingly, and to the extent permitted by the laws of any relevant jurisdiction, none of these persons accept any responsibility for the accuracy and completeness of the information contained in any of these documents. The Managers have not independently verified any such information and accept no responsibility for the accuracy thereof.

Neither this Securities Note nor the Registration Document constitutes, or may be used for the purposes of, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation.

The distribution of the Prospectus and the offering, sale, and delivery of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession the Prospectus comes are required to inform themselves about and to observe any such restrictions. For a description of the restrictions see "*Subscription and Sale of the Notes – Selling Restrictions*".

For the avoidance of doubt the content of any website referred to in this Securities Note does not form part of this Securities Note and the information on such websites has not been scrutinised or approved by the CSSF as competent authority under the Prospectus Regulation.

In this Securities Note all references to "**€**", "**EUR**" or "**Euro**" are to the currency introduced at the start of the third stage of the European Economic and Monetary Union, and as defined in Article 2 of Council Regulation (EC) No 974/98, as amended.

**MIFID II PRODUCT GOVERNANCE / TARGET MARKET: PROFESSIONAL INVESTORS AND ECPS ONLY**

Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling, or recommending the Notes (a "**Distributor**") should take into consideration the manufacturers' target market assessment; however, a Distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

**PRIIPS REGULATION AND UK PRIIPS REGULATION**

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the "**IDD**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

The Notes are not intended to be offered, sold, or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom ("**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**"); or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the "**FSMA**") and any rules or regulations made under the FSMA to implement the IDD, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA. Consequently, no key information document required by the PRIIPs Regulation as it forms part of domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

**RESTRICTIONS ON MARKETING AND SALES TO RETAIL INVESTORS**

The Notes issued pursuant to this Securities Note are complex financial instruments and are not a suitable or appropriate investment for all investors. In some jurisdictions, regulatory authorities have adopted or published laws, regulations or guidance with respect to the offer or sale of securities such as the Notes to retail investors.

In the EEA, these laws, regulations or guidance comprise MiFID II and the PRIIPs Regulation, and in the UK, the Product Intervention (Contingent Convertible Instruments and Mutual Society Shares) Instrument 2015 as published by the U.K. Financial Conduct Authority (the "**PI Instrument**"), UK MiFIR, certain provisions of Regulation (EU) No 2017/565 as they form part of UK domestic law by virtue of the EUWA (the "**UK Delegated Regulation**"), and the UK PRIIPs Regulation. Together, these laws, regulations or guidance are referred to as the "**Regulations**".

The Regulations set out various obligations in relation to: (i) the manufacture and distribution of financial instruments; and (ii) the offering, sale and distribution of packaged retail and insurance-based investment products and certain contingent write-down or convertible securities such as the Notes.

The Issuer and the Managers are required to comply with some or all of the Regulations. By purchasing, or making or accepting an offer to purchase, any Notes (or a beneficial interest in the Notes) from the Issuer and/or the Managers each prospective investor represents, warrants, agrees with and undertakes to the Issuer and each of the Managers that:

1. it is not a retail investor;

2. whether or not it is subject to the Regulations it will not:

   (a) sell or offer the Notes (or any beneficial interest therein) to retail investors; or

   (b) communicate (including the distribution of the Prospectus) or approve an invitation or inducement to participate in, acquire or underwrite the Notes (or any beneficial interests therein) where that invitation or inducement is addressed to or disseminated in such a way that it is likely to be received by a retail investor.

   In selling or offering the Notes or making or approving communications relating to the Notes it may not rely on the limited exemptions set out in the PI Instrument;

3. if it is a person in Hong Kong, it is a 'professional investor' as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the "**SFO**") and any rules made under the SFO; and

4. it will at all times comply with all applicable laws, regulations and regulatory guidance (whether inside or outside the EEA or the UK) relating to the promotion, offering, distribution and/or sale of the Notes (or any beneficial interests therein), including (without limitation) MiFID II or the UK Delegated Regulation and any other such laws, regulations and regulatory guidance relating to determining the appropriateness and/or suitability of an investment in the Notes (or any beneficial interests therein) by investors in any relevant jurisdiction.

For the purposes of this provision: the expression "retail investor" means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; (ii) a customer within the meaning of the IDD, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) a retail client as defined in point (8) of Article 2 of the UK Delegated Regulation.

Each prospective investor further acknowledges that:

(i) the target market as identified for the Notes for the purposes of the product governance rules under MiFID II is eligible counterparties and professional clients only;

(ii) no key information document (KID) under the PRIIPs Regulation has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation; and

(iii) no key information document (KID) under the UK PRIIPs Regulation has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

Where acting as agent on behalf of a disclosed or undisclosed client when purchasing, or making or accepting an offer to purchase, any Notes (or any beneficial interests therein) from the Issuer and/or any of the Managers, the foregoing representations, warranties, agreements and undertakings will be given by and be binding upon both the agent and its underlying client(s).

## NOTICE TO PROSPECTIVE INVESTORS IN SINGAPORE

In connection with Section 309B of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the "**SFA**"), and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "**CMP Regulations 2018**"), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are 'prescribed capital markets products' (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and

MAS Notice FAA-N16: Notice on Recommendations on Investment Products). For a further description of certain restrictions on offerings and sales of the Notes see "*Subscription and Sale of the Notes – Selling Restrictions*".

## BENCHMARKS REGULATION: STATEMENT ON REGISTRATION OF BENCHMARK ADMINISTRATOR

On each Reset Date the Reset Rate payable under the Notes is calculated by reference to a Reference Rate. Subject to the provision in the Terms and Conditions, the Reference Rate will be the annual Euro mid swap rate for swap transactions denominated in Euro with a term of five years, which appears on the Reuters Screen Page ICESWAP2 under the heading "EURIBOR BASIS" and the caption "11:00 AM Frankfurt time" (as such headings and captions may appear from time to time) at or around 11.00 AM (Frankfurt time) on the relevant Reset Determination Date, and which is provided by ICE Benchmark Administration ("**IBA**"). As of the date of this Securities Note, IBA does not appear on the register of administrators and benchmarks established and maintained by the ESMA pursuant to Article 36 of Regulation (EU) 2016/1011 (as amended, the "**BMR**"). As of the date of this Securities Note, benchmarks provided by IBA may continue to be used by supervised entities in the EU under BMR transitional provisions.

The annual Euro mid swap rate for swap transactions denominated in Euro with a term of five years, which appears on the Reuters Screen Page ICESWAP2 is calculated with reference to the EURIBOR, which is provided by the European Money Market Institute ("**EMMI**"). As of the date of this Securities Note, EMMI appears on the register of administrators and benchmarks established and maintained by the ESMA pursuant to Article 36 of the BMR.

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## RISK FACTORS RELATING TO THE NOTES

*Before deciding to purchase the Notes, investors should carefully review and consider the following risk factors and the other information contained in this Securities Note.*

*Prospective investors should read the detailed information set out in the Prospectus (including any documents incorporated by reference therein) and reach their own views prior to making any investment decision.*

*Words and expressions defined in the Registration Document or in the Terms and Conditions shall have the same meanings in this section.*

*The risk factors herein are organised into the following categories:*

- *Risks relating to the status of the Notes and their regulatory qualification;*
- *Risks relating to the structure (of the rate) of distributions on the Notes;*
- *Risks relating to a redemption or repurchase of the Notes;*
- *Risks relating to a write-down and a subsequent write-up of the Notes;*
- *Risks relating to the investment in the Notes;*
- *Other risks relating to the Notes*

*In each of these categories specific risk factors are described with the most significant risk factor being mentioned first in each category.*

### Risks relating to the status of the Notes and their regulatory qualification

***The obligations of the Issuer under the Notes constitute direct, unsecured, and subordinated obligations which are subordinated to the claims of all unsubordinated and subordinated creditors (other than subordinated claims ranking pari passu with or junior to the Notes) of the Issuer.***

The Notes shall qualify as AT 1 Instruments and constitute direct, unsecured, and subordinated obligations of the Issuer.

In the event of normal insolvency proceedings (*reguläres Insolvenzverfahren*) (bankruptcy proceedings (*Konkursverfahren*)) or the liquidation of the Issuer, and to the extent that the Notes are at least partly recognised as own funds items (*als Eigenmittelposten anerkannt*), any claims against the Issuer under the Notes will rank:

(a) junior to all present or future: (i) unsubordinated instruments or obligations of the Issuer; and (ii) instruments or obligations of the Issuer that do not result from own funds items of the Issuer; and (iii) Tier 2 Instruments and instruments or obligations of the Issuer, if any, which rank senior to Tier 2 Instruments; and (iv) other instruments or obligations of the Issuer, if any, ranking subordinated to any unsubordinated instruments or obligations of the Issuer (other than instruments or obligations referred to in point (b) or (c) below);

(b) *pari passu:* (i) among themselves; and (ii) with all other present or future AT 1 Instruments; and (iii) with all other present or future instruments or obligations of the Issuer that do result from own funds items of the Issuer ranking *pari passu* with AT 1 Instruments; and

(c) senior to all present or future: (i) ordinary shares of the Issuer and any other CET 1 Instruments; and (ii) other subordinated instruments or obligations of the Issuer resulting from own funds items (*die sich aus Eigenmittelposten ergeben*) of the Issuer ranking: (x) subordinated to the obligations of the Issuer under the Notes; or (y) *pari passu* with the ordinary shares of the Issuer and any other CET 1 Instruments.

In bankruptcy proceedings opened over the Issuer's assets, the insolvency hierarchy stipulated by § 131 of the Austrian Bank Recovery and Resolution Act (*Sanierungs- und Abwicklungsgesetz* – "**BaSAG**") applies.

Furthermore, according to § 90(3) BaSAG (which is implementing Article 48(7) BRRD in Austria), all claims resulting from own funds items of the Issuer (such as the Notes to the extent that the Notes are at least partly recognised as own funds items (*als Eigenmittelposten anerkannt*)) have, in normal insolvency proceedings, a lower priority ranking than any claim that does not result from an own funds item. If an instrument is only partly recognised as an own funds item, the whole instrument shall be treated as a claim resulting from an own funds item and shall rank lower than any claim that does not result from an own funds item.

Consequently, any claims resulting from the Notes will have a lower priority ranking than any claim: (i) that does not result from an own funds item; and (ii) resulting from an instrument which at the date of issuance of the Notes is (fully or partly) recognised as an own funds item, but which at the time of opening normal insolvency proceedings against the Issuer is no longer recognised as an own funds item.

Therefore, in case of bankruptcy proceedings opened over the Issuer' assets, the insolvency hierarchy stipulated by § 131 BaSAG applies. For this reason, any payments on claims resulting from the Notes would only be made, if and to the extent any senior ranking claims have been fully satisfied. This priority of claims is also relevant for the sequence of write-down and conversion when the Resolution Authority is applying the write-down or conversion power or the bail-in tool to the Issuer.

Although the Notes may pay a higher rate of distributions than other instruments which are not (or not deeply) subordinated, there is a substantial risk that investors in subordinated notes such as the Notes will lose all or some of their investment, should the Issuer become insolvent or, following a Write-Down, either have insufficient profit to write up the Notes or decide in its sole discretion to not (or not fully) write up the Notes at all.

***Holders of the Notes are exposed to the risk of statutory loss absorption.***

The SRM shall provide the relevant resolution authority with uniform and effective resolution tools and resolution powers in order to achieve the resolution objectives.

The main resolution tool is the bail-in tool. When applying the bail-in tool, the Resolution Authority shall exercise the write-down and conversion powers in accordance with the following sequence (also called "loss absorbing cascade"): (i) CET 1 items; (ii) AT 1 instruments (such as the Notes); (iii) Tier 2 instruments; (iv) subordinated debt that is not AT 1 or Tier 2 capital; (v) unsecured claims resulting from debt instruments which meet the conditions pursuant to § 131(3)(1) to (3) BaSAG (so-called "non-preferred senior debt instruments"); and (vi) the rest of bail-inable liabilities in accordance with the hierarchy of claims in normal insolvency proceedings, including the ranking of deposits provided for in § 131 BaSAG, to the extent required.

Furthermore, where the Issuer meets the conditions for resolution and the Resolution Authority decides to apply a resolution tool to the Issuer, the Resolution Authority shall exercise the write down or conversion power in relation to relevant capital instruments (i.e., CET 1, AT 1 and Tier 2 instruments) and certain eligible liabilities before or applying any resolution tool (other than the bail-in tool).

If the power of write-down or conversion of relevant capital instruments or the bail-in tool is applied to the Issuer, the principal amount of the Notes may be fully or partially written down or converted into instruments of ownership, although claims of other creditors of the Issuer might not be affected.

Each Holder will be bound by the exercise of the power to write down or convert or the taking of any resolution action in respect of the Notes. No Holder will have any claim or other right against the Issuer arising out of any exercise of the power to write down or convert or the taking of any resolution action. In particular, any exercise of the power to write down or convert or the taking of any resolution action will not constitute a default under the Notes.

***The regulatory classification of the Notes as AT 1 Instruments may change, which may adversely impact the Issuer's capitalisation and entitle the Issuer to redeem the Notes for regulatory reasons.***

The Notes are intended to qualify as AT 1 Instruments (both on an individual basis at the level of the Issuer as well as on a consolidated basis at the level of the RBI Regulatory Group) upon issue. However, no supervisory authority will approve

the regulatory classification of the Notes as AT 1 Instruments of the Issuer prior to their issuance. In particular, during the approval process of this Securities Note, the CSSF does not assess the regulatory classification of the Notes.

There is a risk that there is a change in the regulatory classification of AT 1 instruments pursuant to Article 52 CRR (such as AT 1 Instruments and in particular the Notes) which may result in the exclusion of the Notes (in full or in part) from own funds or reclassification (in full or in part) as a lower quality form of own funds (in each case, on an individual basis of the Issuer and/or on a consolidated basis of the RBI Regulatory Group). Such change in the regulatory classification may be caused not only by changes in law but also by other reasons, for example changes in the corporate structure of the RBI Regulatory Group such that the Notes are no longer eligible as own funds of the Issuer. If the Notes are reclassified as a lower quality form of own funds or even excluded from the own funds of the Issuer and/or of the RBI Regulatory Group, this can have a negative impact on the capitalization of the Issuer and/or of the RBI Regulatory Group, and – subject to certain conditions to be met – the Issuer may redeem the Notes at any time for regulatory reasons (Regulatory Event) (please see risk factor "*The Notes are perpetual and may be redeemed at any time for reasons of taxation or regulatory reasons*." below).

***Some aspects of the manner how the existing regulatory framework and any (future) amendments thereon will be applied are uncertain.***

Many of the provisions of the Terms and Conditions of the Notes depend on how the current regulatory framework (in particular the CRR/CRD IV) and any (future) amendments thereon, in particular by the EU Banking Package (as described in the Registration Document), are (or will be) implemented, interpreted or applied.

The current regulatory framework applicable to the Issuer and the RBI Regulatory Group is a complex set of rules and regulations with a number of (changing) requirements, some of which are still subject to transitional provisions and others which will be amended in the near future after the implementation of the EU Banking Package. Although the CRR is directly applicable in each EU Member State, the CRR provides for certain discretion and issues to be further specified, for instance through binding technical standards, delegated legal acts, guidelines, and recommendations.

In addition, the RBI Regulatory Group is subject to direct supervision of the European Central Bank ("**ECB**"). The manner in which many of the current and further regulatory frameworks are (or will be) applied to the RBI Regulatory Group cannot be predicted and therefore, remains somewhat uncertain.

In particular, the determination of the Maximum Distributable Amount as well as its interplay with the P2G are complex. The Maximum Distributable Amount imposes some sort of a "cap" on the Issuer's legal ability to make discretionary payments including distribution payments on the Notes (see also risk factor "*Distribution payments are entirely discretionary and subject to the fulfilment of certain conditions.*"), on the Issuer's legal ability to reinstate the Current Principal Amount of the Notes following a Write-Down and, on its ability, to redeem or repurchase the Notes. There are several decisive factors regarding the Maximum Distributable Amount, including the following:

- The Maximum Distributable Amount framework applies when certain capital buffers are not maintained (see also risk factor "*Distribution payments may be excluded and cancelled for regulatory reasons, including if the Issuer fails to comply with minimum requirements for own funds, capital buffer requirements, other capital requirements and eligible liabilities*."). Certain capital buffers depend and will depend on the macro-economic situation (in the case of the (institution-specific) countercyclical buffer: the credit cycle and risks due to excess credit growth in an EU Member State, taking into account specificities of the national economy), the existence of systemic risks (in the case of the systemic risk buffer) or because of the assessment of a credit institution/its group as a global systemically important institution ("**G-SII**") or an O-SII (in the case of the G-SII buffer and the O-SII buffer). As of the date of this Securities Note, the Issuer is not identified as a G-SII, but as an O-SII. As a result, it is difficult to predict when or if the Maximum Distributable Amount will apply to the Notes, and to what extent.
- The Issuer shall have certain discretion to determine how to allocate the Maximum Distributable Amount among the different types of distributions set out in Article 141(2) CRD IV.

These and other possible issues make it difficult to determine how the Maximum Distributable Amount will apply as a practical matter to limit distribution payments on the Notes, the reinstatement of their Current Principal Amount following a Write-Down and the ability of the Issuer to redeem or repurchase the Notes.

This uncertainty and the resulting complexity may adversely impact the trading price and the liquidity of the Notes. See also risk factor "*Ongoing and future legislative reforms may introduce new restrictions or supervisory powers to impose restrictions regarding distribution payments on the Notes*." for further restrictions on distributions introduced by the EU Banking Package.

***The Notes do not contribute to the determination of over-indebtedness of the Issuer.***

The Holders are entitled to payments, if any, under the Notes only once any negative equity (*negatives Eigenkapital*) within the meaning of § 225(1) of the Austrian Enterprise Code (*Unternehmensgesetzbuch* – "**UGB**") has been removed (*beseitigt*) or if, in the event of the liquidation of the Issuer, all other creditors (other than creditors whose claims rank *pari passu* with or junior to the claims resulting from the Notes) of the Issuer have been satisfied first.

Pursuant to the Terms and Conditions, no insolvency proceedings against the Issuer are required to be opened in relation to the obligations of the Issuer under the Notes. The Notes do not contribute to a determination that the liabilities of the Issuer exceed its assets and, therefore, the obligations of the Issuer under the Notes, if any, will not contribute to the determination of over-indebtedness (*Überschuldung*) in accordance with § 67(3) of the Austrian Insolvency Code (*Insolvenzordnung* – IO).

Holders should therefore note that their claims under the Notes, when due but unpaid, will not result in an insolvency of the Issuer, and that they have no means to request the institution of insolvency proceedings against the Issuer on the basis of any claims under the Notes.

***Holders of the Notes are exposed to the risk that the Issuer may issue further debt instruments or incur further liabilities.***

There are no restrictions (contractual or otherwise) on the amount of (ordinary unsecured or subordinated) debt or other liabilities that the Issuer may (or may have to) issue, borrow and/or incur, ranking *pari passu* with or senior to the Notes.

Any issue of such instruments and/or any incurring such liabilities, *inter alia*, may reduce the Distributable Items of the Issuer and the amount recoverable by Holders of the Notes upon the Issuer's insolvency.

**Risks relating to the structure of the (rate of) distributions on the Notes**

***Distribution payments are entirely discretionary and subject to the fulfilment of certain conditions.***

The Issuer will pay distribution on the Current Principal Amount in accordance with their Terms and Conditions. The Terms and Conditions provide for a discretionary as well as a mandatory cancellation of distributions. Therefore, no distribution scheduled to be paid on the Notes on any Distribution Payment Date will in particular be payable by the Issuer in the following scenarios:

(i) the Issuer, at its full discretion, may, at all times, cancel, in whole or in part, any payment of distributions on the Notes scheduled to be paid on any Distribution Payment Date for an unlimited period and on a non-cumulative basis; or

(ii) the Issuer is insolvent, or the payment of the relevant amount would result in the insolvency of the Issuer; or

(iii) the amount of such distribution payment and any Additional Amounts thereon together with any further Relevant Distributions would exceed the available Distributable Items, provided that, for such purpose, the available Distributable Items shall be increased by an amount equal to what has been accounted for as expenses for payments of interest, dividends or distributions on Tier 1 Instruments (including payments of distributions on the Notes and any Additional Amounts thereon) in the calculation of the profit (*Gewinn*) on which the available Distributable Items are based; or

(iv) the Competent Authority orders the relevant distribution payment scheduled to be paid on the Notes to be cancelled in whole or in part; or

(v) another prohibition or restriction to make a distribution on the Notes, or to make such distribution on the Notes when aggregated with any other Relevant Distributions, is imposed by Applicable Supervisory Regulations or the Competent Authority (or any other relevant supervisory authority) (please see risk factor "*Distribution payments may be excluded and cancelled for regulatory reasons, including if the Issuer fails to comply with minimum requirements for own funds, capital buffer requirements, other capital requirements and eligible liabilities*." below).

