

PROSPECTUS

Banque Raiffeisen S.C., Luxembourg

(a cooperative company (société coopérative) incorporated under the laws of the Grand Duchy of Luxembourg, having its registered office at 4, rue Léon Laval, L-3372 Leudelange, Grand Duchy of Luxembourg and registered with the Luxembourg trade and companies register under the number B20128)



Up to EUR 30,000,000 5.00 per cent p.a.
Notes due **2033**

Issue price: **100 per cent**

ISIN: **LU2603886495**

PROSPECTUS

BANQUE RAIFFEISEN S.C., LUXEMBOURG

(a cooperative company (*société coopérative*) incorporated under the laws of the Grand Duchy of Luxembourg, having its registered office at 4, rue Léon Laval, L-3372 Leudelange, Grand Duchy of Luxembourg and registered with the Luxembourg trade and companies register under the number B20128)

Up to EUR30,000,000 5.00 per cent Notes due 2033

Issue price: 100.0 per cent.

ISIN: LU2603886495

The up to EUR30,000,000 5.00 per cent. Notes due 2033 (the **Notes**) are issued by Banque Raiffeisen S.C. (the **Issuer**) on 4 July 2023 (the **Issue Date**).

The Notes and the Coupons (as defined below) are subordinated obligations of the Issuer. The rights and claims of the Noteholders and Couponholders against the Issuer in respect of the Notes and the Coupons are subordinated to the claims of the Senior Creditors (as defined in the terms and conditions of the Notes (the Conditions)).

The Issuer may, at its option, redeem all or some only of the Notes once every year starting at the end of the fifth anniversary of the Notes at their principal amount plus accrued interest. Also, the Issuer may, at its option, redeem all, but not some only, of the Notes at any time at their principal amount plus accrued interest, in the event of certain tax changes and in the event of certain regulatory changes, both as described under Condition 6 (Redemption and Purchase). Any early redemption of the Notes is subject to the Issuer having obtained the prior approval of the Regulator (as defined in the Conditions). The Notes mature on 4 July 2033.

Application has been made to the *Commission de Surveillance du Secteur Financier* (the **CSSF**) in its capacity as competent authority under Regulation (EU) 2017/1129, as amended (the **Prospectus Regulation**) to approve this document (the **Prospectus**) as a prospectus for the offering of the Notes to the public in Luxembourg. The CSSF only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Approval by the CSSF should not be considered as an endorsement of the Issuer nor as an endorsement of the quality of the Notes. Investors should make their own assessment as to the suitability of investing in the Notes. The CSSF assumes no responsibility for the economic and financial soundness of the transactions contemplated by this Prospectus or the quality or solvency of the Issuer in accordance with Article 6(4) of the Luxembourg act dated 16 July 2019 on prospectuses for securities, as amended (the **Prospectus Act 2019**). No application has been made to the Luxembourg Stock Exchange (**LxSE**) for the Notes to be listed on the official list of the LxSE and to be admitted to trading on the regulated market of the LxSE and no application has been made to any other stock exchange or market for the listing and admission to trading of the Notes.

The Notes in bearer form will initially be represented by a temporary global note (the **Temporary Global Note**) issued in the form of a LuxCSD Bearer Global Note (**LBN Form**). Interests in the Temporary Global Note will be exchangeable for interests in a permanent global note in LBN Form (the **Permanent Global Note** and together with the Temporary Global Note, the **Global Notes**) on or after a date (the **Exchange Date**) that is expected to be 40 days after the Issue Date upon certification as to non-U.S. beneficial ownership, as required by U.S. Treasury regulations. On or about the Issue Date, the Global Notes will be deposited with LuxCSD, *société anonyme* (**LuxCSD**). The Permanent Global Note is exchangeable for definitive Notes subject to and in accordance with the terms of the Permanent Global Note and the Conditions (1) if the Permanent Global Note is held on behalf of LuxCSD and such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so or (2) an event described in Condition 9.1 (Default Enforcement - Liquidation) has occurred and is continuing.