The Issuer may make the election to cancel the payment of any distribution payment (in whole or in part) on any Distribution Payment Date for any reason. In addition, the Issuer will be legally prevented from paying distributions (in whole or in part) if and to the extent any of the conditions set out under items (ii) through (v) above is fulfilled.

No election to cancel the payment of any distribution payment (or part thereof) or non-payment of any distribution payment (or part thereof) for the reasons set out under items (i) to (v) above will constitute a default under the Notes for any purpose or entitle the Holders or any other person to demand such payment or to take any action to cause the liquidation, dissolution or winding-up of the Issuer.

Furthermore, if the Issuer exercises its discretion to cancel distribution payments on the Notes with respect to any Distribution Payment Date, this will not give rise to any restriction on the Issuer making dividend payments or other distributions or any other payments to the holders of any other instruments, including instruments ranking *pari passu* with, or junior to, the Notes, and the Issuer is entitled to use the funds from cancelled payments of distributions without restrictions for the fulfilment of its own obligations when due. The Issuer presently intends to give due consideration to the capital hierarchy, however the Issuer may, at its full discretion, deviate from this approach.

Investors should be aware that under no circumstances any distribution payments on the Notes will be mandatory for the Issuer.

Certain market expectations may exist among investors in the Notes with regard to the Issuer making distribution payments. Should the Issuer's actions diverge from such expectations, or should the Issuer be prevented from meeting such expectations for regulatory reasons, any such event which could result in a distribution payment not being made or not being made in full may adversely affect the market price of the Notes and reduce the liquidity of the Notes.

***Distribution payments may be excluded and cancelled for regulatory reasons, including if the Issuer fails to comply with minimum requirements for own funds, capital buffer requirements, other capital requirements and eligible liabilities.***

Distribution payments will be mandatory cancelled and excluded if such distribution payments are prohibited or restricted under statutory law or by virtue of a decision of Competent Authority, such as the following:

If the Issuer fails to meet its combined buffer requirement, which is the case if the Issuer does not comply with the applicable own funds requirement in an amount needed to meet at the same time: (i) its minimum capital requirements under the CRR; (ii) any additional capital requirements, such as the P2R; and (iii) the sum of the capital buffers applicable to it, the Issuer will be required to calculate the Maximum Distributable Amount. Until approval of a capital conservation plan, the Issuer will be prohibited from making any distribution payments on the Notes. Upon approval of the capital conservation plan or upon specific approval of the Competent Authority to do so, the Issuer will be entitled to make distribution payments on the Notes, however only up to the amount of its Maximum Distributable Amount. As a consequence, in the event of a breach of the combined buffer requirement it may be necessary to reduce discretionary payments, including potentially exercising the Issuer's discretion to cancel (in whole or in part) distribution payments in respect of the Notes.

Moreover, payments made earlier in the relevant period will reduce the remaining Maximum Distributable Amount available for payments later in the relevant period, and the Issuer will not (have to) preserve any portion of the Maximum Distributable Amount for payments scheduled to be made later in a given period. In any case, the Maximum Distributable

Amount will also depend on the amount of profits earned during the course of the relevant period, which will be difficult to predict.

In addition, pursuant to Article 16(2)(i) SSMR, the ECB shall have, in particular, the power to restrict or prohibit distributions by the institution to shareholders, members or holders of AT 1 instruments where the prohibition does not constitute an event of default of the institution, for example, if the Issuer does not meet the capital requirements under the CRR (so-called "Pillar 1 requirement") and/or the P2R.

Under the BRRD/SRMR, additional restrictions on distribution payments may be imposed on the Issuer in case it fails to comply with the MREL target (see risk factor *"Ongoing and future legislative reforms may introduce new restrictions or supervisory powers to impose restrictions regarding distribution payments on the Notes.*").

***The Issuer's ability to make distribution payments depends, among other things, on the Issuer's available Distributable Items, which, on any or all Distribution Payment Dates, may not be sufficient.***

The distribution payments depend, among other things, on the future available Distributable Items of the Issuer. Distribution payments will not accrue if (but only to the extent that) such payment, together with any other payments of dividends or interest that are scheduled to be made or have been made on the same day or that have been made by the Issuer on other capital instruments, which, according to the CRR, qualify as Tier 1 Instruments in the then-current financial year, would exceed the available Distributable Items, provided, however, that, for the purposes of this determination, the available Distributable Items shall be increased by an amount equal to what has been accounted for as expenses for payments of interest, dividends or distributions on Tier 1 Instruments (including payments of distributions on the Notes and any Additional Amounts thereon) in the calculation of the profit (*Gewinn*) on which the available Distributable Items are based (please see risk factor "*Distribution payments are entirely discretionary and subject to the fulfilment of certain conditions*." above). In such event, Holders would receive no, or reduced, distribution payments on the relevant Distribution Payment Date. With the annual profit and any distributable reserves with respect to AT 1 Instruments of the Issuer forming an essential part of the available Distributable Items, investors should also carefully review the risk factors in the Registration Document since any change in the financial prospects of the Issuer or its inherent profitability may have an adverse effect on the Issuer's ability to make a payment in respect of the Notes.

In addition, when determining whether distribution payments under the Notes will or will not accrue, the available Distributable Items shall be determined on the basis of the Applicable Supervisory Regulations at the time of the determination. Accordingly, only those amounts shall be added or deducted that may be added or have to be deducted (as the case may be) for purposes of determining the amounts distributable on AT 1 Instruments under the Applicable Supervisory Regulations. The interpretation of the definition of 'distributable items' and its exact scope are, in the absence of an established supervisory practice, difficult to predict.

The Issuer's management has broad discretion within the applicable accounting principles to influence the amounts relevant for determining the available Distributable Items and the amount of the distributions will also be in the Issuer's discretion. In addition, the Issuer is not prevented from issuing further Tier 1 Instruments with distribution payments and other distributions potentially being made thereunder also prior to the Distribution Payment Date under the Notes in any financial year. This would reduce the available Distributable Items available for making distribution payments under the Notes on any Distribution Payment Date. Accordingly, the Issuer is legally capable of influencing its ability to make distribution payments to the detriment of the Holders.

***Ongoing and future legislative reforms may introduce new restrictions or supervisory powers to impose restrictions regarding distribution payments on the Notes.***

Credit institutions, such as the Issuer, have been, and are expected to continue to be, subject to extensive regulation and it is expected that ongoing and future regulatory reforms may affect the treatment of the Notes and potentially lead to the imposition of restrictions of distribution payments on the Notes.

For instance, the SRB shall be entitled to prohibit to make any payments on AT 1 instruments, or to distribute more than the maximum distributable amount related to the minimum requirement for own funds and eligible liabilities ("**M-**

**MDA**"). The prohibition under the M-MDA may be imposed if the Issuer meets the combined buffer requirement but fails to meet the combined buffer requirement when considered in addition to the MREL target, and the SRB shall exercise its power in case it finds that the Issuer still fails to meet such requirement nine months after such situation has been notified.

Any G-SII is subject to a leverage buffer requirement. Any failure to meet the leverage buffer requirement requires a G-SII to calculate the leverage ratio related maximum distributable amount ("**L-MDA**") and results in restrictions of the Maximum Distributable Amount. This may limit its ability to pay distributions on capital instruments (which would include, if applicable to the Issuer, the distribution payments on the Notes). As of the date of this Securities Note, the Issuer is not identified as a G-SII, but as an O-SII. Since June 2022, the EU Commission will review at least every 5 years whether the leverage ratio buffer requirement should be extended to O-SIIs.

The EU Banking Package, as well as further (future) amendments of the existing regulatory framework may impose or result in further restrictions on the Issuer's legal ability to make payments on the Notes or may limit the reinstatement of their Current Principal Amount following a Write-Down, which may also have a negative impact on the market price and the liquidity of the Notes.

***Distribution payments are linked to a benchmark and are therefore exposed to the risks of financial benchmarks and reference rate continuity; a discontinuity of the original benchmark (including a material alteration of the methodology for its calculation) could affect the return under the Notes due to fall-back provisions and may adversely affect the trading market and the value of the Notes.***

From the First Reset Date, the rate of distributions payable under the Notes will be calculated by reference to the annual Euro Mid Swap Rate for Euro denominated swap transactions with a maturity of five years (the "**Original Benchmark Rate**"). The Original Benchmark Rate qualifies as a benchmark for the purpose of the BMR.

The Original Benchmark Rate and other interest rates or other types of rates and indices which are deemed to be a "benchmark" ("**Benchmark**") have become the subject of regulatory scrutiny and recent national and international regulatory guidance and proposals for reform. Some of these reforms are already effective while others are still to be implemented. These reforms may cause the Original Benchmark Rate to perform differently than in the past, or to disappear entirely, or have other consequences which cannot be predicted.

The BMR could have a material impact on the Notes, including in any of the following circumstances:

- the Administrator could lose its authorisation as an administrator under the BMR and may not be able to obtain another form of registration under the BMR; and
- the methodology or other terms of the Original Benchmark Rate could be changed in order to comply with the terms of the BMR, and such changes could have the effect of reducing or increasing the rate or level or affecting the volatility of the published rate or level, and could impact the Notes, including calculation agent determination of the rate.

Under the Terms and Conditions of the Notes, certain Benchmark fall-back provisions will apply in case of the following events (each a "**Benchmark Event**"):

(i) the Original Benchmark Rate ceases to be published on a regular basis or ceases to exist; or

(ii) a public statement by the administrator of the Original Benchmark Rate is made that it has ceased or that it will cease publishing the Original Benchmark Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue the publication of the Original Benchmark Rate); or

(iii) a public statement by the supervisor of the administrator of the Original Benchmark Rate is made that the Original Benchmark Rate has been or will be permanently or indefinitely discontinued; or

(iv) a public statement by the supervisor of the administrator of the Original Benchmark Rate is made as a consequence of which the Original Benchmark Rate will be prohibited from being used either generally, or in respect of the Notes; or

(v) it has become unlawful for any Paying Agent, the Calculation Agent, the Issuer or any other party to calculate or determine any distributions due to be made to any Holder using the Original Benchmark Rate.

If a Benchmark Event occurs, the Issuer shall endeavour to determine in its reasonable discretion whether an officially recognised successor rate to the discontinued Benchmark exists, which, possibly after application of adjustments or spreads, can replace the discontinued Benchmark.

If the Issuer determines in its reasonable discretion that there is no officially recognised successor rate to the discontinued Benchmark but that there may be an alternative rate, then the Issuer shall endeavour to appoint an independent adviser, which must be an independent financial institution of international repute or other independent financial adviser experienced in the international capital markets. The independent adviser will attempt to find an alternative rate which, possibly after application of adjustments or spreads, can replace the discontinued Benchmark.

Any adjustments or spreads determined by the Issuer or the independent adviser, as the case may be, are intended to be applied in order to produce an industry-accepted replacement benchmark rate, however, the relevant adjustments or spreads may not be successful in doing so and the Notes may still perform differently than if the original Benchmark had continued to be used.

If the Issuer determines a successor rate or the independent adviser determines an alternative rate (the "**New Benchmark Rate**"), such rate will replace the previous Benchmark for purposes of determining the relevant rate of distributions. Such determination will be binding for the Issuer, the Calculation Agent, the Paying Agents, and the Holders. Any amendments pursuant to these fall-back provisions will apply with effect from the effective date specified in the Terms and Conditions.

If a Benchmark Events occurs and prior to the 10th Business Day prior to the relevant Reset Determination Date: (i) the Issuer has not determined a Successor Benchmark Rate, the Adjustment Spread or the Benchmark Amendments (if required); (ii) the Issuer has not appointed an Independent Adviser; or (iii) the Independent Adviser appointed by the Issuer has not determined an Alternative Benchmark Rate, any Adjustment Spread or any Benchmark Amendments (if required), then the Reference Rate applicable to the immediately following Reset Period shall be the Reference Rate determined on the last Reset Determination Date immediately preceding the relevant Benchmark Replacement Effective Date. If this provision is to be applied on the Reset Determination Date in respect of the Reset Period commencing on the First Reset Date, the Reference Rate applicable to the first Reset Period shall be 2.277 per cent. *per annum*.

If the determination of the Reference Rate would cause a Regulatory Event or could reasonably be expected to entitle the Issuer to redeem the Notes for regulatory reasons and/or would prejudice the qualification of the Notes as AT 1 Instruments under the Applicable Supervisory Regulations and/or as eligible liabilities or loss absorbing capacity instruments for the purposes of the bank resolution laws applicable to the Issuer from time to time, the Reference Rate applicable to the next and each subsequent Reset Period will be the Reference Rate determined on the last preceding Reset Determination Date, provided that if this provision is to be applied on the Reset Determination Date prior to the commencement of the first Reset Period, the Reference Rate applicable to the first and each subsequent Reset Period will be 2.277 per cent. *per annum*.

Uncertainty as to the continuation of the Original Benchmark Rate and the rate that would be applicable in case of a Benchmark Event in relation to the Original Benchmark Rate may adversely affect the trading market and the value of the Notes. The same risks as described above may also apply to any rate qualifying as a Benchmark that would replace the Original Benchmark Rate due to the application of the fall-back provisions under the Notes. At this time, it is not possible to predict the future effect of these developments or their impact on the value of the Notes.

***The Notes bear distributions at a rate that converts from the initial fixed distribution rate to a different distribution rate. A Holder bears the risk that after such conversion, the new distribution rate may be lower than the then prevailing distribution rates or the spread may be less favourable than the then prevailing spreads on comparable floating distribution rate notes relating to the same reference rate.***

The Notes bear distributions at a rate that converts from the initial fixed distribution rate to a different distribution rate. The conversion of the distribution rate may affect the market price of the Notes. The new distribution rate may be lower than the then prevailing distribution rates or the spread may be less favourable than the then prevailing spreads on comparable floating distribution rate notes relating to the same reference rate. In addition, the new distribution rate may at any time be lower than the distribution rates payable on other notes.

***In periods for which a fixed rate of distributions is applicable, the Holders are exposed to the risk that the market price of the Notes falls as a result of changes in the Market Interest Rate.***

In periods for which a particular fixed rate of distributions is applicable, Holders are exposed to the risk that the market price of the Notes falls as a result of changes in the Market Interest Rate. While the nominal distribution rate of the Notes is fixed for the relevant distribution period, the current interest rate on the capital market for issues of the same maturity (the "**Market Interest Rate**") typically changes on a daily basis. As the Market Interest Rate changes, the market price of the Notes also changes, but in the opposite direction. If the Market Interest Rate increases, the market price of the Notes typically falls, until the yield of such Notes is approximately equal to the Market Interest Rate. Additionally, even expected future changes of interest rates could cause a change of current market prices of the Notes.

**Risks relating to a redemption or repurchase of the Notes**

***The Notes are perpetual and may be redeemed at any time for reasons of taxation or regulatory reasons.***

The Notes are perpetual and have no scheduled maturity date. The Issuer is under no obligation to redeem the Notes at any time before its liquidation or insolvency.

The Issuer may at its sole discretion, redeem the Notes (also before five years after the date of their issuance), at any time for reasons of taxation.

Similarly, the Issuer may at its sole discretion, redeem the Notes (also before five years after the date of their issuance), at any time for regulatory reasons.

Therefore, it may be that Notes will be redeemed and thus, investors will not be able to hold the Notes permanently (nor at least five years after the date of their issuance) and accordingly, might not achieve the expected yield.

***Any rights of the Issuer to redeem or repurchase the Notes are subject to the prior permission of the Competent Authority.***

Potential investors should not invest in the Notes in the expectation that redemption rights will be exercised by the Issuer.

The Issuer may, at its sole discretion, redeem the Notes at any time either for reasons of taxation or regulatory reasons. In addition, the Issuer may at its sole discretion redeem the Notes, but not before five years after the date of their issuance, (i) on a specified call redemption date or (ii) if at any time the number of Notes outstanding (calculated by dividing the aggregate Current Principal Amount of the Notes outstanding and held by persons other than the Issuer and its subsidiaries by the Current Principal Amount) has fallen to 25 per cent. or less of the number of Notes originally issued (calculated by dividing the aggregate principal amount of Notes (including any Notes additionally issued in accordance with § 9(1) of the Terms and Conditions) originally issued by the Original Principal Amount).

If the Issuer redeems the Notes, a Holder of the Notes is exposed to the risk that, due to such redemption, its investment may have a lower than expected yield. The Issuer might redeem the Notes if the yield on comparable notes in the capital markets falls, which means that the Holder may only be able to reinvest the redemption proceeds in notes with a lower yield or with a similar yield of a higher risk.

Any redemption and any repurchase of the Notes is subject to the prior permission of the Competent Authority, all if and as applicable from time to time to the Issuer. Under the CRR, the Competent Authority may only permit institutions to redeem or repurchase AT 1 Instruments (such as the Notes) if certain conditions are met. These conditions, as well as a number of other technical rules and standards relating to regulatory capital requirements applicable to the Issuer, should be taken into account by the Competent Authority in its assessment of whether or not to permit any redemption or repurchase. It is uncertain how the Competent Authority will apply these criteria in practice and such rules and standards may change during the maturity of the Notes. It is therefore difficult to predict whether, and if so, on what terms, the Competent Authority will grant its prior permission for any redemption or repurchase of the Notes.

Furthermore, even if the Issuer would be granted the prior permission of the Competent Authority, any decision by the Issuer as to whether it will redeem the Notes will be made at the sole discretion of the Issuer with regard to external factors (such as the economic and market impact of exercising a redemption right, regulatory capital requirements and prevailing market conditions). The Issuer disclaims, and investors should therefore not expect (and not invest in the expectation), that the Issuer will exercise any redemption right in relation to the Notes.

If the Notes are redeemed or repurchased by the Issuer otherwise than in accordance with the specific requirements set out in the Terms and Conditions, then the amounts redeemed or paid must be returned to the Issuer irrespective of any agreement to the contrary unless the Competent Authority has given its prior consent to such redemption or repurchase.

***The Notes do not give the right to accelerate future payments, and also may not be subject to set-off or any guarantee.***

The Terms and Conditions of the Notes do not provide for any events of default and Holders of the Notes do not have the right to accelerate any future scheduled payment of distributions or principal, other than in the case of the insolvency or liquidation of the Issuer, but in particular not in a resolution of (or moratorium imposed against) the Issuer.

Furthermore, no Holder may set off its claims arising under the Notes against any claims of the Issuer. The Notes are not subject to any set off or netting arrangements that would undermine their capacity to absorb losses in resolution.

The Notes are also not, and they shall not at any time be, secured, or subject to a guarantee by the Issuer or any other person that enhances the seniority of the claims under the Notes.

Finally, the Notes are not subject to any arrangement, contractual or otherwise, that enhances the seniority of the claim under the instruments in insolvency or liquidation.

***The Notes may not be redeemed at the option of the Holders.***

Holders of the Notes will have no rights to terminate or otherwise accelerate the redemption of the Notes.

Therefore, potential investors should not invest in the Notes in the expectation that they have a redemption right. Furthermore, Holders of the Notes should be aware that they may be required to permanently bear the financial risks of an investment in the Notes.

***Market making by the Issuer for the Notes is subject to the prior permission of the Competent Authority and certain conditions and thresholds.***

The Notes may be repurchased by the Issuer (also for market making purposes) only subject to certain conditions, such as the prior permission of the Competent Authority, and within certain thresholds.

These conditions and thresholds restrict the Issuer's possibility for market making for the Notes. Such restrictions may have a negative impact on the liquidity of the Notes and may lead to inadequate or delayed market prices for the Notes.

**Risks relating to a Write-Down and a subsequent Write-Up of the Notes**

***The Issuer may be required to reduce the initial principal amount of the Notes to absorb losses, which would reduce any redemption amount and any distribution payable on the Notes while the Notes are written down.***

The Notes are issued in order to meet prudential capital requirements with the intention and purpose of being eligible as own funds of the Issuer. In the opinion of the Issuer the Notes shall constitute AT 1 Instruments of the Issuer upon issue, i.e., AT 1 instruments pursuant to Article 52 CRR of the Issuer on an individual and on a consolidated basis. Such eligibility depends on several statutory conditions being satisfied. One of these conditions relates to the ability of the Notes and the proceeds of their issue to be available to absorb any losses of the Issuer. Accordingly, under the Terms and Conditions of the Notes, if it has been determined that a Trigger Event has occurred, the Issuer will reduce the then Current Principal Amount of the Notes by the Write-Down Amount.

For the avoidance of doubt, a Trigger Event may be determined at any time and may occur on more than one occasion and each Note may be subject to a Write-Down on more than one occasion (provided, however, that the Current Principal Amount of a Note may never be reduced to below EUR 0.01). The occurrence of a Trigger Event, which would result in a Write-Down of the Current Principal Amount of the Notes, is inherently unpredictable and depends on a number of factors, many of which may be outside the Issuer's control. A Trigger Event could occur at any time.

The aggregate reduction of the aggregate Current Principal Amount of all Notes outstanding on the Write-Down Effective Date will, subject as provided below, be equal to the lower of: (i) the amount necessary to generate sufficient CET 1 capital pursuant to Article 50 CRR that would restore the Group CET 1 Capital Ratio and the Issuer CET 1 Capital Ratio to the Trigger Level at the point of such reduction, after taking into account (subject as provided below) the pro rata write-down and/or conversion of the prevailing principal amount of all Loss Absorbing Instruments (if any) to be written down and/or converted concurrently (or substantially concurrently) with the Notes, provided that, with respect to each Loss Absorbing Instrument (if any), such *pro rata* write-down and/or conversion shall only be taken into account to the extent required to restore the Group CET 1 Capital Ratio and the Issuer CET 1 Capital Ratio to the lower of: (x) such Loss Absorbing Instrument's trigger level; and (y) the Trigger Level and, in each case, in accordance with the terms of the relevant Loss Absorbing Instruments and the Applicable Supervisory Regulations; and (ii) the amount that would result in the Current Principal Amount of a Note being reduced to EUR 0.01.

The aggregate reduction determined in accordance with the above shall be applied to all of the Notes *pro rata* on the basis of their Current Principal Amount immediately prior to the Write-Down.

If a Write-Down pursuant to the Terms and Conditions occurs during any Distribution Period, unpaid distributions accrued on the Current Principal Amount to but excluding the Effective Date are cancelled. In accordance with the Terms and Conditions, the Notes shall bear distributions on the adjusted Current Principal Amount from and including the Effective Date.

Holders may lose all or some of their investment as a result of a Write-Down. If the Issuer is liquidated or becomes insolvent prior to the Notes being written up in full (if at all) pursuant to the Terms and Conditions, Holders' claims for principal and distributions will be based on the reduced Current Principal Amount of the Notes.

Apart from the risk of a Write-Down upon the occurrence of a Trigger Event in accordance with the Terms and Conditions of the Notes, there is also the risk of a statutory loss absorption (please see risk factor "*Holders of the Notes are exposed to the risk of statutory loss absorption*." above).

***Upon the occurrence of a Trigger Event, there may be a Write-Down of the Notes even if other capital instruments of the Issuer are not written down or converted into CET 1 instruments.***

The Terms and Conditions of other capital instruments already in issue or to be issued after the date hereof by the Issuer may vary and accordingly such instruments may not be written down at the same time as the Notes if the Notes are written down, or to the same extent, as the Notes, or at all. Alternatively, such other capital instruments may provide that they shall convert into CET 1 instruments or become entitled to reinstatement of the principal amount of the Notes or other compensation in the event of a potential recovery of the Issuer and/or any other member of the RBI Regulatory Group or

a subsequent change in the financial condition thereof. Such capital instruments may also provide for such reinstatement or compensation in different circumstances from those in which, or to a different extent to which, the principal amount of the Notes may be reinstated.

Upon the occurrence of a Trigger Event, to the extent that the prior or pro rata write-down or conversion of any other capital instruments issued by the Issuer is not applicable under their respective terms, or if applicable, does not occur for any reason, this shall not in any way affect the Write-Down of the Notes.

***The Issuer is under no obligation to reinstate any written down amounts.***

The Issuer is under no obligation to reinstate any principal amounts which have been subject to any Write-Down up to a maximum of the Original Principal Amount, even if certain conditions (further described in the Terms and Conditions) that would permit the Issuer to do so were met. Any Write-Up of the Notes is at the sole discretion of the Issuer.

Moreover, the Issuer will only have the option to Write-Up the Current Principal Amount of the Notes if: (i) at the time of the Write-Up, the Issuer is not insolvent and the Write-Up would not result in the insolvency of the Issuer; (ii) at the time of the Write-Up, there must not exist any Trigger Event that is continuing; any Write-Up is also excluded if such Write-Up would give rise to the occurrence of a Trigger Event; (iii) such Write-Up is applied on a *pro rata* basis to all Notes and among Loss Absorbing Written Down Instruments; and (iv) the sum of: (x) the aggregate amount attributed to the relevant Write-Up of the Notes and the aggregate increase in principal amount of Loss Absorbing Written Down Instruments resulting from any previous write-up since the end of the then previous financial year; and (y) the aggregate amount of any distribution and any Additional Amounts thereon paid on the aggregate Current Principal Amount of the Notes and the aggregate amount of any distribution and any Additional Amounts thereon paid on Loss Absorbing Written Down Instruments as calculated at the moment the Write-Up is operated will not exceed the Maximum Write-Up Amount at any time after the end of the then previous financial year.

No assurance can be given that these conditions will ever be met or that the Issuer will ever write up (fully or partially) the principal amount (i.e., the then Current Principal Amount) of the Notes following a Write-Down.

The market price of the Notes is expected to be affected by fluctuations in the CET 1 capital ratio of both, the Issuer and RBI Regulatory Group. Any indication that the Issuer CET 1 Capital Ratio and/or the Group CET 1 Capital Ratio are approaching the level that would trigger a Trigger Event may have an adverse effect on the market price of the Notes.

***The calculation of the CET 1 capital ratios will be affected by several factors, many of which may be outside the Issuer's control.***

The calculation of the CET 1 capital ratios of the Issuer and/or of RBI Regulatory Group could be affected by a wide range of factors, including, among other things, factors affecting the level of earnings or dividend payments, the mix of its businesses, its ability to effectively manage the RWA in its ongoing businesses, losses in the context of its banking activities or other businesses, changes in the Issuer's or RBI Regulatory Group's structure or organization. The calculation of the ratios also may be affected by changes in the applicable laws and regulations, or applicable accounting rules and the way accounting policies are applied, including the manner in which permitted discretion under the applicable accounting rules is exercised.

Holders are, due to the Notes being subject to Write-Down in case of the occurrence of a Trigger Event, directly exposed to any changes of the CET 1 capital ratios and will, unless and until the Notes are written-up, lose all or part of their investment in case of a redemption of the Notes or in the liquidation or insolvency of the Issuer.

Due to the uncertainty regarding whether a Trigger Event will have occurred, it will be difficult to predict when, if at all, the Current Principal Amount of the Notes may need to be written down. Accordingly, the trading behaviour of the Notes may not necessarily follow the trading behaviour of other types of subordinated instruments. Any indication that the CET 1 capital ratios of the Issuer and/or of RBI Regulatory Group are approaching the level that would trigger a Trigger Event may have an adverse effect on the market price and liquidity of the Notes. Under such circumstances, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to more conventional investments.

**Risks relating to the investment in the Notes**

***The Notes are intended to qualify as AT 1 Instruments and as such are complex instruments, which may not be a suitable investment for all investors.***

The Notes are intended to qualify as AT 1 Instruments and as such are complex instruments, in particular regarding their deep subordination, the possibility of cancellations of distribution payments, any redemption, a Write-Down of the Notes and the imposition of resolution measures. Potential investors in the Notes must determine the suitability (either alone or with the help of a financial adviser) of that investment considering their own circumstances and the complexity of the Notes. Therefore, each potential investor should in particular:

- have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in the Prospectus;
- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation and the investment it is considering, an investment in the Notes and the impact such investment will have on his/her overall investment portfolio;
- have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including the risk not to receive any return on investment or repayment of the invested amount, and also including risks arising if the currency for principal or distribution payments on the Notes is different from the currency in which his/her financial activities are principally denominated;
- understand thoroughly the Terms and Conditions of the Notes and be familiar with the behaviour of the financial markets;
- know, that it may not be possible to dispose of the Notes for a substantial period of time, if at all; and
- be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Prior to making an investment decision, each potential investor should consider carefully, in light of its own financial circumstances and investment objectives, all the information contained or incorporated by reference in the Prospectus and should have sufficient financial resources and liquidity to bear the risks of an investment in the Notes, including the possibility that the entire principal amount of the Notes could be lost. A potential investor should not invest in the Notes unless he/she has the knowledge and expertise (either alone or with a financial advisor) to evaluate how the Notes will perform under changing conditions, the resulting effects on the likelihood of cancellation of payment of principal, payment of distributions or a write-down and the market price of the Notes, and the impact of this investment on the potential investor's overall investment portfolio.

***Risk of a change in market value.***

The market value of the Notes is influenced by a change in the creditworthiness (or the perception thereof) of the Issuer and by the credit rating of the Issuer and a number of other factors including, but not limited to, market interest, rate of return, certain market expectations with regard to the Issuer making use of a right to call the Notes for redemption and the right not to pay distributions on the Notes.

The value of the Notes depends on a number of interacting factors. These include economic and political events in Europe or elsewhere as well as scenarios which generally affect the capital markets and the stock exchanges on which the Notes are traded. The price at which a Holder can sell the Notes might be considerably below the issue price or the purchase price paid by such Holder.

***Credit ratings of the Notes (if any) may not adequately reflect all risks of the investment in such Notes, credit rating agencies could assign unsolicited credit ratings, and credit ratings may be suspended, downgraded or withdrawn, all of which could have an adverse effect on the market price and trading price of the Notes.***

A credit rating of the Notes may not adequately reflect all risks of the investment in such Notes. Credit rating agencies could decide to assign credit ratings to the Notes on an unsolicited basis. Equally, credit ratings may be suspended, downgraded or withdrawn. Any such unsolicited credit rating, suspension, downgrading or withdrawal may have an adverse effect on the market price and trading price of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the credit rating agency at any time.

***A liquid secondary market for the Notes may not develop or, if it does develop, it may not continue. In an illiquid market, a Holder may not be able to sell his/her Notes at fair market prices.***

The Notes constitute a new issue of securities. Application will be made to admit the Notes to the Regulated Market of the Luxembourg Stock Exchange, which appears on the list of regulated markets issued by the European Commission.

Regardless of the envisaged admission to trading of the Notes, a secondary market for the Notes may not develop or, if it does develop, it may not continue. The fact that the Notes will be listed does not necessarily lead to greater liquidity as compared to unlisted Notes. In an illiquid market, an investor might not be able to sell his/her Notes at all or at any time at fair market prices. The possibility to sell the Notes might additionally be restricted due to country-specific reasons. Moreover, the liquidity and the market for the Notes can be expected to vary with changes in the securities market and economic conditions, the financial condition and prospects of the Issuer and other factors which generally influence the market prices of securities. Such fluctuations may significantly affect liquidity and market prices for the Notes. Market liquidity in hybrid financial instruments similar to the Notes has historically been limited. In addition, potential investors should note that hybrid financial instruments similar to the Notes have experienced pronounced price fluctuations in connection with the crisis of the financial markets and the banking sector since 2008. Notes denominated in different currencies may trade differently even if their terms and conditions are otherwise similar.

***Exchange rate risks may occur, if a Holder's financial activities are denominated in a currency or currency unit other than Euro in which the Issuer will make principal and distribution payments. Furthermore, government and monetary authorities may impose exchange controls that could adversely affect an applicable exchange rate.***

The Issuer will pay principal and distributions on the Notes in Euro. This presents certain risks relating to currency conversions if a Holder's financial activities are denominated principally in a currency or currency unit (the "**Holder's Currency**") other than Euro. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Euro or revaluation of the Holder's Currency) and the risk that authorities with jurisdiction over the Holder's Currency may impose or modify exchange controls. An appreciation in the value of the Holder's Currency relative to the Euro would decrease: (i) the Holder's Currency-equivalent yield on the Notes; (ii) the Holder's Currency-equivalent value of the principal payable on the Notes; and (iii) the Holder's Currency-equivalent market price of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, Holders may receive less distributions or principal than expected, or no distributions or principal.

**Other risks relating to the Notes**

***The Terms and Conditions may be amended by resolution of the Holders in which a Holder may be subject to the risk of being outvoted by a majority resolution of the Holders.***

The Terms and Conditions may be amended by the Issuer with consent of the Holders by way of a majority resolution in a Holders Meeting or by a vote not requiring a physical meeting (*Abstimmung ohne Versammlung*) as described in §§ 5 et seq. of the German Act on Debt Securities (*Gesetz über Schuldverschreibungen aus Gesamtemissionen* – "**SchVG**"), the Issuer may subsequently amend the Terms and Conditions with the consent of the majority of Holders as described in

the Terms and Conditions, which amendment will be binding on all Holders of the Notes, even on those who voted against the change.

Therefore, a Holder may be subject to the risk of being outvoted by a majority resolution of the Holders. As such majority resolution is binding on all Holders of the Notes, certain rights of such Holder against the Issuer under the Terms and Conditions may be amended or reduced or even cancelled, which may have significant negative effects on the market price of the Notes and the return from the Notes.

The Holders may by majority resolution provide for the appointment or dismissal of a joint representative. If a joint representative is appointed, a Holder may be deprived of its individual right to pursue and enforce a part or all of its rights under the Terms and Conditions against the Issuer, such right passing to the Holders' joint representative who is then exclusively responsible to claim and enforce the rights of all the Holders.

***The Notes are governed by German law (with the provisions on status in § 2(1) to (4) of the Terms and Conditions being governed by Austrian law), and changes in applicable laws, regulations or regulatory policies may have an adverse effect on the Issuer, the Notes and the Holders.***

The Terms and Conditions of the Notes will be governed by German law, except that the provisions on status in § 2(1) to (4) of the Terms and Conditions are governed by Austrian law. Holders should thus note that the governing law may not be the law of their own home jurisdiction and that the law applicable to the Notes may not provide them with similar protection as their own law. Furthermore, no assurance can be given as to the impact of any possible judicial decision or change to German (and, in relation to the provisions on status in § 2(1) to (4) of the Terms and Conditions, Austrian) law, or administrative practice after the date of this Securities Note.

***There may be circumstances under which the Notes may be subject to withholding tax which will not be grossed-up, including withholding tax under FATCA.***

Investors should be aware that duties, other taxes and expenses, including any stamp duty, depositary charges, transaction charges and other charges, may be levied in accordance with the laws and practices in the countries where the Notes are transferred and that it is the obligation of an investor to pay all such duties, other taxes and expenses.

All payments made under the Notes shall be made free and clear of, and without withholding or deduction for, any present or future taxes imposed by the Issuer's country of incorporation (or any authority or political subdivision thereof or therein), unless such withholding or deduction is imposed or required by law. If any such withholding or deduction is imposed and required by law, the Issuer will, in limited circumstances, be required to pay Additional Amounts in relation to distributions (but not principal) as will be necessary in order to ensure that the net amounts received by the Holders after such withholding or deduction will equal the respective amounts which would otherwise have been receivable in respect of the Notes in the absence of such withholding or deduction (the "**Additional Amounts**") and such event will allow the Issuer to redeem them early as this would allow the Issuer to redeem the Notes in full, but not in part as further specified in the Terms and Conditions of the Notes.

In no event will Additional Amounts be payable in respect of U.S. withholding taxes pursuant to the FATCA. Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a "foreign financial institution" may be required to withhold on certain payments it makes (*foreign passthru payments*) to persons that fail to meet certain certification, reporting, or related requirements. A number of jurisdictions (including Austria) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA ("**IGAs**"), which modify the way in which FATCA applies in their jurisdictions. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, are uncertain and may be subject to change. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Notes, the Issuer will not pay any Additional Amounts as a result of the withholding.

Investors should be aware that payments made under the Notes and capital gains from the sale or redemption of the Notes may be subject to taxation in the jurisdiction of the Holder or in other jurisdictions in which the Holder is required to pay taxes.

***Changes in tax law may negatively affect the Holders.***

Tax law and practice is subject to change, possibly with retrospective effect and this could adversely affect the market price of the Notes. Any such change may cause the tax treatment of the relevant Notes to change from what the purchaser understood the position to be at the time of purchase.

***The statutory presentation period provided under German law will be reduced under the Terms and Conditions applicable to the Notes in which case Holders may have less time to assert claims under the Notes.***

Pursuant to the Terms and Conditions of the Notes the regular presentation period of 30 years (as provided in § 801(1) sentence 1 of the German Civil Code (*Bürgerliches Gesetzbuch* – BGB)) will be reduced to ten years. In case of partial or total non-payment of amounts due under the Notes the Holder will have to arrange for the presentation of the relevant Global Note to the Issuer. Due to the abbreviation of the presentation period the likelihood that the Holder will not receive the amounts due to him/her increases since the Holder will have less time to assert his/her claims under the Notes in comparison to holders of debt instruments the terms and conditions of which do not shorten the statutory presentation period at all or to a lesser degree than the Terms and Conditions of the Notes.

***An Austrian court could appoint a trustee for the Notes to exercise the rights and represent the interests of Holders on their behalf in which case the ability of Holders to pursue their rights under the Notes individually may be limited.***

Pursuant to the Austrian Notes Trustee Act (*Kuratorengesetz* – "**KuratorenG**"), an Austrian court could appoint a trustee (*Kurator*) either upon the request of any interested person (e.g., a Holder) or *ex officio* upon the initiative of the competent court, for the purposes of representing the common interests of the Holders in matters concerning their collective rights under the Notes. This may in particular occur if bankruptcy proceedings are opened over the Issuer's assets, in connection with any amendments to the Terms and Conditions of the Notes, changes relating to the Issuer, or under other similar circumstances.

Even though the applicability of the KuratorenG and the Austrian Notes Trustee Supplementation Act (*Kuratorenergänzungsgesetz*) is excluded in the Terms and Conditions, it cannot be excluded that an Austrian court nevertheless appoints a trustee, because the Issuer is an Austrian legal entity.

If a trustee is appointed, it will exercise the collective rights and represent the interests of the Holders and will be entitled to make statements on their behalf which shall be binding on all Holders. Where a trustee represents the interests of Holders and exercises their rights, this may conflict with or otherwise adversely affect the interests of individual or all Holders.

The role of an appointed trustee may also conflict with provisions of the Terms and Conditions related to majority resolutions of the Holders pursuant to the Terms and Conditions. On the one hand, it is not clear whether and to which extent an Austrian court would give effect to such majority resolutions, both in the context of a trustee having been appointed or without appointment of a trustee. Therefore, investors should not rely on the enforceability or protection afforded by these provisions. On the other hand, investors should not rely on the protection afforded by the KuratorenG, as its application has been excluded in the Terms and Conditions and an Austrian court may give effect to such disapplication.

***The Issuer's interests may not be aligned with those of investors in the Notes.***

The Group CET 1 Capital Ratio, the Issuer CET 1 Capital Ratio, the available Distributable Items and the Maximum Distributable Amount will depend in part on decisions made by the Issuer and/or other entities of the RBI Regulatory Group relating to their businesses and operations, as well as the management of their capital position. The Issuer and/or other entities of the RBI Regulatory Group will have no obligation to consider the interests of Holders in connection with

their strategic decisions, including in respect of capital management and the relationship among the various entities of the RBI Regulatory Group and its group structure.

The Issuer may decide not to raise capital at a time when it is feasible to do so, even if that would result in the occurrence of a Trigger Event.

Holders will not have any claim against the Issuer and/or other entities of the RBI Regulatory Group relating to decisions that affect the capital position of the Issuer and/or the RBI Regulatory Group, regardless of whether they result in the occurrence of a Trigger Event. Such decisions could cause Holders to lose all or part of their investment in the Notes.

## TERMS AND CONDITIONS OF THE NOTES

### § 1
### CURRENCY, DENOMINATION, FORM, CERTAIN DEFINITIONS

(1) *Currency, Denomination*. This issue by RAIFFEISEN BANK INTERNATIONAL AG (the "**Issuer**") of Additional Tier 1 notes (the "**Notes**") is being issued in Euro (the "**Specified Currency**") in the aggregate principal amount of EUR 650,000,000 (in words: six hundred fifty million) in the denomination of EUR 200,000 each (the "**Original Principal Amount**").

(2) *Form*. The Notes are being issued in bearer form.

(3) *Global Note*. The Notes are represented by a permanent global note (the "**Global Note**") without coupons. The Global Note shall be signed by authorised representatives of the Issuer and shall each be authenticated by or on behalf of the Principal Paying Agent. Definitive Notes and coupons will not be issued, and the Holders have no right to require the printing and delivery of definitive Notes and coupons.