An investment in Notes involves certain risks. Prospective investors should have regard to the factors described under the heading "Risk Factors" on page 13.

Placement Agent

Banque Raiffeisen S.C.

The date of this Prospectus is 7 June 2023

This Prospectus constitutes a prospectus drawn up as a single document for the purposes of Article 6(3) of the Prospectus Regulation. This Prospectus shall be valid for public offering of the Notes for 12 months after the approval by the CSSF, i.e. until 7 June 2024, provided that it is completed by any supplement, pursuant to Article 23 of the Prospectus Regulation, following the occurrence of a significant new factor, a material mistake or a material inaccuracy relating to the information included (including incorporated by reference) in this Prospectus which may affect the assessment of the Notes. After such date, the Prospectus will expire and the obligation to supplement this Prospectus in the event of significant new factors, material mistakes or material inaccuracies will no longer apply.

This Prospectus should be read and construed with any supplement thereto and with any other documents incorporated by reference (see "*Documents Incorporated by Reference*").

No person is or has been authorised by the Issuer to give any information or to make any representation not contained in or not consistent with the Prospectus or any other information supplied in connection with the Notes, and given or made, such information or representation must not be relied upon as having been authorised by the Issuer.

The only persons authorised to use this Prospectus in connection with the offering of the Notes are the Issuer and the Placement Agent.

Neither this Prospectus, nor any other information supplied in connection with the Notes (a) is intended to provide the basis of any credit or other evaluation or (b) should be considered as a recommendation by the Issuer that any recipient of the Prospectus or any other information supplied in connection with the Notes should purchase the Notes. Each investor contemplating purchasing the 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 Prospectus nor any other information supplied in connection with the issue of the Notes constitutes an offer or invitation by or on behalf of the Issuer to any person to purchase the Notes.

None of the Placement Agent and the Issuer makes any representation to any investor in the Notes regarding the legality of its investment under any applicable laws. Any investor in the Notes should be able to bear the economic risk of an investment in the Notes for an indefinite period of time.

Neither the delivery of the Prospectus nor the offering, sale or delivery of the Notes shall in any circumstances imply that the information contained herein concerning the Issuer is correct at any time subsequent to the date hereof or that any other information supplied in connection with the Notes is correct as of any time subsequent to the date indicated in the document containing the same.

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the **Securities Act**) and are subject to U.S. tax law requirements. Subject to certain exceptions, the Notes may not be offered, sold or delivered within the United States or to U.S. persons. For a further description of certain restrictions on the offering and sale of the Notes and on distribution of this document, see "Placement" below.

This Prospectus has been prepared on the basis that any offer of Notes in any Member State of the European Economic Area (each, a **Relevant Member State**) other than offers which are made from 12 June 2023 until 30 June 2023 (both dates inclusive) (unless terminated earlier), and which are contemplated in this Prospectus in Luxembourg (the **Permitted Public Offers**) once the Prospectus has been approved by the CSSF and published in accordance with the Prospectus Regulation, will be made pursuant to an exemption under the Prospectus Regulation from the requirement to publish a prospectus for offers of Notes. Accordingly any person making or intending to make an offer in that Relevant Member State of Notes which are the subject of the offering contemplated in this Prospectus, other than the Permitted Public Offers, may only do so in circumstances in which no obligation arises for the Issuer to publish a prospectus pursuant to the Prospectus Regulation, in each case, in relation to such offer. The Issuer has not authorised, nor does it

authorise, the making of any offer (other than Permitted Public Offers) of Notes in circumstances in which an obligation arises for the Issuer to publish or supplement a prospectus for such offer.