(4) *Clearing System*. The Global Note(s) will be kept in custody by or on behalf of a Clearing System until all obligations of the Issuer under the Notes have been satisfied. "**Clearing System**" means each of Clearstream Banking S.A., 42 Avenue JF Kennedy, 1855 Luxembourg, Luxembourg ("**CBL**") and Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, 1210 Brussels, Belgium ("**Euroclear**" and, together with CBL, the "**ICSDs**") and any successor in such capacity. The Notes shall be kept in custody by a common depositary on behalf of both ICSDs.

(5) *Certain Definitions.* In these Terms and Conditions:

"**Applicable Supervisory Regulations**" means, at any time, any requirements under laws and any regulations, requirements, standards, guidelines, policies or other rules thereunder applicable from time to time (including, but not limited to, the guidelines, policies, decisions and recommendations of the European Banking Authority, the European Central Bank, the Competent Authority, the Single Resolution Board and/or the Resolution Authority, the administrative practice of any such authority, any applicable decision of a court and any applicable transitional provisions) relating to prudential requirements and/or resolution and applicable to the Issuer and/or the RBI Regulatory Group from time to time, including but not limited to the provisions of the BWG, the CRD IV, the CRR, the CDR, the SSMR, the BaSAG, the BRRD and the SRMR, or such other law, regulation or directive as may come into effect in place thereof, as applicable to the Issuer and the RBI Regulatory Group at the relevant time.

"**AT 1 Instruments**" means any capital instruments of the Issuer that meet the conditions laid down in Article 52(1) CRR, including any capital (or other) instruments that are (fully or partly) recognised as (*anerkannt als*) Additional Tier 1 items pursuant to transitional provisions under the CRR.

"**BRRD**" means the Directive 2014/59/EU (*Bank Recovery and Resolution Directive*) as amended or replaced from time to time, and any references to relevant provisions of the BRRD in these Terms and Conditions include references to any applicable provisions of law amending or replacing such provisions from time to time.

"**BaSAG**" means the Austrian Bank Recovery and Resolution Act (*Sanierungs- und Abwicklungsgesetz – BaSAG*), as amended or replaced from time to time, and any references to relevant provisions of the BaSAG in these Terms and Conditions include references to any applicable provisions of law amending or replacing such provisions from time to time.

"**Business Day**" means a calendar day (other than a Saturday or a Sunday): (a) on which the Clearing System and T2 are open; and (b) commercial banks in Vienna are open for business.

"**BWG**" means the Austrian Banking Act (*Bankwesengesetz – BWG*), as amended or replaced from time to time, and any references to relevant provisions of the BWG in these Terms and Conditions include references to any applicable provisions of law amending or replacing such provisions from time to time.

"**CDR**" means the Commission Delegated Regulation (EU) No 241/2014 (*Capital Delegated Regulation*), as amended or replaced from time to time, and any references to relevant provisions of the CDR in these Terms and Conditions include references to any applicable provisions of law amending or replacing such provisions from time to time.

"**CET 1 Instruments**" means any capital instruments of the Issuer that meet the conditions laid down in Article 28(1) or Article 31(1) CRR, including any capital (or other) instruments that are (fully or partly) recognised as (*anerkannt als*) Common Equity Tier 1 items pursuant to transitional provisions under the CRR.

"**Competent Authority**" means the competent authority pursuant to Article 4(1)(40) CRR and/or Article 9(1) SSMR, in each case, which is responsible to supervise the Issuer on an individual basis and/or the RBI Regulatory Group on a consolidated basis.

"**CRD IV**" means the Directive 2013/36/EU (*Capital Requirements Directive IV*), as amended or replaced from time to time, and any references to relevant provisions of the CRD IV in these Terms and Conditions include references to any applicable provisions of law amending or replacing such provisions from time to time.

"**CRR**" means the Regulation (EU) No 575/2013 (*Capital Requirements Regulation*), as amended or replaced from time to time, and any references to relevant provisions of the CRR in these Terms and Conditions include references to any applicable provisions of law amending or replacing such provisions from time to time.

"**Current Principal Amount**" means initially the Original Principal Amount, which from time to time, on one or more occasions, may be reduced by a Write-Down (as defined in § 5(9)(a)(v)) and, subsequent to any such reduction, may be increased by a Write-Up (as defined in § 5(10)(a)), if any (up to the Original Principal Amount).

"**Distributable Items**" means in respect of any payment of distributions on the Notes the distributable items as defined in Article 4(1)(128) CRR, as interpreted and applied in accordance with the Applicable Supervisory Regulations, in respect of each financial year of the Issuer, as at the end of the latest financial year of the Issuer ended prior to the relevant Distribution Payment Date for which such Relevant Financial Statements are available, all as determined in accordance with the accounting principles applied by the Issuer and as derived from the most recent Relevant Financial Statements.

"**Group CET 1 Capital Ratio**" means the Common Equity Tier 1 capital ratio pursuant to Article 92(2)(a) CRR of the RBI Regulatory Group on a consolidated basis, as calculated in accordance with the Applicable Supervisory Regulations.

"**Holder**" means any holder of a proportionate co-ownership or other comparable right in the Global Note which may be transferred to a new Holder in accordance with the provisions of the Clearing System.

"**Issuer CET 1 Capital Ratio**" means the Common Equity Tier 1 capital ratio pursuant to Article 92(2)(a) CRR of the Issuer on an individual basis, as calculated in accordance with the Applicable Supervisory Regulations.

"**Loss Absorbing Instrument**" means, at any time, any AT 1 Instrument (other than the Notes) or, as applicable, any instrument issued by a member of the RBI Regulatory Group and qualifying as Additional Tier 1 instruments pursuant to Article 52 CRR of the Issuer and/or the RBI Regulatory Group that may have all or some of its principal amount written down (whether on a permanent or temporary basis) or converted (in each case, in accordance with its terms or otherwise) on the occurrence or as a result of the Issuer CET 1 Capital Ratio and/or the Group CET 1 Capital Ratio falling below a certain trigger level.

"**Loss Absorbing Written Down Instrument**" means any Loss Absorbing Instrument that, immediately prior to any Write-Up of the Notes, is outstanding and has a prevailing principal amount that is less than its initial principal amount due to a write down, and that has terms permitting a principal write-up to occur on a basis similar to that provided in § 5(10) in the circumstances existing on the relevant Write-Up Effective Date.

"**Maximum Distributable Amount**" means any maximum distributable amount (*maximal ausschüttungsfähiger Betrag*) relating to the Issuer and/or the RBI Regulatory Group, as the case may be, that may be required to be calculated in accordance with § 24(2) BWG (implementing Article 141(2) CRD IV in Austria) and/or any other Applicable Supervisory Regulations.

"**Maximum Write-Up Amount**" means the lower of:

(i) the consolidated Profit multiplied by the sum of the aggregate Original Principal Amount of the Notes and the aggregate initial principal amount of all Loss Absorbing Written Down Instruments of the RBI Regulatory Group (for the avoidance of doubt, before any write-down), and divided by the total Tier 1 capital pursuant to Article 25 CRR of the RBI Regulatory Group as at the date the relevant Write-Up is operated; and

(ii) the Profit on an unconsolidated basis multiplied by the sum of the aggregate Original Principal Amount of the Notes and the aggregate initial principal amount of all Loss Absorbing Written Down Instruments of the Issuer (for the avoidance of doubt, before any write-down), and divided by the total Tier 1 capital pursuant to Article 25 CRR of the Issuer as at the date the relevant Write-Up is operated;

or any higher or lower amount permitted to be used under the Applicable Supervisory Regulations in effect on the date of the relevant Write-Up.

"**Payment Business Day**" means a calendar day (other than a Saturday or a Sunday) on which the Clearing System and T2 are open.

"**Profit**" means: (i) the net income for the year (*Jahresüberschuss*) of the Issuer on an unconsolidated basis recorded in the Relevant Financial Statements; or (ii) the consolidated net income for the year (*Jahresüberschuss*) on a consolidated basis recorded in the consolidated financial statements of the Issuer, in each case after such Relevant Financial Statements or consolidated financial statements have formally been determined (*festgestellt*) by either the supervisory board (*Aufsichtsrat*) or, if so requested, the shareholders' meeting (*Hauptversammlung*) of the Issuer.

"**RBI Regulatory Group**" means, from time to time, the Issuer and each entity which is part of the banking group with a parent institution and/or any banking group with a parent financial holding company: (i) to which the Issuer belongs; and (ii) to which the own funds requirements on a consolidated basis due to prudential consolidation in accordance with the Applicable Supervisory Regulations apply.

"**Relevant Distributions**" means the sum of:

(i) any other payments of distributions on the Notes that were made or are scheduled to be made by the Issuer in the then current financial year of the Issuer;

(ii) the amount of any Write-Up that was made in the then current financial year or is simultaneously made on the relevant Distribution Payment Date, if any;

(iii) any payments of interest, dividends or distributions (including any write-ups) that were made, are simultaneously made or are scheduled to be made by the Issuer on other Tier 1 Instruments in the then current financial year of the Issuer; and

(iv) any amount, payment or distribution as may be relevant under any restriction operating as a maximum distributable amount in accordance with any legal or regulatory requirements applicable to the Issuer at the time.

"**Relevant Financial Statements**" means: (i) the audited (*geprüft*) and adopted (*festgestellt*) unconsolidated annual financial statements of the Issuer, prepared in accordance with accounting provisions applied by the Issuer and accounting regulations then in effect, for the latest financial year of the Issuer ended prior to the relevant Distribution Payment Date; or (ii) if such audited and adopted unconsolidated annual financial statements of the Issuer are not available at the relevant Distribution Payment Date, unaudited unconsolidated *pro forma* financial statements of the Issuer, prepared in accordance with accounting provisions applied by the Issuer in relation to its unconsolidated annual financial statements and accounting regulations then in effect in relation to the Issuer's unconsolidated annual financial statements.

"**Resolution Authority**" means the resolution authority pursuant to Article 4(1)(130) CRR and/or Article 7(1) SRMR, in each case, which is responsible for recovery or resolution of the Issuer on an individual and/or consolidated basis.

"**SchVG**" means the German Debt Securities Act (*Gesetz über Schuldverschreibungen aus Gesamtemissionen – SchVG*), as amended or replaced from time to time, and any references in these Terms and Conditions to relevant paragraphs of

the SchVG include references to any applicable provisions of law amending or replacing such provisions from time to time.

"**SRMR**" means the Regulation (EU) No 806/2014 (*Single Resolution Mechanism Regulation*), as amended or replaced from time to time, and any references to relevant provisions of the SRMR in these Terms and Conditions include references to any applicable provisions of law amending or replacing such provisions from time to time.

"**SSMR**" means the Regulation (EU) No 1024/2013 (*Single Supervisory Mechanism Regulation*), as amended or replaced from time to time, and any references to relevant provisions of the SSMR in these Terms and Conditions include references to any applicable provisions of law amending or replacing such provisions from time to time.

"**T2**" means the real time gross settlement system operated by the Eurosystem (T2), or any successor system.

"**Terms and Conditions**" means these terms and conditions of the Notes.

"**Tier 1 Instruments**" means: (i) CET 1 Instruments; (ii) AT 1 Instruments; and (iii) any other instruments or obligations of the Issuer ranking *pari passu* with respect to payment of interest, dividends or distributions with CET 1 Instruments or AT 1 Instruments.

"**Tier 2 Instruments**" means any capital instruments or subordinated loans of the Issuer that meet the conditions laid down in Article 63 CRR, including any capital (or other) instruments that are (fully or partly) recognised as (*anerkannt als*) Tier 2 items pursuant to transitional provisions under the CRR.

A "**Trigger Event**" occurs if at any time: (i) the Group CET 1 Capital Ratio; and/or (ii) the Issuer CET 1 Capital Ratio is lower than the Trigger Level.

"**Trigger Level**" means in respect of: (i) the Group CET 1 Capital Ratio 5.125 per cent.; and/or (ii) the Issuer CET 1 Capital Ratio 5.125 per cent.

"**Write-Down Effective Date**" means the date on which the Write-Down will take effect, being no later than one month (or such shorter period as the Competent Authority may require) following the occurrence of the relevant Trigger Event.

## § 2
## STATUS

(1) *Ranking.* The Notes shall qualify as AT 1 Instruments and constitute direct, unsecured and subordinated obligations of the Issuer. In the event of normal insolvency proceedings (*reguläres Insolvenzverfahren*) (bankruptcy proceedings (*Konkursverfahren*)) or the liquidation of the Issuer, and to the extent that the Notes are at least partly recognised as own funds items (*als Eigenmittelposten anerkannt*), any claims against the Issuer under the Notes will rank:

(a) junior to all present or future:

(i) unsubordinated instruments or obligations of the Issuer; and

(ii) instruments or obligations of the Issuer that do not result from own funds items of the Issuer; and

(iii) Tier 2 Instruments and instruments or obligations of the Issuer, if any, which rank senior to Tier 2 Instruments; and

(iv) other instruments or obligations of the Issuer, if any, ranking subordinated to any unsubordinated instruments or obligations of the Issuer (other than instruments or obligations referred to in § 2(1)(b) and (c) below);

(b) *pari passu*:

(i) among themselves; and

(ii) with all other present or future AT 1 Instruments; and

(iii) with all other present or future instruments or obligations of the Issuer that do result from own funds items of the Issuer ranking *pari passu* with AT 1 Instruments; and

(c) senior to all present or future:

(i) ordinary shares of the Issuer and any other CET 1 Instruments; and

(ii) other subordinated instruments or obligations of the Issuer resulting from own funds items (*die sich aus Eigenmittelposten ergeben*) of the Issuer ranking: (x) subordinated to the obligations of the Issuer under the Notes; or (y) *pari passu* with the ordinary shares of the Issuer and any other CET 1 Instruments.

For the avoidance of doubt, Holders will neither participate in any reserves of the Issuer nor in liquidation profits (*Liquidationsgewinn*) within the meaning of § 8(3)(1) of the Austrian Corporate Income Tax Act 1988 (*Körperschaftsteuergesetz 1988*) in the event of the Issuer's liquidation. The rights of the Holders of the Notes to payment of principal on the Notes are at any time limited to a claim for the prevailing Current Principal Amount.

(2) *No Negative Equity and Waiver of Petition.* The Holders will be entitled to payments, if any, under the Notes only once any negative equity (*negatives Eigenkapital* within the meaning of § 225(1) of the Austrian Enterprise Code (*Unternehmensgesetzbuch – UGB*)) has been removed (*beseitigt*) or if, in the event of the liquidation of the Issuer, all other creditors (other than creditors the claims of which rank *pari passu* with or junior to the claims resulting from the Notes) of the Issuer have been satisfied first.

No insolvency proceedings against the Issuer are required to be opened in relation to the obligations of the Issuer under the Notes. The Notes do not contribute to a determination that the liabilities of the Issuer exceed its assets; therefore, the obligations of the Issuer under the Notes, if any, will not contribute to the determination of over-indebtedness (*Überschuldung*) in accordance with § 67(3) of the Austrian Insolvency Code (*Insolvenzordnung – IO*).

(3) *No Set-off/Netting; No Security/Guarantee; No Enhancement of Seniority.* No Holder may set off any claims under the Notes against any claims of the Issuer. The Notes are not subject to any set-off or netting arrangements that would undermine their capacity to absorb losses in resolution.

The Notes are not, and they shall not at any time be, secured or subject to a guarantee by the Issuer or any other person that enhances the seniority of the claims under the Notes.

The Notes are not subject to any arrangement, contractual or otherwise, that enhances the seniority of the claim under the instruments in insolvency or liquidation.

(4) *Note on the possibility of statutory resolution measures*. Prior to any insolvency or liquidation of the Issuer, under the Applicable Supervisory Regulations, the Resolution Authority may exercise the power to write down (including to zero) the obligations of the Issuer under the Notes, convert the Notes into shares or other instruments of ownership of the Issuer, in each case in whole or in part, or apply any other resolution tool or action, including (but not limited to) any deferral or transfer of the obligations to another entity, an amendment of the Terms and Conditions or a cancellation of the Notes. The Holders shall be bound by the exercise of the power to write down or convert or the taking of any resolution action in respect of the Notes by the Resolution Authority. No Holder shall have any claim or other right against the Issuer arising out of any exercise of the power to write down or convert or the taking of any resolution action by the Resolution Authority. In particular, any exercise of the power to write down or convert or the taking of any resolution action shall not constitute non-performance of a contractual obligation or a default for any purpose.

(5) *Note on Payment Restrictions prior to an Insolvency*. Even prior to the imposition of any resolution measures upon the Issuer, insolvency proceedings (*reguläres Insolvenzverfahren*) (bankruptcy proceedings (*Konkusverfahren*)) or the liquidation of the Issuer, any payment of distributions on the Notes will be subject to the conditions set forth in § 3(7) being fulfilled and any redemption or repurchase of the Notes will be subject to the conditions to redemption and repurchase set forth in § 5(7) being fulfilled.

The conditions set forth in § 3(7) and the conditions to redemption and repurchase set forth in § 5(7) include the conditions that, on the date on which the relevant amount of principal or distributions is scheduled to be paid: (i) the Issuer is not insolvent; and (ii) the payment of the relevant amount would not result in the insolvency of the Issuer.

This means that irrespective of, and even prior to, the opening of any insolvency proceedings (*reguläres Insolvenzverfahren*) (bankruptcy proceedings (*Konkusverfahren*)) or the liquidation of the Issuer, the Issuer shall not make any payment of distributions or principal if: (i) the Issuer is insolvent; or (ii) the payment of the relevant amount would result in the insolvency of the Issuer. Such a prohibition on payment may be in effect for an indefinite period of time and even permanently.

If the Notes are redeemed or repurchased by the Issuer otherwise than in the circumstances described in this § 2 or § 5(7), then the amounts redeemed or paid must be returned to the Issuer irrespective of any agreement to the contrary, unless the Competent Authority has given its prior consent to such redemption or repurchase.

## § 3
## DISTRIBUTIONS

(1) *Distribution Payment Dates and Rate of Distribution.*

(a) The Notes shall bear distributions on the Current Principal Amount at a rate *per annum* equal to the applicable Rate of Distributions (as defined below) from and including 25 November 2024 (the "**Distribution Commencement Date**").

Distributions shall be scheduled to be paid semi-annually in arrear on 15 June and 15 December in each year (each such date, a "**Distribution Payment Date**"), commencing on 15 June 2025 (long first coupon).

Distributions will fall due subject to the provisions set out in § 3(7), § 4(4) and § 5(9)(a)(iv).

(b) The applicable "**Rate of Distributions**" will be:

(i) from and including the Distribution Commencement Date to but excluding 15 June 2030 (the "**First Reset Date**"), a fixed rate of 7.375 per cent. *per annum*; and

(ii) from and including the First Reset Date, the relevant Reset Rate (as determined according to § 3(4)(a)) for the relevant Reset Period.

For the avoidance of doubt, the amount of the distribution payment is not adjusted on the basis of the creditworthiness of the Issuer or any of its affiliates.

(2) *Calculation of Amount of Distributions*. If the amount of distributions scheduled to be paid on the Notes is required to be calculated for any period of time, such amount of distributions for any Distribution Period shall be calculated by the Calculation Agent by applying the prevailing Rate of Distributions to the Current Principal Amount, multiplying such amount by the applicable Day Count Fraction (as defined in § 3(3)), and rounding the resultant figure to the nearest full cent with EUR 0.005 being rounded upwards.

If a Write-Down occurs during any Distribution Period, unpaid distributions accrued on the Current Principal Amount to but excluding the Write-Down Effective Date are cancelled in accordance with § 3(7)(c), and the Notes shall bear distributions on the adjusted Current Principal Amount from and including the Write-Down Effective Date.

If, pursuant to § 5(10), the Current Principal Amount of the Notes is subject to a Write-Up during a Distribution Period, the amount of distributions shall be calculated by the Calculation Agent on the basis of the adjusted Current Principal Amount from time to time so that the relevant amount of distributions is determined by reference to such Current Principal Amount as adjusted from time to time and as if such Distribution Period were comprised of two or more (as applicable) consecutive distribution periods, with distribution calculations based on the number of days for which each Current Principal Amount was applicable.

"**Distribution Period**" means the period from and including the Distribution Commencement Date to but excluding the first Distribution Payment Date and each successive period from and including a Distribution Payment Date to but excluding the next succeeding Distribution Payment Date.

(3) *Day Count Fraction (Actual/Actual ICMA).* "**Day Count Fraction**" means, in respect of the calculation of an amount of distributions on any Note for any period of time (the "**Calculation Period**"):

(a) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of calendar days in such Calculation Period divided by the product of: (x) the number of calendar days in such Determination Period; and (y) the number of Determination Dates (as specified below) that would occur in any year; or

(b) if the Calculation Period is longer than one Determination Period, the sum of:

(i) the number of calendar days in such Calculation Period falling in the Determination Period in which the Calculation Period begins divided by the product of: (x) the number of calendar days in such Determination Period; and (y) the number of Determination Dates that would occur in any year; and

(ii) the number of calendar days in such Calculation Period falling in the next Determination Period divided by the product of: (x) the number of calendar days in such Determination Period; and (y) the number of Determination Dates that would occur in any year.

Where:

"**Determination Period**" means the period from and including a Determination Date in any year to but excluding the next Determination Date.

"**Determination Date**" means 15 June and 15 December in each year.

(4) *Determination of the Reset Rate.*

(a) *Reset Rate.* The rate of distributions for each Reset Period (each a "**Reset Rate**") shall be the sum of

(i) the Reference Rate (as defined in § 3(4)(b)); and

(ii) the Margin (as defined in § 3(4)(b)),

subject to a minimum of such sum 0.00 per cent. *per annum*, provided that, for purposes of the determination of the Reset Rate, if the relevant Reference Rate is not expressed as a semi-annual rate such sum will be converted to a semi-annual basis in a commercially reasonable manner.

(b) *Reference Rate.* The Calculation Agent will determine the relevant Reference Rate in accordance with this § 3(4)(b) for each Reset Date on the relevant Reset Determination Date.

The "**Reference Rate**" for a Reset Period will be determined by the Calculation Agent on the relevant Reset Determination Date (as defined below) prior to the Reset Date on which the relevant Reset Period commences as follows:

(i) For each Reset Period beginning prior to the occurrence of the relevant Benchmark Replacement Effective Date (as defined in § 3(4)(d)(vii)), the following will apply:

(A) The Reference Rate will be equal to the Original Benchmark Rate on the relevant Reset Determination Date.

(B) If the Original Benchmark Rate does not appear on the Screen Page as at such time on the relevant Reset Determination Date, the Reference Rate will be equal to the Original Benchmark Rate on the Screen Page on the last day preceding the Reset Determination Date on which such Original Benchmark Rate was displayed.

(ii) For the Reset Period commencing on or after the relevant Benchmark Replacement Effective Date and all following Reset Periods, the Reference Rate on the relevant Reset Determination Date will be determined in accordance with § 3(4)(d).

(iii) If the determination of the Reference Rate would cause a Regulatory Event or could reasonably be expected to entitle the Issuer to redeem the Notes for regulatory reasons pursuant to § 5(5) and/or would prejudice the qualification of the Notes as AT 1 Instruments under the Applicable Supervisory Regulations and/or as eligible liabilities or loss absorbing capacity instruments for the purposes of the bank resolution laws applicable to the Issuer from time to time, the Reference Rate applicable to the next and each subsequent Reset Period shall be the Reference Rate determined on the last preceding Reset Determination Date, provided that if this § 3(4)(b)(iii) is to be applied on the Reset Determination Date prior to the commencement of the first Reset Period, the Reference Rate applicable to the first and each subsequent Reset Period shall be 2.277 per cent. *per annum*.

Where:

"**Margin**" means 523.2 basis points.

"**Original Benchmark Rate**" on a T2 Business Day means the annual Euro Mid Swap Rate (expressed as a percentage *per annum*) as at 11:00 a.m. (Frankfurt time), as displayed on the Screen Page as at or around 11:00 a.m. (Frankfurt time) (or a later time at which the Euro Mid Swap Rate becomes available on the Screen Page) on such T2 Business Day. For these purposes "**Euro Mid Swap Rate**" means the arithmetic mean of the bid and offered rates for the annual fixed leg of a fixed-for-floating interest rate swap transaction in Euro which: (x) has a term of 5 years; and (y) has a floating leg based on the 6-month EURIBOR rate (or the EURIBOR rate for such other tenor as is the then prevailing market standard tenor for such fixed-for-floating interest rate swap transactions in Euro).

"**Reset Date**" means the First Reset Date and each fifth anniversary thereof for as long as the Notes remain outstanding.

"**Reset Determination Date**" means the second T2 Business Day prior to the relevant Reset Date.

"**Reset Period**" means the period from and including a Reset Date to but excluding the next following Reset Date.

"**Screen Page**" means the Reuters screen "ICESWAP2" under the heading "EURIBOR BASIS" and the caption "11:00 AM Frankfurt time" (as such headings and captions may appear from time to time) (the "**Original Screen Page**"). If the Original Screen Page permanently ceases to exist or permanently ceases to quote the Original Benchmark Rate but such quotation is available from another page selected by the Issuer in its reasonable discretion (the "**Replacement Screen Page**"), the "Screen Page" shall be the Replacement Screen Page with effect from the date on which the Replacement Screen Page is selected by the Issuer.

"**T2 Business Day**" means a day on which T2 is open.

(c) *Notification of Reset Rate*. The Calculation Agent will cause each Reset Rate to be notified to the Issuer, any stock exchange on which the Notes are from time to time listed at the initiative of the Issuer (if required by the rules of such stock exchange) and to the Holders in accordance with § 10 as soon as possible after its determination.

(d) *Benchmark Event.* If a Benchmark Event occurs in relation to the Original Benchmark Rate, the relevant Reference Rate and the distributions on the Notes in accordance with § 3(4)(a) and (b) will be determined as follows:

(i) *Successor Benchmark Rate or Alternative Benchmark Rate.*

(A) If the Issuer determines in its reasonable discretion that there is a Successor Benchmark Rate (as defined in § 3(4)(d)(vi)), then the Issuer shall determine in its reasonable discretion such Successor Benchmark Rate, the Adjustment Spread (as defined in § 3(4)(d)(vi)) and any Benchmark Amendments (in accordance with § 3(4)(d)(iv)) as soon as this is (in the Issuer's view) required following the occurrence of the Benchmark Event and prior to the next Reset Determination Date.

(B) If the Issuer determines in its reasonable discretion that there is no Successor Benchmark Rate but that there may be an Alternative Benchmark Rate (as defined in § 3(4)(d)(vi)), then the Issuer shall endeavour to appoint an Independent Adviser, who will determine the Alternative Benchmark Rate, the Adjustment Spread and any Benchmark Amendments.

(ii) *New Benchmark Rate*.

(A) If the Issuer determines in accordance with § 3(4)(d)(i)(A) that there is a Successor Benchmark Rate, then such Successor Benchmark Rate shall subsequently be the New Benchmark Rate.

(B) If the Independent Adviser appointed by the Issuer determines in accordance with § 3(4)(d)(i)(B) that there is an Alternative Benchmark Rate, then such Alternative Benchmark Rate shall subsequently be the New Benchmark Rate.

In either case the Reference Rate for the immediately following Reset Period and all following Reset Periods, subject to § 3(4)(d)(viii), will then be the sum of:

(I) the New Benchmark Rate on the relevant Reset Determination Date; and

(II) the Adjustment Spread.

(iii) *Fallback rate*. If, prior to the 10th Business Day prior to the relevant Reset Determination Date:

(A) the Issuer has not determined a Successor Benchmark Rate, the Adjustment Spread or the Benchmark Amendments (if required) in accordance with § 3(4)(d)(i)(A) and (ii)(A); and

(B)

(I) the Issuer has not appointed an Independent Adviser in accordance with § 3(4)(d)(i)(B); or

(II) the Independent Adviser appointed by the Issuer has not determined an Alternative Benchmark Rate, any Adjustment Spread or any Benchmark Amendments (if required) in accordance with § 3(4)(d)(i)(B) and (ii)(B),

then the Reference Rate applicable to the immediately following Reset Period shall be the Reference Rate determined on the last Reset Determination Date immediately preceding the relevant Benchmark Replacement Effective Date.

If this § 3(4)(d)(iii) is to be applied on the Reset Determination Date in respect of the Reset Period commencing on the First Reset Date, the Reference Rate applicable to the first Reset Period shall be 2.277 per cent. *per annum*.

If the fallback rate determined in accordance with this § 3(4)(d)(iii) is to be applied, § 3(4)(d) will be operated again to determine the Reference Rate applicable to the next subsequent (and, if required, further subsequent) Reset Period(s).

(iv) *Benchmark Amendments*. If any relevant New Benchmark Rate and the applicable Adjustment Spread are determined in accordance with this § 3(4)(d), and if the Issuer or the Independent Adviser, as applicable, determines in its reasonable discretion that amendments to these Terms and Conditions are necessary to ensure the proper operation of such New Benchmark Rate and the applicable Adjustment Spread (such amendments, the "**Benchmark Amendments**"), then the Issuer or the Independent Adviser, as applicable, will determine the Benchmark Amendments in its reasonable discretion.

The Benchmark Amendments may include, without limitation, the following conditions of these Terms and Conditions:

(A) the determination of the Reference Rate; and/or

(B) the definitions of the terms "Business Day", "Payment Business Day", "Distribution Payment Date", "Reset Date", "Reset Period", "Day Count Fraction" and/or "Reset Determination Date" (including the determination whether the Reference Rate will be determined on a forward-looking or a backward-looking basis); and/or

(C) the business day convention in § 4(4).

(v) *Notices, etc*.

(A) The Issuer will notify any New Benchmark Rate, the Adjustment Spread, the Benchmark Amendments (if any) and the relevant Benchmark Replacement Effective Date determined in accordance with this § 3(4)(d) or the fallback rate in accordance with § 3(4)(d)(iii), as the case may be, to the Principal Paying Agent, the Paying Agents and the Calculation Agent as soon as such notification is (in the Issuer's view) required following the determination thereof, but in any event not later than on the 10th Business Day prior to the relevant Reset Determination Date.

(B) The Issuer will notify any New Benchmark Rate, the Adjustment Spread and the Benchmark Amendments (if any) determined in accordance with this § 3(4)(d) or the fallback rate in accordance with § 3(4)(d)(iii), as the case may be, to the Holders in accordance with § 10 as soon as practicable following the notice in accordance with clause (A). Such notice shall be irrevocable and shall specify the Benchmark Replacement Effective Date.

The New Benchmark Rate, the Adjustment Spread and the Benchmark Amendments (if any) or the fallback rate in accordance with § 3(4)(d)(iii), as the case may be, and the relevant Benchmark Replacement Effective Date, each as specified in such notice, will be binding on the Issuer, the Principal Paying Agent, the Paying Agents, the Calculation Agent and the Holders (for the avoidance of doubt: no consent of the Holders shall be required).

(C) The Terms and Conditions shall be deemed to have been amended by the New Benchmark Rate, the Adjustment Spread and the Benchmark Amendments, if any, with effect from the Benchmark Replacement Effective Date.

(D) On or prior to the date of such notice, the Issuer shall deliver to the Principal Paying Agent and the Calculation Agent a certificate signed by two authorized signatories of the Issuer:

(I) either

(1) confirming that a Benchmark Event has occurred;

(2) specifying the relevant New Benchmark Rate determined in accordance with the provisions of this § 3(4)(d);

(3) specifying the applicable Adjustment Spread and the Benchmark Amendments (if any), each determined in accordance with the provisions of this § 3(4)(d);

(4) specifying the Benchmark Replacement Effective Date; and

(5) confirming that the Benchmark Amendments, if any, are necessary to ensure the proper operation of the New Benchmark Rate and the applicable Adjustment Spread;

or

(II) confirming the fallback rate in accordance with § 3(4)(d)(iii).

(vi) *Definitions*. As used in this § 3(4)(d):

The "**Adjustment Spread**", which may be positive, negative or zero, will be expressed in basis points and means either: (a) the spread; or (b) the result of the operation of the formula or methodology for calculating the spread, which:

(1) in the case of a Successor Benchmark Rate, is formally recommended in relation to the replacement of the Original Benchmark Rate with the Successor Benchmark Rate by any Relevant Nominating Body; or

(2) (if no recommendation pursuant to clause (1) has been made, or in the case of an Alternative Benchmark Rate) is customarily applied to the New Benchmark Rate in the international debt capital markets (or, alternatively, the international swap markets) to produce an industry-accepted replacement benchmark rate for the Original Benchmark Rate, provided that all determinations will be made by the Issuer or the Independent Adviser, as applicable, in its reasonable discretion; or

(3) (if the Issuer or the Independent Adviser, as applicable, in its reasonable discretion determines that no such spread is customarily applied and that the following would be appropriate for the Notes) is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Original Benchmark Rate, where the Original Benchmark Rate has been replaced by the New Benchmark Rate, provided that all determinations will be made by the Issuer or the Independent Adviser, as applicable, in its reasonable discretion.

If the Issuer or the Independent Adviser, as applicable, does not determine such Adjustment Spread, then the Adjustment Spread will be zero.

"**Alternative Benchmark Rate**" means an alternative benchmark or an alternative screen rate which is customarily applied in the international debt capital markets (or, alternatively, the international swap markets) for the purpose of determining rates of interest based on mid swap rates with a 5-year maturity in the Specified Currency, provided that all determinations will be made by the Independent Adviser in its reasonable discretion.

A "**Benchmark Event**" occurs if:

(1) the Original Benchmark Rate ceases to be published on a regular basis or ceases to exist; or

(2) a public statement by the administrator of the Original Benchmark Rate is made that it has ceased or that it will cease publishing the Original Benchmark Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue the publication of the Original Benchmark Rate); or

(3) a public statement by the supervisor of the administrator of the Original Benchmark Rate is made that the Original Benchmark Rate has been or will be permanently or indefinitely discontinued; or

(4) a public statement by the supervisor of the administrator of the Original Benchmark Rate is made as a consequence of which the Original Benchmark Rate will be prohibited from being used either generally, or in respect of the Notes; or

(5) it has become unlawful for any Paying Agent, the Calculation Agent, the Issuer or any other party to calculate or determine any distributions due to be made to any Holder using the Original Benchmark Rate.

"**Independent Adviser**" means an independent financial institution of international repute or other independent financial adviser experienced in the international debt capital markets, in each case appointed by the Issuer.

"**New Benchmark Rate**" means the Successor Benchmark Rate or, as the case may be, the Alternative Benchmark Rate determined in accordance with this § 3(4)(d).

"**Relevant Nominating Body**" means, in respect of the replacement of the Original Benchmark Rate:

(1) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or

(2) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (a) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, (b) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable), (c) a group of the aforementioned central banks or other supervisory authorities or (d) the Financial Stability Board or any part thereof.

"**Successor Benchmark Rate**" means a successor to or replacement of the Original Benchmark Rate which is formally recommended by any Relevant Nominating Body.

(vii) *Benchmark Replacement Effective Date*. The effective date for the application of the New Benchmark Rate, the Adjustment Spread and the Benchmark Amendments (if any) determined under this § 3(4)(d) (the "**Benchmark Replacement Effective Date**") will be the Reset Determination Date falling on or after the earliest of the following dates:

(A) if the Benchmark Event has occurred as a result of clause (1) of the definition of the term "Benchmark Event", the date of the occurrence of the Benchmark Event; or

(B) if the Benchmark Event has occurred as a result of clauses (2), (3) or (4) of the definition of the term "Benchmark Event", the date of cessation of publication of the Original Benchmark Rate or of the discontinuation of the Original Benchmark Rate, as the case may be; or

(C) if the Benchmark Event has occurred as a result of clause (5) of the definition of the term "Benchmark Event", the date from which the prohibition applies.

(viii) If a Benchmark Event occurs in relation to any New Benchmark Rate, this §3(4)(d) shall apply *mutatis mutandis* to the replacement of such New Benchmark Rate by any new Successor Benchmark Rate or Alternative Benchmark Rate, as the case may be. In this case, any reference in this § 3(4) to the term "Original Benchmark Rate" shall be deemed to be a reference to the New Benchmark Rate that last applied.

(ix) Any reference in this §3(4) to the term "Original Benchmark Rate" shall be deemed to include a reference to any component part thereof, if any, if a Benchmark Event in respect of that component part has occurred.

(5) *Determinations Binding*. All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this § 3 by the Calculation Agent or, as the case may be, any Independent Adviser or the Issuer, shall (in the absence of wilful default, bad faith, inequitableness or manifest error) be binding on the Issuer, the Principal Paying Agent, the Paying Agents and the Holders and, in the absence of the aforesaid, no liability to the Issuer, the Principal Paying Agent, the Paying Agents or the Holders shall attach to the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

(6) *Cessation of Interest Accrual, Default Distributions*. The Notes shall cease to bear distributions from the end of the calendar day preceding the date fixed for redemption (if any). If the Issuer fails to redeem the Notes when due, distributions shall continue to accrue on the Current Principal Amount of the Notes from and including the date fixed for redemption to but excluding the date of actual redemption of the Notes at the applicable rate of distributions determined pursuant to this § 3, which will fall due subject to the provisions set out in § 3(7) and § 5(9)(a)(iv). This does not affect any additional rights that might be available to the Holders.

(7) *Cancellation of Distributions.*

(a) *Discretionary Cancellation of Distributions.*

The Issuer, at its full discretion, may, at all times cancel, in whole or in part, any payment of distributions on the Notes scheduled to be paid on any Distribution Payment Date for an unlimited period and on a non-cumulative basis.

If the Issuer makes use of such right, it shall give notice to the Holders in accordance with § 10. A notice which has not been given on or before the relevant Distribution Payment Date shall be given without undue delay thereafter. Any failure or delay to give any such notice shall not affect the validity of the decision on the cancellation, shall in no event result in an obligation of the Issuer to make a cancelled distribution payment later and shall not constitute a default for any purpose.

(b) *Mandatory Cancellation of Distributions.*

(i) Without prejudice to such full discretion of the Issuer pursuant to § 3(7)(a), any payment of distributions scheduled to be paid on the Notes on any Distribution Payment Date and any Additional Amounts (as defined in § 7(1)) thereon shall be cancelled mandatorily and automatically, in whole or in part, if and to the extent that:

(A) the Issuer is insolvent, or the payment of the relevant amount would result in the insolvency of the Issuer; or

(B) the amount of such distribution payment and any Additional Amounts thereon together with any further Relevant Distributions would exceed the available Distributable Items, provided that, for such purpose, the available Distributable Items shall be increased by an amount equal to what has been accounted for as expenses for payments of interest, dividends or distributions on Tier 1 Instruments (including payments of distributions on the Notes and any Additional Amounts thereon) in the calculation of the profit (*Gewinn*) on which the available Distributable Items are based; or

(C) the Competent Authority orders the relevant distribution payment scheduled to be paid on the Notes to be cancelled in whole or in part; or

(D) another prohibition or restriction to make a distribution on the Notes, or to make such distribution on the Notes when aggregated with any other Relevant Distributions, is imposed by Applicable Supervisory Regulations or the Competent Authority (or any other relevant supervisory authority).

(ii) Prohibitions and restrictions of distributions pursuant to § 3(7)(b)(i)(D) may include, but are not limited to:

(A) any restrictions of distributions as a result of non-compliance with the combined buffer requirement (howsoever defined in the Applicable Supervisory Regulations) applicable at that point in time;

(B) any prohibition of distributions in connection with the calculation of the Maximum Distributable Amount;

(C) the limit resulting from the Maximum Distributable Amount; and

(D) any other restriction operating as maximum distributable amount in accordance with the then Applicable Supervisory Regulations requiring a maximum distributable amount to be calculated if the Issuer and/or the RBI Regulatory Group is failing to meet any applicable capital adequacy or buffer requirement, such as the maximum distributable amount related to the minimum requirement for own funds and eligible liabilities (M-MDA) and the maximum distributable amount related to the leverage ratio (L-MDA), in each case, if applicable to the Issuer and/or the RBI Regulatory Group at that point in time.

(iii) If any payment of distributions on the Notes scheduled to be paid on any Distribution Payment Date is so mandatorily and automatically cancelled, the Issuer shall give notice thereof to the Holders in accordance with § 10. A notice which has not been given on or before the relevant Distribution Payment Date shall be given without undue delay thereafter.

Any failure or delay to give any such notice shall not affect the validity of the cancellation, shall in no event result in an obligation of the Issuer to make a cancelled distribution payment at a later date and shall not constitute a default for any purpose.

(c) If a Write-Down occurs during any Distribution Period, unpaid distributions accrued on the Current Principal Amount to but excluding the Write-Down Effective Date will be cancelled mandatorily and automatically in full (see also § 5(9)(a)(iv)).

(d) Any distribution payment cancelled in accordance with § 3(7)(a) to (c) will be non-cumulative and will be cancelled permanently and no payments will be made, nor will any Holder be entitled to receive any payment or indemnity in respect thereof. Any such cancellation of distributions will not constitute an event of default of the Issuer and will not impose any restrictions on the Issuer.