This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy the Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Prospectus and the offer or sale of Notes may be restricted by law in certain jurisdictions. The Issuer does not represent that this Prospectus may be lawfully distributed, or that the Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, except as indicated in the "*Placement*" section below, no action has been taken by the Issuer which is intended to permit a public offering of the Notes or the distribution of this Prospectus in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Prospectus or the Notes may come must inform themselves about, and observe any such restrictions on the distribution of this Prospectus and the offering and sale of Notes. In particular, there are restrictions on the distribution of this Prospectus and the offer or sale of Notes in the United States and the European Economic Area, see "*Placement*".

Following the publication of this Prospectus, if any significant new factor, material mistake or material inaccuracy relating to the information included in this Prospectus arises between the time when the prospectus is approved and the final closing of the offer to the public, that is capable of affecting the assessment of the Notes, the Issuer will prepare a supplement to this Prospectus in accordance with article 23 of the Prospectus Regulation. Statements contained in any such supplement (or contained in any document incorporated by reference therein) shall, to the extent applicable, be deemed to modify or supersede statements contained in this Prospectus or in a document which is incorporated by reference in this Prospectus. Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Prospectus.

All references in this document to **euro** and **€** refer to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended.

MiFID II product governance / Retail investors, professional investors and ECPs target market – Solely for the purpose of each manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that the target market for the Notes is eligible counterparties, professional clients and retail clients each as defined in Directive 2014/65/EU (as amended, **MiFID II**). 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 target market assessment) and determining appropriate distribution channels.

Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (a) 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 this Prospectus or any applicable supplement;
- (b) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;

- (c) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including where the currency for principal or interest payments is different from the potential investor's currency;
- (d) understand thoroughly the terms of the Notes and be familiar with the behaviour of any relevant indices and financial markets; and
- (e) 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.

The Notes are complex financial instruments that are generally not purchased as stand-alone investments. Complex financial instruments are generally purchased as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in the Notes unless it has the expertise (either alone or with a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of the Notes and the impact this investment will have on the potential investor's overall investment portfolio.

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SUMMARY OF THE PROSPECTUS

INTRODUCTION

The EUR30,000,000 5.00 per cent notes due 2033 (the **Notes**) with International Securities Identification Number (ISIN) LU2603886495 will be issued by Banque Raiffeisen SC (the **Issuer**) with registered office at 4, rue Léon Laval, L-3372 Leudelange, Grand Duchy of Luxembourg.

The Issuer's contact details are the following: Banque Raiffeisen SC
4, rue Léon Laval, L-3372 Leudelange
Telephone: +352 2450 1
Fax: +352 227541
Website: <https://www.raiffeisen.lu>.

The Issuer's LEI is 549300F7FBD744MEP844.

Banque Raiffeisen SC is the placement agent (the **Placement Agent**) for the issue of the Notes.

The Placement Agent's LEI is 549300F7FBD744MEP844.

The prospectus (the **Prospectus**) has been approved by the Luxembourg financial sector supervisory authority (*Commission de surveillance du secteur financier*, the **CSSF**) on 7 June 2023.

The CSSF's contact details are the following: Commission de surveillance du secteur financier, the **CSSF**
283, route d'Arlon, L-1150 Luxembourg
Telephone: +352 26 25 1-1 (switchboard)
Fax: +352 26 25 1-2601
E-mail: direction@cssf.lu

This summary should be read as an introduction to the Prospectus. Any decision to invest in the Notes should be based on a consideration of the Prospectus as a whole, including any documents incorporated by reference. An investor in the Notes could lose all or part of the invested capital. Where a claim relating to information contained in the Prospectus is brought before a court, the plaintiff may, under national law where the claim is brought, be required to bear the costs of translating the Prospectus before the legal proceedings are initiated. Civil liability attaches only to the Issuer solely on the basis of this summary, including any translation of it, but only where the summary is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus or where it does not provide, when read together with the other parts of the, key information in order to aid investors when considering whether to invest in the Notes.

KEY INFORMATION ON THE ISSUER

Who is the Issuer of the securities?

The Issuer is a cooperative company (*société coopérative*) incorporated and operating under the laws of Luxembourg, authorised as a credit institution in Luxembourg, subject to the prudential supervision of the CSSF. The registered office of the Issuer is at 4, rue Léon Laval, L-3372 Leudelange, Grand Duchy of Luxembourg.

The Issuer's LEI is 549300F7FBD744MEP844.

The main activities of the Issuer are banking and financial operations, such as receiving deposits and other repayable funds from the public, granting loans on its own account, managing and administering portfolios and providing financial services to third parties.

The Issuer's associates as of today are (i) (Category A), legal and natural persons, fulfilling certain criteria as defined in the statutes, (ii) (Category B) other associates, that are present on 22nd May 2019 as well as legal persons with an associative or cooperative activity in the agricultural or viticultural business sectors and (iii) (Category C) all other natural or legal persons. The number of shares (*parts sociales*) in Category C may in principle not exceed a third of the total number of issued shares (*parts sociales*).

No single associate of the Issuer, and not any of the different categories of associates, directly or indirectly owns or controls the Issuer. The Issuer is not aware of any arrangement that might result in a change in control of the Issuer.

The Issuer's key managing directors are:

- Mr Yves BIEWER, Chairman of the Executive Committee;
- Mr Jean-Louis BARBIER, member of the Executive Committee;
- Mr Eric PEYER, member of the Executive Committee;
- Mr Laurent ZAHLES, member of the Executive Committee; and
- Mr Georges HEINRICH, member of the Executive Committee.

The independent auditor of the Issuer is Ernst & Young S.A. with its registered office at 35E, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg.

What is the key financial information regarding the Issuer?

The following table sets out key financial information extracted from the Issuer's audited statement of income for each of the two years ended 31 December 2021 and 31 December 2022.

Income Statement – in EUR (thousands)

	2022	2021
Net interest income (or equivalent)	129.650	113.733
Net fee and commission income	33.705	31.000
Net impairment loss on financial assets ¹	-15.561	-11.576
Net trading income	N/A	N/A
Gross operating income	45.986	38.528
Net profit or loss	23.716	19.813

¹ This item includes allowances to impairment for credit risk, sectoral provision in the context of COVID 19 and the Lux Gaap lump sum provision.

Balance sheet – in EUR (thousands)

	2022	2021
Total assets	10.754.048	10.156.441
Senior debt	9.951.308	9.428.791
Subordinated debt	151.658	106.433
Loans and receivables from customers (net)	7.739.296	7.423.944
Deposits from customers	9.427.415	8.896.689
Total equity	490.386	467.065

What are the key risks that are specific to the Issuer?

Risks related to the Issuer generally

- (a) The emergence of a significant international event such as a new pandemic, a war or a climatic event and measures taken by governments of countries in response to it are all beyond the reasonable control of the Issuer and adversely affect the Issuer.
- (b) The profitability of the Issuer's businesses could, therefore, be adversely affected by a worsening of general economic conditions in its markets, as well as related factors, including governmental policies and initiatives.
- (c) While the Issuer believes it is positioned to compete effectively with local and international banking and non-banking competitors, there can be no assurance that increased competition will not adversely affect the Issuer in one or more of the markets in which it operates.
- (d) The Issuer's business activities are subject to substantial regulation and regulatory oversight and the nature and impact of future changes in applicable policies are not predictable, are beyond the Issuer's control and could have an adverse effect on the Issuer's business and results of operations.

Risks related to the Issuer's business activities

- (e) The Issuer's credit risk may be exacerbated when the collateral it holds cannot be realised at, or is liquidated at prices not sufficient to recover, the full amount of the loan or derivative exposure it is due to cover, which could in turn affect the Issuer's ability to meet its payments under the Notes.
- (f) The occurrence of any failures or interruptions resulting from inadequate or failed internal processes or systems, from people's failings or from external events could have a material adverse effect on the Issuer's financial condition and results of operations.