The Issuer may use such cancelled payments without restrictions to meet its obligations as they fall due.

(e) In the absence of any notice of cancellation as referred to in § 3(7)(a) to (c) being given, non-payment (in whole or in part) of the Relevant Distributions on the Notes on the relevant Distribution Payment Date shall be evidence of the Issuer having elected or being required to cancel such distributions payment in whole or in part.

## § 4
## PAYMENTS

(1) (a) *Payment of Principal*. Payment of principal on the Notes shall be made, subject to § 4(2) below, to the Clearing System or to its order for credit to the accounts of the relevant accountholders of the Clearing System.

(b) *Payment of Distributions*. Payment of distributions and any Additional Amounts on the Notes shall be made, subject to § 3(7) above and § 4(2) below, to the Clearing System or to its order for credit to the accounts of the relevant accountholders of the Clearing System.

(2) *Manner of Payment*. Subject to applicable fiscal and other laws and regulations, payments of amounts due in respect of the Notes shall be made in the Specified Currency.

(3) *Discharge*. The Issuer shall be discharged by payment to, or to the order of, the Clearing System.

(4) *Business Day Convention.* If the due date for any payment of any amount in respect of the Notes would otherwise fall on a calendar day which is not a Payment Business Day, then the Holders will not be entitled to such payment until the next calendar day which is a Payment Business Day. In such case the Distribution Period will not be adjusted, and the Holders will not be entitled to any compensation for any such delay.

(5) *References to Principal and Distributions*. References in these Terms and Conditions to "principal" in respect of the Notes shall be deemed to include, as applicable: (i) the Current Principal Amount; and (ii) the Redemption Amount of the Notes (as defined in § 5(8)). References in these Terms and Conditions to "distributions" in respect of the Notes shall be deemed to include, as applicable, any Additional Amounts which may be payable under § 7(1).

## § 5
## REDEMPTION AND WRITE-DOWN

(1) *No Scheduled Maturity.* The Notes are perpetual and have no scheduled maturity date and shall not be redeemed by the Issuer other than in the cases provided for in § 5(3), § 5(4), § 5(5) or § 5(6) (in each case, in connection with § 5(7)) or (and subject to the ranking of the Issuer's obligations under the Notes as set out in § 2(1)) in the event of insolvency proceedings (bankruptcy proceedings) or liquidation of the Issuer.

(2) *No Redemption at the Option of a Holder*. The Holders do not have a right to demand, terminate or otherwise accelerate the redemption of the Notes.

For the avoidance of doubt, in particular no acceleration can occur in resolution (or moratorium) imposed against the Issuer under Applicable Supervisory Regulations.

(3) *Redemption at the Option of the Issuer*. The Issuer may, upon giving notice in accordance with § 5(8), redeem the Notes in whole, but not in part, at the Redemption Amount on any Optional Redemption Date (as defined below), provided that the conditions to redemption and repurchase laid down in § 5(7) are met. In addition, the Issuer will pay distributions, if any, accrued on the Current Principal Amount to but excluding the Optional Redemption Date specified in the notice, subject to cancellation of distributions pursuant to § 3(7).

"**Optional Redemption Date**" means:

(i) each Payment Business Day during the period from and including 15 December 2029 to but excluding the First Reset Date; and

(ii) the First Reset Date; and

(iii) each Distribution Payment Date following the First Reset Date.

The Issuer may exercise its redemption right pursuant to this § 5(3) only if the Current Principal Amount of each Note is equal to its Original Principal Amount.

(4) *Redemption for Reasons of Taxation*. If a Tax Event occurs, the Issuer may at any time, upon giving notice in accordance with § 5(8), redeem the Notes in whole, but not in part, at the Redemption Amount on the date of redemption specified in the notice, provided that the conditions to redemption and repurchase laid down in § 5(7) are met. In addition, the Issuer will pay distributions accrued on the Current Principal Amount to but excluding the date of redemption specified in the notice, if any, subject to cancellation of distributions pursuant to § 3(7).

Where:

A "**Gross-up Event**" occurs if there is a change in the applicable tax treatment of the Notes based on a decision of the local tax authority having competence over the Issuer as a result of which the Issuer has paid or will or would on the next Distribution Payment Date be required to pay, any Additional Amounts.

A "**Tax Deductibility Event**" occurs if there is a change in the applicable tax treatment of the Notes as a result of which the Issuer, in computing its taxation liabilities in Austria, would not be entitled to claim a deduction in respect of distributions paid on the Notes, or such deductibility is materially reduced.

"**Tax Event**" means a change in, or amendment to, or clarification of, the applicable tax treatment of the Notes, including without limitation, a Tax Deductibility Event or a Gross-up Event, which change or amendment or clarification: (x) subject to (y), becomes effective on or after the date of issuance of the Notes; or (y) in the case of a change, if such change is enacted on or after the date of issuance of the Notes.

(5) *Redemption for Regulatory Reasons.* If a Regulatory Event occurs, the Issuer may at any time, upon giving notice in accordance with § 5(8), redeem the Notes in whole, but not in part, at the Redemption Amount on the date of redemption specified in the notice, provided that the conditions to redemption and repurchase laid down in § 5(7) are met. In addition, the Issuer will pay distributions accrued on the Current Principal Amount to but excluding the date of redemption specified in the notice, if any, subject to cancellation of distributions pursuant to § 3(7).

A "**Regulatory Event**" occurs if there is a change in the regulatory classification of the Notes under the Applicable Supervisory Regulations that would be likely to result in their exclusion in full or in part from own funds (other than as a consequence of: (i) a Write-Down; and/or (ii) a write-down of the obligations of the Issuer under the Notes or conversion of the Notes by the Resolution Authority) or reclassification in full or in part as a lower quality form of own funds (in each case, on an individual basis of the Issuer and/or on a consolidated basis of the RBI Regulatory Group).

(6) *Redemption for Minimal Outstanding Principal Amount.* The Issuer may at any time, upon giving notice in accordance with § 5(8), redeem the Notes in whole, but not in part, at the Redemption Amount on the date of redemption specified in the notice, if at any time the number of Notes outstanding (calculated by dividing the aggregate Current Principal Amount of the Notes outstanding and held by persons other than the Issuer and its subsidiaries by the Current Principal Amount) has fallen to 25 per cent. or less of the number of Notes originally issued (calculated by dividing the aggregate principal amount of Notes (including any Notes additionally issued in accordance with § 9(1)) originally issued by the Original Principal Amount), provided that the conditions to redemption and repurchase laid down in § 5(7) are met. In addition, the Issuer will pay distributions accrued on the Current Principal Amount to but excluding the date of redemption specified in the notice, if any, subject to cancellation of distributions pursuant to § 3(7).

(7) *Conditions to Redemption and Repurchase*. Any redemption pursuant to this § 5 and any repurchase pursuant to § 9(2) is subject to:

(a) (i) the Issuer not being insolvent; and (ii) the payment of the relevant amount not resulting in the insolvency of the Issuer; and

(b) the Issuer having obtained the prior permission of the Competent Authority for such redemption or any repurchase pursuant to § 9(2) in accordance with Articles 77, 78 CRR, if applicable to the Issuer at that point in time, whereas such permission may, *inter alia*, require that:

  (i) either, before or at the same time as the redemption or repurchase, the Issuer replaces the Notes with own funds instruments of equal or higher quality at terms that are sustainable for the income capacity of the Issuer; or

  (ii) the Issuer has demonstrated to the satisfaction of the Competent Authority that the own funds and eligible liabilities of the Issuer would, following such redemption or repurchase, exceed the requirements for own funds and eligible liabilities laid down in the Applicable Supervisory Regulations by a margin that the Competent Authority considers necessary; and

(c) in the case of any redemption or repurchase during the five years following the date of issuance of the last tranche of the Notes, in addition, if applicable to the Issuer at that point in time:

  (i) in the case of any redemption due to a Tax Event, the Issuer has demonstrated to the satisfaction of the Competent Authority that the applicable change in tax treatment is material and was not reasonably foreseeable as at the date of issuance of the Notes; or

  (ii) in the case of any redemption due to a Regulatory Event, the Competent Authority considers such change to be sufficiently certain and the Issuer has demonstrated to the satisfaction of the Competent Authority that the relevant change in the regulatory classification of the Notes was not reasonably foreseeable as at the date of issuance of the Notes; or

  (iii) in the case of any redemption in circumstances other than those described in clause (i) or (ii), either before or at the same time as such action, the Issuer replaces the Notes with own funds instruments of equal or higher quality at terms that are sustainable for the income capacity of the Issuer and the Competent Authority has permitted that action based on the determination that it would be beneficial from a prudential point of view and justified by exceptional circumstances; or

  (iv) in the case of any repurchase pursuant to § 9(2), the Notes are repurchased for market making purposes.

Notwithstanding the above conditions, if, at the time of any redemption or repurchase, the prevailing Applicable Supervisory Regulations permit the redemption or repurchase only after compliance with one or more alternative or additional pre-conditions to those set out above, the Issuer shall comply with such other and/or, as appropriate, additional pre-conditions, if any.

For the avoidance of doubt, any refusal of the Competent Authority (or any other relevant supervisory authority) to grant any permission, approval or other authorisation required in accordance with the Applicable Supervisory Regulations shall not constitute a default for any purpose.

(8) *Redemption Notice; Redemption Amount.* Any notice of redemption in accordance with § 5(3), § 5(4), § 5(5) or § 5(6) shall be given by the Issuer to the Holders in accordance with § 10 observing a notice period of not less than five calendar days. Such notice shall specify:

(a) the description of the Notes including the securities codes;

(b) in the case of a notice of redemption in accordance with § 5(3), the Optional Redemption Date or, in the case of a notice of redemption in accordance with § 5(4), § 5(5) or § 5(6), the date fixed for redemption; and

(c) the Redemption Amount at which the Notes are to be redeemed.

"**Redemption Amount**" per Note means the Current Principal Amount per Note.

Any notice of redemption in accordance with § 5(3), § 5(4), § 5(5) or § 5(6) and this § 5(8) will be subject to § 5(9)(e)(ii).

(9) *Write-Down.*

(a) If, at any time, it is determined (as provided in § 5(9)(b) below) that a Trigger Event has occurred:

(i) the Issuer will immediately inform the Competent Authority of the occurrence of the Trigger Event;

(ii) the Issuer will determine the Write-Down Amount (as defined in § 5(9)(c)(ii)) as soon as possible, but in any case, before the Write-Down Effective Date;

(iii) the Issuer will, without undue delay, inform the Principal Paying Agent and the Holders in accordance with § 10 that a Trigger Event has occurred by publishing a notice (such notice a "**Trigger Event Notice**") which will specify the Write-Down Amount as well as the new/reduced Current Principal Amount of each Note and the Write-Down Effective Date; and

(iv) unpaid distributions accrued on the Current Principal Amount to but excluding the Write-Down Effective Date will be cancelled in accordance with § 3(7)(c); and

(v) the then prevailing Current Principal Amount of each Note will be automatically and irrevocably reduced (without the need for the consent of Holders) by the relevant Write-Down Amount (such reduction being referred to as a "**Write-Down**", and "**Written Down**" shall be construed accordingly) with effect as from the Write-Down Effective Date.

(b) The determination as to whether a Trigger Event has occurred shall be made by the Issuer or the Competent Authority or any agent appointed for such purpose by the Competent Authority. Any such determination shall be binding on the Issuer and the Holders.

For the purposes of determining whether a Trigger Event has occurred, the Group CET 1 Capital Ratio and/or the Issuer CET 1 Capital Ratio may be calculated at any time based on information (whether or not published) available to the Issuer, including information internally reported within the Issuer pursuant to its procedures for monitoring the Group CET 1 Capital Ratio and/or the Issuer CET 1 Capital Ratio.

For the avoidance of doubt, a Trigger Event may be determined at any time and may occur on more than one occasion, each Note may be Written Down on more than one occasion, provided however, that the Current Principal Amount of a Note may never be reduced to below EUR 0.01 under this § 5(9).

(c) Write-Down Amount.

(i) The aggregate reduction of the aggregate Current Principal Amount of all Notes outstanding on the Write-Down Effective Date will, subject as provided below, be equal to the lower of:

(A) the amount necessary to generate sufficient Common Equity Tier 1 capital pursuant to Article 50 CRR that would restore the Group CET 1 Capital Ratio and the Issuer CET 1 Capital Ratio to the Trigger Level at the point of such reduction, after taking into account (subject as provided below) the *pro rata* write-down and/or conversion of the prevailing principal amount of all Loss Absorbing Instruments (if any) to be written down and/or converted concurrently (or substantially concurrently) with the Notes, provided that, with respect to each Loss Absorbing Instrument (if any), such *pro rata* write-down and/or conversion shall only be taken into account to the extent required to restore the Group CET 1 Capital Ratio and the Issuer CET 1 Capital Ratio to the lower of: (x) such Loss Absorbing Instrument's trigger level; and (y) the Trigger Level and, in each case, in accordance with the terms of the relevant Loss Absorbing Instruments and the Applicable Supervisory Regulations; and

(B) the amount that would result in the Current Principal Amount of a Note being reduced to EUR 0.01.

(ii) The aggregate reduction determined in accordance with § 5(9)(c)(i) shall be applied to all of the Notes *pro rata* on the basis of its Current Principal Amount immediately prior to the Write-Down, and references herein to "**Write-Down Amount**" shall mean, in respect of each Note, the amount by which the Current Principal Amount of such Note is to be Written Down accordingly.

(iii) If, in connection with the Write-Down or the calculation of the Write-Down Amount, there are outstanding any Loss Absorbing Instruments the terms of which provide that they shall be written down and/or converted in full and not in part only (the "**Full Loss Absorbing Instruments**"), then:

(A) the provision that a Write-Down of the Notes should be effected *pro rata* with the write-down and/or conversion, as the case may be, of any Loss Absorbing Instruments shall not be construed as requiring the Notes to be Written Down in full solely by virtue of the fact that such Full Loss Absorbing Instruments may be written down and/or converted in full; and

(B) for the purposes of calculating the Write-Down Amount, the Full Loss Absorbing Instruments will be treated (for the purposes only of determining the write-down of principal and/or conversion, as the case may be, among the Notes and any Loss Absorbing Instruments on a *pro rata* basis) as if their terms permitted partial write-down and/or conversion, such that the write-down and/or conversion of such Full Loss Absorbing Instruments shall be deemed to occur in two concurrent stages:

(I) first, the principal amount of such Full Loss Absorbing Instruments shall be written down and/or converted *pro rata* (in the manner contemplated above) with the Notes and all other Loss Absorbing Instruments to the extent necessary to restore the Group CET 1 Capital Ratio and the Issuer CET 1 Capital Ratio to the Trigger Level; and

(II) secondly, the balance (if any) of the principal amount of such Full Loss Absorbing Instruments remaining following (I) shall be written off and/or converted, as the case may be, with the effect of increasing the Group CET 1 Capital Ratio and the Issuer CET 1 Capital Ratio above the Trigger Level.

(iv) To the extent the write-down and/or conversion of any Loss Absorbing Instruments for the purpose of § 5(9)(c)(i)(A) is not possible or not made for any reason, this shall not in any way prevent any Write-Down of the Notes. Instead, in such circumstances, the Notes will be Written Down and the Write-Down Amount determined as provided above but without including for the purpose of § 5(9)(c)(i)(A) any Common Equity

Tier 1 capital in respect of the write-down or conversion of such Loss Absorbing Instruments, to the extent it is not possible for them to be or they are not for any reason, written down and/or converted.

(v) The Issuer's determination of the relevant Write-Down Amount shall be irrevocable and binding on the Holders.

(d) Any failure by the Issuer to give the notice pursuant to § 5(9)(a)(i) and/or a Trigger Event Notice will not affect the effectiveness of, or otherwise invalidate, any Write-Down, or give Holders any rights as a result of such failure. Any such notice which has not been given shall be given without undue delay.

(e) Trigger Event and notice of redemption.

(i) The Issuer shall not give a notice of redemption after a Trigger Event has occurred until the Write-Down has been effected in respect of the relevant Trigger Event.

(ii) In addition, if a Trigger Event occurs after a notice of redemption but before the date on which such redemption becomes effective, the notice of redemption shall automatically be deemed revoked and shall be null and void, the relevant redemption shall not be made and the rights and obligations in respect of the Notes shall remain unchanged.

(f) Any Write-Down pursuant to this § 5(9) shall not constitute a default by the Issuer for any purpose, and the Holders shall have no right to claim for amounts Written Down, whether in the insolvency or liquidation of the Issuer or otherwise, save to the extent (if any) such amounts are subject to a Write-Up in accordance with § 5(10).

(10) *Write-Up*.

(a) The Issuer may, at its sole discretion, effect a reversal of a Write-Down by writing up the Current Principal Amount in whole or in part up to a maximum of the Original Principal Amount (a "**Write-Up**"), provided that a positive Profit has been recorded for each of the Issuer and the RBI Regulatory Group, and subject to the below limitations. There will be no obligation for the Issuer to operate or accelerate a Write-Up under any circumstances.

If the Issuer so decides in its sole discretion, the Write-Up will occur with effect from and including the Write-Up Effective Date.

(b) At its discretion (without being obliged to) the Issuer may effect such Write-Up provided that:

(i) at the time of the Write-Up, the Issuer is not insolvent, and the Write-Up would not result in the insolvency of the Issuer;

(ii) at the time of the Write-Up, there must not exist any Trigger Event that is continuing; any Write-Up is also excluded if such Write-Up would give rise to the occurrence of a Trigger Event;

(iii) such Write-Up is applied on a *pro rata* basis to all Notes and among Loss Absorbing Written Down Instruments; and

(iv) the sum of: (x) the aggregate amount attributed to the relevant Write-Up of the Notes and the aggregate increase in principal amount of Loss Absorbing Written Down Instruments resulting from any previous write-up since the end of the then previous financial year; and (y) the aggregate amount of any distribution and any Additional Amounts thereon paid on the aggregate Current Principal Amount of the Notes and the aggregate amount of any distribution and any additional amounts thereon paid on Loss Absorbing Written Down Instruments as calculated at the moment the Write-Up is operated will not exceed the Maximum Write-Up Amount at any time after the end of the then previous financial year.

(c) The amount of any Write-Up shall be subject to the restrictions relating to any applicable Maximum Distributable Amount and to any other restriction operating as maximum distributable amount as described in § 3(7)(b)(ii)(D), as at the time of the Write-Up.

For the avoidance of doubt, a Write-Up of the Notes may occur on one or more occasions until the Current Principal Amount equals the Original Principal Amount. Write-Ups do not have priority over dividend payments and other distributions on shares and other CET 1 Instruments, i.e. such payments and distributions are permitted even if no full Write-Up of the Notes has been effected.

(d) If the Issuer elects to effect a Write-Up, it will publish a notice about the Write-Up (including the amount of the Write-Up as a percentage of the Original Principal Amount and the effective date of the Write-Up (in each case a "**Write-Up Effective Date**")) no later than 10 calendar days prior to the relevant Write-Up Effective Date to the Principal Paying Agent and, in accordance with § 10, to the Holders. The Write-Up shall be deemed to be effected and the Current Principal Amount shall be deemed to be increased by the amount specified in the notice, with effect as of the Write-Up Effective Date.

(11) *Records of the Clearing Systems.* Any Write-Down or Write-Up shall be reflected in the records of CBL and Euroclear as a pool factor.

## § 6
## PRINCIPAL PAYING AGENT AND CALCULATION AGENT

(1) *Appointment; Specified Offices*. The initial Principal Paying Agent and the initial Calculation Agent and their respective initial specified offices are:

Principal Paying Agent:

**Citibank Europe plc**
1 North Wall Quay
Dublin 1
Ireland

Where these Terms and Conditions refer to the term "**Paying Agent(s)**", such term shall include the Principal Paying Agent.

Calculation Agent:

**Citibank Europe plc**
1 North Wall Quay
Dublin 1
Ireland

The Paying Agent(s) and the Calculation Agent (together the "**Agents**" and each an "**Agent**") reserve the right at any time to change their respective specified office to some other specified office in the same country.

(2) *Variation or Termination of Appointment*. The Issuer reserves the right at any time to vary or terminate the appointment of any Agent and to appoint another Principal Paying Agent, additional or other Paying Agents or another Calculation Agent. The Issuer shall at all times maintain: (i) a Principal Paying Agent; (ii) so long as the Notes are listed on a stock exchange, a Paying Agent (which may be the Principal Paying Agent) with a specified office in such country as may be required by the rules of such stock exchange or its supervisory authorities; and (iii) a Calculation Agent. The Issuer will give notice to the Holders of any variation, termination, appointment of or any other change in any Agent as soon as possible upon the effectiveness of such change.