Risks related to the Issuer's financial situation

- (g) Insufficient liquidity could have a material adverse effect on the Issuer's solvency and its ability to make payments under the Notes.

KEY INFORMATION ON THE SECURITIES

What are the main features of the securities?

General features

The up to EUR30,000,000 5.00 per cent Notes due 2033 will be issued by the Issuer.

The currency of the Notes is Euro. The Notes are issued in denominations of EUR1,000.

International Securities Identification Number (ISIN): LU2603886495.

Common Code: 260388649.

Interest

5.00 per cent per annum.

Ranking

The Issuer's obligations under the Notes will be unsecured and subordinated and will rank junior in priority of payment to the claims of the Senior Creditors. **Senior Creditors** are creditors of the Issuer (i) who are depositors and/or other unsubordinated creditors of the Issuer; (ii) whose claims are or are expressed to be subordinated (whether only in the event of the liquidation of the Issuer or otherwise) to the claims of unsubordinated creditors of the Issuer, other than those whose claims by law rank, or by their terms are expressed to rank, *pari passu* with, or junior to, the claims of the Noteholders. For the avoidance of doubt, this definition includes claims of holders of eligible liabilities instruments (within the meaning of the CRR (as defined in the “*Maturity; Early Redemption*” section)).

In the event of a liquidation of the Issuer, the rights of the Noteholders against the Issuer in respect of such Notes (including any damages (if payable)) shall:

- be subordinated to the claims of all Senior Creditors;
- rank *pari passu* with the claims of all other subordinated creditors of the Issuer which in each case by law rank, or by their terms are expressed to rank *pari passu* with the Notes (including holders of instruments that qualify as Tier 2 instruments; and
- rank senior to the claims of holders of the Issuer's shares (*parts sociales*) and any junior subordinated obligations or other securities of the Issuer which by law rank, or by their terms are expressed to rank, junior to the Notes.

Maturity; Early Redemption

The Issuer may, at its option, redeem all or some only of the Notes once every year starting at the end of the fifth anniversary of the Notes at their principal amount plus accrued interest. Also, the Issuer may, at its option, redeem all, but not some only, of the Notes at any time at their principal amount plus accrued interest, in the event of certain tax changes and in the event of certain regulatory changes. Any early redemption of the Notes is subject to the Issuer having obtained the prior approval of the Regulator.

For the purposes of this section:

Banking Act 1993 means the Luxembourg act dated 5 April 1993 concerning the financial sector, as amended from time to time.

BRR Act 2015 means the Luxembourg act dated 18 December 2015 concerning, among others, the recovery, resolution and liquidation of credit institutions and certain investment firms, as amended or replaced from time to time, which has implemented the BRRD under Luxembourg law.

BRRD means Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms, as the same may be amended or replaced from time to time, including pursuant to Directive (EU) 2019/879 of the European Parliament and of the Council of 20 May 2019 amending the BRRD as regards the loss-absorbing and recapitalisation capacity of credit institutions and investment firms.

CRD Directive means Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, as the same may be amended or replaced from time to time, including pursuant to Directive (EU) 2019/878 of the European Parliament and of the Council of 20 May 2019 amending the CRD Directive as regards exempted entities, financial holding companies, mixed financial holding companies, remuneration, supervisory measures and powers and capital conservation measures.

CRR means Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms, as the same may be amended or replaced from time to time, including pursuant to Regulation (EU) 2019/876 of the European Parliament and of the Council of 20 May 2019 amending the CRR as regards the leverage ratio, the net stable funding ratio, requirements for own funds and eligible liabilities, counterparty credit risk, market risk, exposures to central counterparties, exposures to collective investment undertakings, large exposures, reporting and disclosure requirements.

Home Member State means the home member state as defined in the CRR, the CRD Directive, the BRRD, the BRR Act 2015 and the Banking Act 1993.

Regulator means (i) the *Commission de Surveillance du Secteur Financier* (CSSF) or such other authority of Luxembourg (or if the Home Member State of the Issuer becomes a jurisdiction other than Luxembourg, such other jurisdiction) which assumes or performs the functions performed by such authority or such other or successor authority exercising primary supervisory authority with respect to prudential matters in relation to the Issuer and (ii) as applicable in accordance with Council Regulation (EU) No 1024/2013 of 15 October 2013 conferring specific tasks on the European Central Bank concerning policies relating to the prudential supervision of credit institutions, the European Central Bank.

Negative Pledge

The terms of the Notes do not contain a negative pledge provision.

Events of Default

The terms of the Notes do not contain any events of default which could lead to an acceleration of the Notes.

The sole remedy against the Issuer available to any Noteholder for recovery of amounts which have become due in respect of the Notes will be the claiming in the judicial or voluntary liquidation of the Issuer.

Restrictions on transferability

There are no restrictions on the free transferability of the Notes.

Where will the securities be traded?

The Notes are not intended to be admitted to trading on any market.

What are the key risks that are specific to the securities?

Financial risks

- (a) The Notes may be early redeemed in certain circumstances. The fact the Issuer has the right to redeem any Notes at its option may limit the market value of the Notes concerned and an investor may not be able to reinvest the redemption proceeds to achieve a similar effective return.
- (b) The Notes do not benefit from any guarantee or protection from any deposit guarantee scheme in Luxembourg. Accordingly, investors in the Notes need to be aware that they will not be able to claim for any compensation from any deposit guarantee scheme in the event of unavailability of the Notes (or the payments thereunder).

Risks related to the market

- (c) There may be no or only a limited secondary market in the Notes and this could adversely affect the value at which an investor could sell his Notes.
- (d) The value of an investor's investment may be adversely affected by exchange rate movements where the Notes are not denominated in the investor's own currency.

Risk related to the occurrence of insolvency proceedings

- (e) The Issuer's obligations under the Notes will be unsecured and subordinated and will rank junior in priority of payment to the claims of the senior creditors of the Issuer. There is a risk that an investor in the Notes could lose all or some of his investment should the Issuer become insolvent.
- (f) The sole remedy against the Issuer available to any Noteholder for recovery of amounts which have become due in respect of the Notes will be claiming during the liquidation proceedings of the Issuer.
- (g) If the Issuer is failing or likely to fail, there is no reasonable prospect that any alternative private sector measures would prevent the failure of the Issuer within a reasonable timeframe and a resolution action is necessary in the public interest, resolution tools and resolution powers could be applied to the Issuer. These include, among others, the power to sell or merge the business operations or parts of the individual business units with another bank, the power to convert liabilities under the Notes into equity of the Issuer or another legal entity or to permanently reduce their principal amount to potentially zero or the power to amend the terms and conditions of the Notes.
- (h) In the event of a liquidation or bankruptcy of the Issuer, the Issuer will, inter alia, be required to pay subordinated creditors of the Issuer, whose claims arise from liabilities that no longer fully or partially are recognised as an own funds instrument in full before it can make any payments on the Notes qualifying as own funds of the Issuer.

KEY INFORMATION ON THE OFFER OF THE NOTES TO THE PUBLIC

Under which conditions and timetable can I invest in this security?

The issue price / offer price of the Notes is 100.0 per cent of their principal amount. The total expenses of the issue / offer are estimated to amount to EUR 100,000. No expenses will be charged to investors by the Issuer. From 12 June 2023 to 30 June 2023 (both inclusive) the Notes may be offered for subscription to investors (the **Offer Period**). However, an amount of EUR 20,000,000 (the **Reserved Amount**) will be reserved to investors which are co-operative members of the Issuer, that is, persons holding one or more shares (*parts sociales*) in the Issuer (each a **Qualifying Member**). After having reached the Reserved Amount (or such lower amount in case the Reserved Amount has been lowered by the Issuer as a consequence of the Reserved Amount having not been reached by 15 June 2023) the Notes are also open for

subscription to all investors, whether or not qualifying as Qualifying Members. The Issuer reserves the right to close subscription early.