(3) *Agents of the Issuer*. The Agents act solely as agents of the Issuer and do not have any obligations towards or relationship of agency or trust to any Holder.

(4) *Determinations Binding.* All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of these Terms and Conditions by any Agent shall (in the absence of wilful default, bad faith, inequitableness or manifest error) be binding on the Issuer, all other Agents and the Holders.

(5) If the Issuer appoints an Independent Adviser in accordance with § 3(4), the provisions in § 6(3) and (4) shall apply *mutatis mutandis* to the Independent Adviser.

## § 7
## TAXATION

(1) *General Taxation.* All payments in respect of the Notes will be made by the Issuer free and clear of, and without withholding or deduction for, any taxes, duties, assessments, or governmental charges of whatever nature ("**Taxes**") imposed, levied, collected, withheld or assessed by the Republic of Austria or any political subdivision or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law. If the Issuer is required by law to make any withholding or deduction for any Taxes from any payment of distributions in respect of the Notes, the Issuer will pay such additional amounts in relation to distributions (but not principal) as will be necessary in order that the net amounts received by the Holders after such withholding or deduction will equal the respective amounts which would otherwise have been receivable in respect of the Notes in the absence of such withholding or deduction (the "**Additional Amounts**"). However, no such Additional Amounts will be payable on account of any Taxes which:

(a) are payable by any person (including the Issuer) acting as custodian bank or collecting agent on behalf of a Holder, or by the Issuer if no custodian bank or collecting agent is appointed or otherwise in any manner which does not constitute a withholding or deduction by the Issuer from payments of principal or distributions made by it; or

(b) are payable by reason of the Holder having, or having had, some personal or business connection with the Republic of Austria; or

(c) are withheld or deducted pursuant to: (i) any European Union directive concerning the taxation of distributions income; or (ii) any international treaty or understanding relating to such taxation and to which the Republic of Austria or the European Union is a party, or (iii) any provision of law implementing, or complying with, or introduced to conform with, such directive, treaty or understanding; or

(d) are withheld or deducted by a Paying Agent from a payment if the payment could have been made by another Paying Agent without such withholding or deduction; or

(e) are payable by reason of a change in law that becomes effective more than 30 days after the relevant distribution becomes due; or

(f) would not be payable if the Holder can avoid such a withholding or deduction providing a certificate of residence, certificate of exemption or any other similar documents required according to the respective applicable regulations.

(2) *U.S. Foreign Account Tax Compliance Act (FATCA).* The Issuer is authorised to withhold or deduct from amounts payable under the Notes to a Holder or beneficial owner of Notes sufficient funds for the payment of any tax that it is required to withhold or deduct pursuant an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (the "**Code**"), or that is otherwise imposed pursuant to Sections 1471 through 1474 of the Code (or any regulations thereunder or official interpretations thereof) or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any fiscal or regulatory legislation, rules or practices implementing such an intergovernmental agreement) (any such withholding or deduction, a "**FATCA Withholding**"). Neither the Issuer nor any other person will be required to pay any additional amounts in respect of FATCA Withholding.

## § 8
## PRESENTATION PERIOD

The presentation period provided in § 801(1) sentence 1 of the German Civil Code (*Bürgerliches Gesetzbuch – BGB*) is reduced to ten years for the Notes.

## § 9
## FURTHER ISSUES OF NOTES, REPURCHASES AND CANCELLATION

(1) *Further Issues of Notes*. The Issuer may from time to time, without the consent of the Holders, issue further Notes having the same terms as the Notes in all respects (or in all respects except for the date of issuance, issue price, Distribution Commencement Date and/or first Distribution Payment Date) so as to form a single series with the Notes.

(2) *Repurchases.* Provided that all applicable regulatory and other statutory restrictions are observed and provided further that the conditions to redemption and repurchase laid down in § 5(7) are met, the Issuer and any of its subsidiaries may repurchase Notes in the open market or otherwise. Notes repurchased by the Issuer or any of its subsidiaries may, at the option of the Issuer or such subsidiary, be held, resold, or surrendered to the Principal Paying Agent for cancellation.

(3) *Cancellation*. All Notes redeemed in full shall be cancelled forthwith and may not be reissued or resold.

## § 10
## NOTICES

(1) *Notices of the Issuer*. All notices of the Issuer concerning the Notes shall be published in electronic form on the website of the Issuer (www.rbinternational.com) and, as long as the Notes are listed on the Luxembourg Stock Exchange, on the website of the Luxembourg Stock Exchange (www.luxse.com) or on such other website or other medium for the publication of notices as is required by the rules and regulations of the Luxembourg Stock Exchange. Any notice so given will be deemed to have been validly given on the third calendar day following the date of such publication.

(2) *Publication of Notices of the Issuer via the Clearing System*. In addition to the publication of notices pursuant to § 10(1) the Issuer will deliver the relevant notices to the Clearing System, for communication by the Clearing System to the Holders. Any such notice shall be deemed to have been given to the Holders on the seventh calendar day after the calendar day on which said notice was given to the Clearing System.

(3) Any notice so given pursuant to § 10(1) and (2) above will be deemed to have been given, if published more than once, on the day following the date on which the first such publication is deemed to be made.

## § 11
## AMENDMENTS TO THE TERMS AND CONDITIONS, JOINT REPRESENTATIVE

(1) *Amendment of the Terms and Conditions*. Subject to compliance with the Applicable Supervisory Regulations for the Notes to be (fully or partly) recognised as AT 1 Instruments of the Issuer or, to the extent that the Notes are at least partly recognised as own funds items (*als Eigenmittelposten anerkannt*) other than AT 1 Instruments, as such other own funds items of the Issuer, the Issuer may amend the Terms and Conditions with the consent of a majority resolution of the Holders pursuant to §§ 5 *et seqq.* of the SchVG and the prior consent by the Competent Authority (or any other relevant supervisory authority) to the extent required under prevailing Applicable Supervisory Regulations at that point in time.

In particular, the Holders may consent to amendments which materially change the substance of the Terms and Conditions, including such measures as provided for under § 5(3) of the SchVG by resolutions passed by such majority of the votes of the Holders as stated under § 11(2) below. A duly passed majority resolution will be binding upon all Holders.

For the avoidance of doubt, there will be no amendment of the Terms and Conditions without the Issuer's consent.

(2) *Majority requirements.* Except as provided by the following sentence and provided that the quorum requirements are being met, the Holders may pass resolutions by simple majority of the voting rights participating in the vote. Resolutions which materially change the substance of the Terms and Conditions, in particular in the cases of § 5(3)(1) through (9) of the SchVG, may only be passed by a majority of at least 75 per cent. of the voting rights participating in the vote (a

"**Qualified Majority**"). The voting right is suspended as long as any Notes are attributable to the Issuer or any of its affiliates (within the meaning of § 271(2) of the German Commercial Code (*Handelsgesetzbuch - HGB*)) or are being held for the account of the Issuer or any of its affiliates.

(3) *Resolutions*. Resolutions of the Holders will be made either in a Holders' meeting in accordance with § 11(3)(a) or by means of a vote without a meeting (*Abstimmung ohne Versammlung*) in accordance with § 11(3)(b), in either case convened by the Issuer or a joint representative, if any.

(a) Resolutions of the Holders in a Holders' meeting will be made in accordance with §§ 9 *et seqq.* of the SchVG. The convening notice of a Holders' meeting will provide the further details relating to the resolutions and the voting procedure. The subject matter of the vote as well as the proposed resolutions will be notified to Holders in the agenda of the meeting.

(b) Resolutions of the Holders by means of a voting not requiring a physical meeting (*Abstimmung ohne Versammlung*) will be made in accordance with § 18 of the SchVG. The request for voting as submitted by the chair (*Abstimmungsleiter*) will provide the further details relating to the resolutions and the voting procedure. The subject matter of the vote as well as the proposed resolutions will be notified to Holders together with the request for voting.

(4) *Second Holders' meeting*. If it is ascertained that no quorum exists for the vote without meeting pursuant to § 11(3)(b), the chair (*Abstimmungsleiter*) may convene a meeting, which shall be deemed to be a second meeting within the meaning of § 15(3) sentence 3 of the SchVG.

(5) *Registration.* The exercise of voting rights is subject to the registration of the Holders. The registration must be received at the address stated in the request for voting no later than the third day prior to the meeting in the case of a Holders' meeting (as described in § 11(3)(a) or § 11(4)) or the beginning of the voting period in the case of voting not requiring a physical meeting (as described in § 11(3)(b)), as the case may be. As part of the registration, Holders must demonstrate their eligibility to participate in the vote by means of a special confirmation of their respective depositary bank hereof in text form and by submission of a blocking instruction by the depositary bank stating that the relevant Notes are not transferable from and including the day such registration has been sent until and including the stated end of the meeting or day the voting period ends, as the case may be.

(6) *Joint representative*. The Holders may by majority resolution provide for the appointment or dismissal of a joint representative, the duties and responsibilities and the powers of such joint representative, the transfer of the rights of the Holders to the joint representative and a limitation of liability of the joint representative. Appointment of a joint representative may only be passed by a Qualified Majority if such joint representative is to be authorised to consent to a material change in the substance of the Terms and Conditions in accordance with § 11(1) hereof.

The joint representative shall have the duties and powers provided by law or granted by majority resolutions of the Holders. The joint representative shall comply with the instructions of the Holders. To the extent that the joint representative has been authorised to assert certain rights of the Holders, the Holders shall not be entitled to assert such rights themselves, unless explicitly provided for in the relevant majority resolution. The joint representative shall provide reports to the Holders on its activities. The provisions of the SchVG apply with regard to the recall and the other rights and obligations of the joint representative.

Unless the joint representative is liable for wilful misconduct (*Vorsatz*) or gross negligence (*grobe Fahrlässigkeit*), the joint representative's liability shall be limited to ten times the amount of its annual remuneration.

(7) *Notices.* Any notices concerning this § 11 will be made in accordance with §§ 5 *et seqq.* of the SchVG and § 10.

(8) *Exclusion of the Applicability of the Austrian Notes Trustee Act*. The applicability of the provisions of the Austrian Notes Trustee Act (*Kuratorengesetz*) and the Austrian Notes Trustee Supplementation Act (*Kuratorenergänzungsgesetz*) is explicitly excluded in relation to the Notes.

## § 12
## APPLICABLE LAW, PLACE OF JURISDICTION AND ENFORCEMENT

(1) *Applicable Law*. The Notes, as to form and content, and all rights and obligations of the Holders and the Issuer, shall be governed by, and shall be construed exclusively in accordance with, German law, save for the status provisions in § 2(1) to (4) which shall be governed by, and shall be construed exclusively in accordance with, Austrian law.

(2) *Place of Jurisdiction*. Subject to any exclusive court of venue for specific legal proceedings in connection with the SchVG, the District Court (*Landgericht*) in Frankfurt am Main, Federal Republic of Germany, shall have exclusive jurisdiction for any action or other legal proceedings (the "**Proceedings**") arising out of or in connection with the Notes.

(3) *Enforcement*. Any Holder may in any Proceedings against the Issuer, or to which such Holder and the Issuer are parties, protect and enforce in its own name its rights arising under such Notes on the basis of: (i) a statement issued by the Custodian with whom such Holder maintains a securities account in respect of the Notes: (a) stating the full name and address of the Holder; (b) specifying the aggregate principal amount of the Notes credited to such securities account on the date of such statement; and (c) confirming that the Custodian has given written notice to the Clearing System containing the information pursuant to (a) and (b); and (ii) a copy of the Global Note certified as being a true copy by a duly authorised officer of the Clearing System or a depositary of the Clearing System, without the need for production in such Proceedings of the actual records or the Global Note representing the Notes. Each Holder may, without prejudice to the foregoing, protect and enforce its rights under the Notes also in any other way which is admitted in the country of the Proceedings.

"**Custodian**" means any bank or other financial institution of recognised standing authorised to engage in securities custody business with which the Holder maintains a securities account in respect of the Notes and includes the Clearing System.

## USE OF PROCEEDS

The net proceeds from the issue and sale of the Notes will amount to approximately EUR 645,320,000.

The Issuer intends to use the net proceeds from the issue and sale of the Notes for its general funding purposes.

# TAXATION

**The tax legislation applicable to prospective investors in the Notes and the Issuer's country of incorporation may have an impact on the income received from the Notes.**

**Prospective holders of Notes (the "Holders" and each a "Holder") should consult their own tax advisers as to the particular tax consequences of subscribing, purchasing, holding and disposing the Notes, including the application and effect of any federal, state or local taxes, under the tax laws of each country of which they are residents or citizens or subject to tax for other reasons.**

The following is a general overview of certain tax considerations relating to the purchasing, holding, and disposing of Notes. It does not purport to be a complete analysis of all tax considerations relating to the Notes. In particular, this discussion does not consider any specific facts or circumstances that may apply to a particular Holder. The discussions that follow for each jurisdiction are based upon the applicable laws in force and their interpretation on the date of this Securities Note. These tax laws and interpretations are subject to change that may occur after such date, even with retroactive effect.

The information contained in this section is limited to taxation issues and prospective investors should not apply any information set out below to other areas, including (but not limited to) the legality of transactions involving the Notes.

Responsibility of the Issuer for the withholding of taxes at source:

The Issuer does not assume any responsibility for the withholding of taxes at source.

## Austria

This section on taxation contains a brief summary of the Issuer's understanding with regard to certain important principles which are of significance in connection with the purchase, holding or sale of the Notes in Austria. This summary does not purport to exhaustively describe all possible tax aspects and does not deal with specific situations which may be of relevance for certain potential investors. The following comments are rather of a general nature and included herein solely for information purposes. They are not intended to be, nor should they be construed to be, legal or tax advice. This summary is based on the currently applicable tax legislation, case law and regulations of the tax authorities, as well as their respective interpretation, all of which may be amended from time to time. Such amendments may possibly also be introduced with retroactive effect and may negatively impact on the tax consequences described. It is recommended that Holders consult with their legal and tax advisors as to the tax consequences of the purchase, holding or sale of the Notes. Tax risks resulting from the Notes (in particular from a potential qualification as equity for tax purposes instead of debt) shall in any case be borne by the Holder. For the purposes of the following it is assumed that the Notes are legally and factually offered to an indefinite number of persons in the sense of § 27a(2)(2) of the Austrian Income Tax Act (*Einkommensteuergesetz*), i.e., publicly offered (*öffentlich angeboten*) from a tax perspective.

### *General remarks*

Individuals having a domicile (*Wohnsitz*) and/or their habitual abode (*gewöhnlicher Aufenthalt*), both as defined in § 26 of the Austrian Federal Fiscal Procedures Act (*Bundesabgabenordnung*), in Austria are subject to income tax (*Einkommensteuer*) in Austria on their worldwide income (unlimited income tax liability; *unbeschränkte Einkommensteuerpflicht*). Individuals having neither a domicile nor their habitual abode in Austria are subject to income tax only on income from certain Austrian sources as defined in § 98 of the Austrian Income Tax Act (limited income tax liability; *beschränkte Einkommensteuerpflicht*).

Corporations having their place of management (*Ort der Geschäftsleitung*) and/or their legal seat (*Sitz*), both as defined in § 27 of the Austrian Federal Fiscal Procedures Act, in Austria are subject to corporate income tax (*Körperschaftsteuer*) in Austria on their worldwide income (unlimited corporate income tax liability; *unbeschränkte Körperschaftsteuerpflicht*). Corporations having neither their place of management nor their legal seat in Austria are subject to corporate income tax

only on income from certain Austrian sources (limited corporate income tax liability; *beschränkte Körperschaftsteuerpflicht*).

Both in case of unlimited and limited (corporate) income tax liability Austria's right to tax may be restricted by double taxation treaties.

***Income taxation of the Notes***

Austrian statutory law does not contain specific provisions on the qualification of Additional Tier 1 instruments for Austrian (corporate) income tax purposes. However, pursuant to § 8(3)(1) item 2 of the Austrian Corporate Income Tax Act (*Körperschaftsteuergesetz*), which is typically applied for purposes of qualifying hybrid instruments either as equity or as debt for Austrian (corporate) income tax purposes, jouissance rights and other financial instruments (*Genussrechte und sonstige Finanzierungsinstrumente*) granting a right to participate in both the current profits and the liquidation profits of the issuer are to be qualified as equity instruments. In contrast thereto, jouissance rights and other financial instruments granting a right to participate either in the current profits or in the liquidation profits of the issuer or in neither of the two categories are to be qualified as debt instruments. Further, reference has to be made to jurisprudence of the Austrian Supreme Administrative Court (*Verwaltungsgerichthof*) pursuant to which the qualification of hybrid instruments, such as jouissance rights, as equity, in addition has to be based on whether typical equity-like criteria outweigh typical debt-like criteria from a quantitative and qualitative perspective, thereby taking into account the instrument's term, the profit dependency of distributions, the participation in the issuer's substance/liquidation profit, the granting of security, a potential subordination and the lack of typical shareholder control and voting rights.

The Austrian Ministry of Finance (*Bundesministerium für Finanzen*) stated the following in the Austrian Corporate Income Tax Guidelines (*Körperschaftsteuerrichtlinien*):

Instruments qualify as equity-type jouissance rights and other financial instruments in the meaning of § 8(3)(1) item 2 of the Austrian Corporate Income Tax Act if they grant a right to participate in the current profits and the liquidation profits of a corporation. Both prerequisites mentioned in the statute must be fulfilled. In case no participation in the current profits, in the liquidation profits, or in both types of profits exists, an instrument qualifies as a debt-type jouissance right (*i.e.*, as debt); consequently, payments under such an instrument are tax deductible. Jouissance rights and other financial instruments fulfilling the prerequisites of § 8(3)(1) item 2 of the Austrian Corporate Income Tax Act are to be qualified as equity for income tax purposes; all kinds of distributions under such instruments qualify as tax-neutral use of income. Additional Tier 1 instruments and Tier 2 instruments in the meaning of Articles 51 and 62 CRR are to be qualified as equity or debt for tax purposes in line with the criteria outlined in § 8(3)(1) item 2 of the Austrian Corporate Income Tax Act; on this basis, according to the Austrian Corporate Income Tax Guidelines, usually such instruments would qualify as debt for tax purposes.

For purposes of the following, the Issuer assumes that the Notes qualify as debt for Austrian (corporate) income tax purposes. In case of a qualification of the Notes as equity, the tax consequences would substantially differ from those described below.

Pursuant to § 27(1) of the Austrian Income Tax Act, the term investment income (*Einkünfte aus Kapitalvermögen*) comprises:

- income from the granting of capital (*Einkünfte aus der Überlassung von Kapital*) pursuant to § 27(2) of the Austrian Income Tax Act, including dividends and interest; the tax basis is the amount of the earnings received (§ 27a (3)(1) of the Austrian Income Tax Act);
- income from realised increases in value of financial assets (*Einkünfte aus realisierten Wertsteigerungen von Kapitalvermögen*) pursuant to § 27(3) of the Austrian Income Tax Act, including gains from the alienation, redemption and other realisation of assets that lead to income from the granting of capital (including zero coupon bonds); the tax basis amounts to the sales proceeds or the redemption amount minus the acquisition costs, in each case including accrued interest (§ 27a(3)(2)(a) of the Austrian Income Tax Act);

- income from derivatives (*Einkünfte aus Derivaten*) pursuant to § 27(4) of the Austrian Income Tax Act, including cash settlements, option premiums received and income from the sale or other realisation of forward contracts like options, futures and swaps and other derivatives such as index certificates (the mere exercise of an option does not trigger tax liability); e.g., in the case of index certificates, the tax basis amounts to the sales proceeds or the redemption amount minus the acquisition costs (§ 27a(3)(3)(c) of the Austrian Income Tax Act); and
- income from crypto currencies (*Einkünfte aus Kryptowährungen*) pursuant to sec. 27(4a) of the Austrian Income Tax Act.

Also, the withdrawal of the Notes from a securities account (*Depotentnahme*) and circumstances leading to a restriction of Austria's taxation right regarding the Notes vis-à-vis other countries, *e.g.* a relocation from Austria (*Wegzug*), are in general deemed to constitute a sale (cf. § 27(6)(1) and (2) of the Austrian Income Tax Act). The tax basis amounts to the fair market value minus the acquisition costs (§ 27a(3)(2)(b) of the Austrian Income Tax Act). In case of a restriction of Austria's taxation right vis-à-vis an EU Member State or a state of the European Economic Area, the taxpayer may apply for a payment of the triggered income tax in instalments in accordance with (§ 27(6)(1)(d) in connection with) § 6(6)(c) and (d) of the Austrian Income Tax Act or – pursuant to the restrictive requirements of § 27(6)(1)(a) of the Austrian Income Tax Act – for a deferral of taxation until the actual disposal of the Notes or certain other events.