Applications for Notes may be made by a prospective purchaser through the Placement Agent. Investors are required to subscribe for a minimum of one (1) Note and thereafter in multiples of one (1) Note. The maximum subscription amount per retail investor (including any subscriptions by one or more agents and/or via one or more investment vehicles for the account or the benefit of such retail investor) is EUR250,000. The Issuer however reserves the right, in its discretion to dis-apply the maximum amount for subscriptions received from retail investors. No maximum subscription amount applies to legal entities. Once a prospective purchaser has applied for Notes through the Placement Agent, the prospective purchaser cannot cancel its subscription, whether it be during or following the close of the Offer Period.

The allocation of the Notes to Qualifying Members will be made, up to the Reserved Amount, on a first come, first served basis: Notes will be allocated to Qualifying Members in the order of receipt of their application by the Placement Agent for the subscription of Notes. The last order received that will trigger a crossing of the Reserved Amount will, where applicable, be scaled back by the Issuer in its discretion.

The allocation of the remaining Notes (i.e. a total of EUR 10,000,000 or a higher amount in case the Reserved Amount has been lowered by the Issuer as a consequence of the Reserved Amount having not been reached by 15 June 2023) will be done on a first come, first served basis, should the total subscriptions exceed the maximum amount that may be issued.

Why is this prospectus being produced?

The purpose of this Prospectus is the public offering of the Notes in Luxembourg.

The net proceeds of the issue of the Notes will be used by the Issuer for its general corporate purposes.

The estimated net amount of proceeds is EUR 29,900,000.

The Issuer and the Placement Agent involved in the placement of the Notes may be subject to conflicts of interest between their own interests and those of Noteholders. The Issuer and the Placement Agent involved in the placement of the Notes may, when they perform the obligations in connection with the Notes, have an interest, relationship or arrangement that is material to, or may conflict with, such obligations. The Noteholders understand that neither the Issuer nor the Placement Agent shall be required to disclose such interests, relationships or arrangements to the Noteholders, or to account for or disclose any profit, charge, commission or other remuneration arising in respect of such interests, relationships or arrangements, unless required by law.

RISK FACTORS

The Issuer believes that the following factors may affect its ability to fulfil its obligations under the Notes. Most of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring.

In addition, factors which are material for the purpose of assessing the market risks associated with the Notes are described below.

The Issuer believes that the factors described below represent the principal risks inherent in investing in the Notes, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with the Notes may occur for other reasons which may not be considered significant risks by the Issuer based on information currently available to it or which it may not currently be able to anticipate. Prospective investors should also read the detailed information set out elsewhere in this Prospectus and reach their own views prior to making any investment decision.

Words and expressions defined in the Conditions shall have the same meanings ascribed to them therein.

1. RISK FACTORS SPECIFIC AND MATERIAL TO THE ISSUER

The risk factors specific and material to the Issuer are presented in the following categories depending on their nature with the most material risk factor presented first in each category:

- 1.1 Risks related to the Issuer generally
- 1.2 Risks related to the Issuer's business activities
- 1.3 Risks related to the Issuer's financial situation

1.1 Risks related to the Issuer generally

Infectious disease risk

The recent emergence of the coronavirus (named COVID-19 by the World Health Organisation) in 2020 and any outbreak, future outbreaks or measures taken by governments of countries in response to it and which are all beyond the reasonable control of the Issuer:

- could result in the increased volatility of financial markets globally, a negative impact on the economy and activities of the Issuer and in a global economic recession;
- could result in restrictions on travel and public transport, prolonged closures or suspension of workplaces and the quarantine of employees, which may restrict the Issuer's operations in various ways in the affected regions; and/or
- could adversely affect overall investor sentiment due to sporadic volatility in global markets and possible material disruptions to the Issuer's business, which in turn may adversely affect the Issuer.