Individuals subject to unlimited income tax liability in Austria holding the Notes as non-business assets are subject to income tax on all resulting investment income pursuant to § 27(1) of the Austrian Income Tax Act. Investment income from the Notes with an Austrian nexus for withholding tax purposes (*inländische Einkünfte aus Kapitalvermögen*), basically meaning income paid by an Austrian paying agent (*auszahlende Stelle*) or an Austrian custodian agent (*depotführende Stelle*) within the meaning of sec. 95(2) of the Austrian Income Tax Act, is subject to withholding tax (*Kapitalertragsteuer*) at a flat rate of 27.5 per cent.; no additional income tax is levied over and above the amount of tax withheld (final taxation pursuant to § 97(1) of the Austrian Income Tax Act). Investment income from the Notes without such Austrian nexus for withholding tax purposes must be included in the Holder's income tax return and is subject to income tax at the flat rate of 27.5 per cent. In both cases upon application the option exists to tax all income subject to income tax at a flat rate pursuant to § 27a(1) of the Austrian Income Tax Act at the progressive income tax rate (option to regular taxation (*Regelbesteuerungsoption*) pursuant to § 27a(5) of the Austrian Income Tax Act). The acquisition costs must not include ancillary acquisition costs (*Anschaffungsnebenkosten*; § 27a (4)(2) of the Austrian Income Tax Act). Expenses such as bank charges and custody fees must not be deducted (§ 20(2) of the Austrian Income Tax Act); this applies irrespective of whether the option to regular taxation is exercised. § 27(8) of the Austrian Income Tax Act, *inter alia*, provides for the following restrictions on the offsetting of losses (*Verlustausgleich*): negative income from the alienation, redemption and other realisation of assets that lead to income from the granting of capital, from derivatives and from crypto currencies may be neither offset against interest from bank accounts and other non-securitized monetary claims vis-à-vis credit institutions (except for cash settlements and lending fees) nor against income from private foundations, foreign private law foundations and other comparable legal estates (*Privatstiftungen, ausländische Stiftungen oder sonstige Vermögensmassen, die mit einer Privatstiftung vergleichbar sind*); income subject to income tax at a flat rate pursuant to § 27a(1) of the Austrian Income Tax Act may not be offset against income subject to the progressive income tax rate (this equally applies in case of an exercise of the option to regular taxation); negative investment income not already offset against positive investment income may not be offset against other types of income and may not be carried forward to subsequent tax periods. The Austrian custodian agent has to effect the offsetting of losses by taking into account all of a taxpayer's securities accounts with the custodian agent, in line with § 93(6) of the Austrian Income Tax Act, and to issue a written confirmation to the taxpayer to this effect.

Individuals subject to unlimited income tax liability in Austria holding the Notes as business assets are subject to income tax on all resulting investment income in the meaning of § 27(1) of the Austrian Income Tax Act. Investment income from the Notes with an Austrian nexus for withholding tax purposes as described above is subject to withholding tax at a flat rate of 27.5 per cent. While withholding tax has the effect of final taxation for income from the granting of capital, other types of investment income must be included in the Holder's income tax return (nevertheless such income is taxed at the flat rate of 27.5 per cent.). Investment income from the Notes without an Austrian nexus for withholding tax purposes

must always be included in the Holder's income tax return and is subject to income tax at the flat rate of 27.5 per cent. In both cases upon application the option exists to tax all income subject to income tax at a flat rate pursuant to § 27a(1) of the Austrian Income Tax Act at the progressive income tax rate (option to regular taxation pursuant to § 27a(5) of the Austrian Income Tax Act). The flat tax rate does not apply to income from realised increases in value of financial assets, from derivatives and crypto currencies if realizing these types of income constitutes a key area of the respective Holder's business activity (§ 27a(6) of the Austrian Income Tax Act). Expenses such as bank charges and custody fees must not be deducted (§ 20(2) of the Austrian Income Tax Act); this also applies if the option to regular taxation is exercised. Pursuant to § 6(2)(c) of the Austrian Income Tax Act, depreciations to the lower fair market value and losses from the alienation, redemption and other realisation of financial assets, derivatives and crypto currencies in the meaning of § 27(3) to (4a) of the Austrian Income Tax Act, which are subject to income tax at the flat rate of 27.5 per cent., are primarily to be offset against income from realised increases in value of such assets and with appreciations in value of such assets within the same business unit (*Wirtschaftsgüter desselben Betriebes*); only 55 per cent. of the remaining negative difference may be offset against other types of income.

Pursuant to § 7(2) of the Austrian Corporate Income Tax Act, corporations subject to unlimited corporate income tax liability in Austria are subject to corporate income tax on income in the meaning of § 27(1) of the Austrian Income Tax Act from the Notes at a rate of 23 per cent. In the case of income in the meaning of § 27(1) of the Austrian Income Tax Act from the Notes with an Austrian nexus for withholding tax purposes, the income is subject to withholding tax at a flat rate of 27.5 per cent. However, pursuant to § 93(1a) of the Austrian Income Tax Act, the withholding agent may apply a rate of 23 per cent. if the debtor of the withholding tax is a corporation. Such withholding tax can be credited against the corporate income tax falling due and, as far as exceeding, be refunded. Under the conditions set forth in § 94(5) of the Austrian Income Tax Act withholding tax is not levied in the first place. Losses from the alienation of the Notes can be offset against other income.

Pursuant to § 13(3)(1) in connection with § 22(2) of the Austrian Corporate Income Tax Act, private foundations (*Privatstiftungen*) pursuant to the Austrian Private Foundations Act (*Privatstiftungsgesetz*) fulfilling the prerequisites contained in § 13(3) and (6) of the Austrian Corporate Income Tax Act and holding the Notes as non-business assets are subject to interim taxation at a rate of 23 per cent. on income from the Notes. Pursuant to the Austrian tax authorities' view, the acquisition costs must not include ancillary acquisition costs. Expenses such as bank charges and custody fees must not be deducted (§ 12(2) of the Austrian Corporate Income Tax Act). Interim tax does generally not fall due insofar as distributions subject to withholding tax are made to beneficiaries in the same tax period. Investment income from the Notes with an Austrian nexus for withholding tax purposes is in general subject to withholding tax at a flat rate of 27.5 per cent. However, pursuant to § 93(1a) of the Austrian Income Tax Act, the withholding agent may apply a rate of 23 per cent. if the debtor of the withholding tax is a corporation. Such withholding tax can be credited against the corporate income tax falling due and, as far as exceeding, be refunded. Under the conditions set forth in § 94(12) of the Austrian Income Tax Act withholding tax is not levied.

Individuals and corporations subject to limited (corporate) income tax liability in Austria are taxable on income from the Notes if they have a permanent establishment *(Betriebsstätte*) in Austria and the Notes are attributable to such permanent establishment (cf. § 98(1)(3) of the Austrian Income Tax Act, § 21(1)(1) of the Austrian Corporate Income Tax Act). In addition, individuals subject to limited income tax liability in Austria not having such permanent establishment in Austria are also taxable on interest in the meaning of § 27(2)(2) of the Austrian Income Tax Act and accrued interest (including from zero coupon bonds) in the meaning of § 27(6)(5) of the Austrian Income Tax Act from the Notes if the (accrued) interest has an Austrian nexus and if withholding tax is levied on such (accrued) interest. This does not apply to individuals being resident in a state with which automatic exchange of information exists (which fact must be proven by provision of a certificate of residence to the withholding agent on the form IS-QU1, "*Declaration by individuals for the purpose of unilateral tax relief at source*"). Interest with such Austrian nexus is interest the debtor of which has its place of management and/or its legal seat in Austria or is an Austrian branch of a non-Austrian credit institution; accrued interest with such Austrian nexus is accrued interest from securities issued by an Austrian issuer (§ 98(1)(5)(b) of the Austrian Income Tax Act). Under applicable double taxation treaties, relief from Austrian income tax might be available. However, Austrian credit institutions must not provide for such relief at source; instead, the Holder may file an application for repayment of tax with the competent Austrian tax office.

If the Notes were legally or factually not offered to an indefinite number of persons in the sense of § 27a(2)(2) of the Austrian Income Tax Act, *i.e.,* not publicly offered from a tax perspective, then tax consequences deviating from those outlined above would apply for Holders of the Notes: Regarding individuals subject to unlimited income tax liability in Austria, no Austrian withholding tax would be deducted and the special tax rate of 27.5 per cent. would not apply; rather, investment income from the Notes would have to be included in the Holder's income tax return and would be subject to the progressive income tax rate of up to 55 per cent. Regarding corporations and private foundations subject to unlimited corporate income tax liability in Austria, no Austrian withholding tax would be deducted, and the income would be subject to corporate income tax at a rate of 23 per cent. Regarding individuals and corporations subject to limited (corporate) income tax liability, no Austrian withholding tax would be deducted; the income from the Notes would not be subject to Austrian income tax or Austrian corporate income tax, unless the Notes were attributable to an Austrian permanent establishment of the Holder.

***Inheritance and gift taxation***

Austria does not levy inheritance or gift tax.

Certain gratuitous transfers of assets to private law foundations and comparable legal estates (*privatrechtliche Stiftungen und damit vergleichbare Vermögensmassen*) are subject to foundation transfer tax (*Stiftungseingangssteuer*) pursuant to the Austrian Foundation Transfer Tax Act (*Stiftungseingangssteuergesetz*) if the transferor and/or the transferee at the time of transfer have a domicile, their habitual abode, their legal seat and/or their place of management in Austria. Certain exemptions apply in cases of transfers mortis causa of financial assets within the meaning of § 27(3) and (4) of the Austrian Income Tax Act (except for participations in corporations) if income from such financial assets is subject to income tax at a flat rate pursuant to § 27a(1) of the Austrian Income Tax Act. The tax basis is the fair market value of the assets transferred minus any debts, calculated at the time of transfer. The tax rate generally is 2.5 per cent., with higher rates applying in special cases.

In addition, there is a special notification obligation for gifts of money, receivables, shares in corporations, participations in partnerships, businesses, movable tangible assets and intangibles if the donor and/or the donee have a domicile, their habitual abode, their legal seat and/or their place of management in Austria. Not all gifts are covered by the notification obligation: In case of gifts to certain related parties, a threshold of EUR 50,000 per year applies; in all other cases, a notification is obligatory if the value of gifts made exceeds an amount of EUR 15,000 during a period of five years. Furthermore, gratuitous transfers to foundations falling under the Austrian Foundation Transfer Tax Act described above are also exempt from the notification obligation. Intentional violation of the notification obligation may trigger fines of up to 10 per cent. of the fair market value of the assets transferred.

Further, gratuitous transfers of the Notes may trigger income tax at the level of the transferor pursuant to § 27(6)(1) and (2) of the Austrian Income Tax Act (see above).

## SUBSCRIPTION AND SALE OF THE NOTES

### General

Pursuant to a subscription agreement dated 21 November 2024 (the "**Subscription Agreement**") among the Issuer and BNP Paribas, BofA Securities Europe SA, Citigroup Global Markets Europe AG, Crédit Agricole Corporate and Investment Bank, UBS Europe SE (and together with Raiffeisen Bank International AG in its role as lead manager, the "**Joint Lead Managers**") and Banco de Sabadell, S.A. and ING Bank N.V., Belgian Branch (the "**Co-Managers**" and together with the Joint Lead Managers, the "**Managers**"), the Issuer has agreed to sell to the Managers, and the Managers have agreed, subject to certain customary closing conditions, to purchase, the Notes on 25 November 2024. The Issuer has furthermore agreed to pay certain fees to the Managers and to reimburse the Managers for certain expenses incurred in connection with the issue of the Notes.

The Subscription Agreement provides that the Managers under certain circumstances will be entitled to terminate the Subscription Agreement. In such event, no Notes will be delivered to investors. Furthermore, the Issuer has agreed to indemnify the Managers against certain liabilities in connection with the offer and sale of the Notes.

The Managers or their respective affiliates have provided from time to time, and expect to provide in the future, investment services to the Issuer and its affiliates, for which the Managers or their respective affiliates have received or will receive customary fees and commissions. In addition, the Managers or their respective affiliates may be involved in financing initiatives relating to the Issuer. Furthermore, in the ordinary course of their business activities, the Managers and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or its affiliates. The Managers and/or their affiliates may receive allocations of Notes (subject to customary closing conditions), which could affect future trading of the Notes. Certain of the Managers or their respective affiliates that have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies. Typically, such Managers and their respective affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in the Issuer's securities, including potentially the Notes offered hereby. Any such short positions could adversely affect future trading prices of the Notes offered hereby. The Managers and their respective affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

### Selling Restrictions

#### *General*

Each Manager has acknowledged that other than explicitly mentioned in this Securities Note no action is taken or will be taken by the Issuer in any jurisdiction that would permit a public offering of the Notes, or possession or distribution of any offering material relating to them, in any jurisdiction where action for that purpose is required.

Each Manager has represented and agreed that it will comply with all applicable laws and regulations in each jurisdiction in which it purchases, offers, sells or delivers Notes or has in its possession or distributes any offering material relating to them.

#### *Prohibition of Sales to EEA Retail Investors*

Each Manager has represented, warranted and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes to any retail investor in the European Economic Area. For the purposes of this provision the expression retail investor means a person who is one (or more) of the following:

(i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or

(ii) a customer within the meaning of the IDD, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

The expression an "offer" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

***United States of America and its territories***

The Notes have not been and will not be registered under the Securities Act of 1933 (as amended, the "**Securities Act**"), and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act (the "**Regulation S**").

Each Manager has represented and agreed that except as permitted by the Subscription Agreement, it has not offered, sold or delivered and will not offer, sell or deliver any Notes: (i) as part of their distribution at any time; or (ii) otherwise until 40 days after the later of the commencement of the offering and the Issue Date, within the United States or to, for the account or benefit of, U.S. persons, and will have sent to each dealer to which it sells the Notes and any related guarantee during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S.

In addition, until 40 days after the commencement of the offering of the Notes, an offer or sale of the Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

***United Kingdom***

*Prohibition of Sales to UK Retail Investors*

Each Manager has represented and agreed that it has not offered, sold, or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Securities Note in relation thereto to any retail investor in the UK. For the purposes of this provision the expression "retail investor" means a person who is one (or more) of the following:

(i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**"); or

(ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement the IDD, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA.

The expression an "offer" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

*Other regulatory restrictions*

Each Manager has represented, warranted and agreed that:

(i) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer, and

(ii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the UK.

***Singapore***

Each of the Managers has acknowledged that neither this Securities Note nor the Registration Document has been or will be registered as a prospectus with the Monetary Authority of Singapore (the "**MAS**"). Accordingly, each of the Managers has severally represented, warranted and agreed that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Securities Note, the Registration Document or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the "**SFA**")) pursuant to Section 274 of the SFA; or (ii) to an accredited investor (as defined in Section 4A of the SFA) pursuant to, and in accordance with the conditions specified in Section 275 of the SFA.

***Hong Kong***

Each Manager has represented, warranted, and agreed that:

(a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes other than: (i) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the "**SFO**") and any rules made under that SFO; or (ii) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the "**C(WUMP)O**") or which do not constitute an offer to the public within the meaning of the C(WUMP)O; and

(b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO.

**Italy**

Without prejudice to the section "*Prohibition of Sales to EEA Retail Investors*" above, any offer, sale or delivery of the Notes or distribution of copies of this Securities Note, the Registration Document or any other document relating to the Notes in Italy must be:

(i) made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with Legislative Decree of 24 February 1998, No. 58 (as amended, the Italian Financial Act), Legislative Decree No. 385 of 1 September 1993 (as amended, the "**Italian Banking Act**"), CONSOB regulation No. 20307 of 15 February 2018, as amended, any other applicable laws or regulations; and

(ii) in compliance with any securities, tax, exchange control and any other applicable laws and regulations, including any limitation or requirement which may be imposed from time to time, inter alia, by *Commissione Nazionale per le Società e la Borsa* ("**CONSOB**") or the Bank of Italy or other competent authority, including without limitation Article 129 of the Italian Banking Act and the implementing guidelines of the Bank of Italy, as amended.

**Switzerland**

The offering of the Notes in Switzerland is exempt from the requirement to prepare and publish a prospectus under the Swiss Financial Services Act ("**FinSA**") because such offering is made to professional clients within the meaning of the FinSA only and the Notes will not be admitted to trading on any trading venue (exchange or multilateral trading facility) in Switzerland. Neither this Securities Note, nor the Registration Document nor any other offering or marketing material

relating to the Notes constitutes a prospectus pursuant to the FinSA, and no such prospectus has been or will be prepared for or in connection with the offering of the Notes.

**Canada**

Each Manager has acknowledged that the Notes have not been and will not be qualified for sale under the securities laws of Canada or any province or territory thereof. Each Manager has represented and agreed that it has not offered or sold, and that it will not offer or sell, any Notes, directly or indirectly, in Canada, or to, or for the benefit of, any resident thereof in contravention of the securities laws of Canada or any province or territory thereof. Each Manager has also agreed not to distribute this Securities Note, the Registration Document, or any other offering material relating to the Notes, in Canada.

## GENERAL INFORMATION

1. **Authorisations:** The creation and issue of the Notes is covered by the approval of an annual funding plan by the Issuer's Board of Management (reflected in the approvals dated 20 November 2023) and by the Supervisory Board (dated 15 December 2023) determining the total annual issuance volume and has been authorised by a resolution of the Board of Management of the Issuer on 12 November 2024.

2. **Interest of Natural and Legal Persons involved in the Issue:** Certain of the Managers and their affiliates may be customers of borrowers from or creditors of the Issuer and/or its affiliates. In addition, certain Managers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for the Issuer and/or its affiliates in the ordinary course of business.

4. **Expenses related to Admission to Trading:** The total expenses related to the admission to trading of the Notes are expected to amount to approximately EUR 14,200.

5. **Clearing Systems:** Payments and transfers of the Notes will be settled through Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, 1210 Brussels, Belgium, and Clearstream Banking S.A., 42 Avenue JF Kennedy, 1855 Luxembourg, Luxembourg.

   The Notes have the following securities codes:

   ISIN: XS2785548053
   Common Code: 278554805
   German Securities Code (WKN): A3L5ZH

6. **Listing and Admission to Trading:** Application has been made to the Luxembourg Stock Exchange for the Notes to be admitted to trading on the Luxembourg Stock Exchange's regulated market (which is a regulated market for the purposes of MiFID II) and to be listed on the Official List of the Luxembourg Stock Exchange on or around the Issue Date.

7. **Documents on Display:** Electronic versions of the following documents are available on the Issuer's website (https://www.rbinternational.com):

   (a) The Registration Document;

   (b) the documents incorporated by reference into the Registration Document.

   This Securities Note and any supplement to this Securities Notes will be published on the website of the Luxembourg Stock Exchange (www.luxse.com).

8. **Third Party Information:** With respect to any information included herein and specified to be sourced from a third party: (i) the Issuer confirms that any such information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from information available to it from such third party, no facts have been omitted the omission of which would render the reproduced information inaccurate or misleading; and (ii) neither the Issuer nor any Manager has independently verified any such information and neither the Issuer nor any Manager accepts any responsibility for the accuracy thereof.

9. **Yield:** For the investors, the yield of the Notes until the First Reset Date is 7.509 per cent. *per annum*, calculated as of the Issue Date on the basis of the Issue Price. It is not an indication of future yield. Such yield is calculated in accordance with the ICMA (International Capital Markets Association) method. The ICMA method determines the effective interest rate on Notes by taking into account accrued interest on a daily basis.

   The yield of the Notes for the period after the First Reset Date cannot be determined as of the date of this Securities Note.

10. **Ratings of the Notes:**

The Notes are expected to be rated "BB"[1] by S&P.

S&P Global Ratings Europe Limited, 4th Floor, Styne House, Upper Hatch Street, Dublin 2, D02 DY27, Ireland, is established in the European Union, is registered under Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies (the "**CRA Regulation**") and is included in the list of credit rating agencies registered in accordance with the CRA Regulation published by ESMA on its website (https://www.esma.europa.eu/supervision/credit-rating-agencies/risk) and last updated on 10 July 2024.

A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

[1] S&P defines "BB" as follows: "An obligation rated 'BB' is less vulnerable to nonpayment than other speculative issues. However, it faces major ongoing uncertainties or exposure to adverse business, financial, or economic conditions that could lead to the obligor's inadequate capacity to meet its financial commitments on the obligation."

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