Uncertain economic conditions

The Issuer's business activities are dependent on the level of banking, finance and financial services required by its customers. In particular, levels of borrowing are heavily dependent on customer confidence, market interest rates and other factors that affect the economy. In recent years there have been significant adverse developments in world markets, which still weigh on the current outlook for the world economy. The profitability of the Issuer's businesses could, therefore, be again adversely affected by a worsening of general economic conditions in its markets, as well as related factors,

including governmental policies and initiatives. An economic downturn or significantly higher interest rates, as was observed lately, could increase the risk that a greater number of the Issuer's customers would default on their loans or other obligations to the Issuer, or would refrain from seeking additional borrowing or would use their deposits for investments in other products than deposits.

Russia – Ukraine Conflict

International concerns about the effects of the existing conflict between Russia and Ukraine and concomitant sanctions activity have created significant uncertainty in global markets. The extent of these effects may not be known for some time. Russia's invasion of Ukraine and concomitant sanctions activity by various countries could have significant negative impacts on the global economy and lead to widespread market downturns. Whilst the Issuer does not have any exposure in the Russian or Ukrainian markets, the conflict, sanctions and related events could cause disruptions in the capital markets that could adversely affect the value or liquidity of financial instruments such as the Notes. The length of such conflict or its consequences cannot be predicted.

Competition

The Issuer faces increased competition from local and international banking and non-banking operations. While the Issuer believes it is positioned to compete effectively with these competitors, there can be no assurance that increased competition will not adversely affect the Issuer in one or more of the markets in which it operates.

Possible downward pressure on revenue margin and profitability

The financial services industry has experienced and may experience serious difficulties, including extreme levels of instability, liquidity stress and disruption. In particular, there are concerns about an erosion of the revenue margin in the banking industry. The combined impact of such revenue margin pressure and the contemporaneous occurrence of additional costs or investments required to conduct business and meet standards expected by clients, regulatory bodies and other stakeholders, could lead to a downward pressure on margin and be detrimental to the Issuer and could adversely affect the ability of the Issuer to meet its obligations under the Notes under its debt obligations more generally.

Credit risk

Credit risk is most simply defined as the potential that a borrower or counterparty will fail to meet its obligations in accordance with agreed terms and generate a loss due to a borrower's failure to make payment on any type of debt. Due to the nature of its activity and the specificity of the local real estate market, acknowledging the risk mitigations in place and the strong creditworthiness assessment of the borrowers but highlighting above considerations on the current uncertain economic conditions, a collapse of the real estate market could materially alter the ability of the Issuer to meet its obligations. Recent increase of interest rates could lead to an increase of non-performing exposures and/or credit defaults that could affect the Issuer.

Market risks

Market risks are all the risks linked to the fluctuations of market prices, including, principally, exposure to loss arising from adverse movements in interest rates, equity values, credit spreads, foreign exchange rates and commodity prices stemming from the Issuer's capital market activities. Due to the nature of its activity and as a result of its strategic positioning as a retail banking institution, the Issuer is prevented from assuming significant exposure to market risk. It does not act as a market maker and therefore has very small exposure mainly linked to its short-term cash management. Market risks generated by the commercial businesses are monitored and residual risks

can be hedged. There can nevertheless be no assurance that market risks will not adversely affect the Issuer in one or more of the markets in which it operates.

Low interest rate period

Since the 2008-2009 financial crisis, global markets have been characterised by an extended period of low interest rates. This period changed considerably, especially in the second semester of 2022, after the recent decisions impacting the monetary policies worldwide. In a low interest rate environment, the Issuer's profitability may be affected. During such periods, interest rate spreads tend to tighten, and the Issuer may be unable to lower interest rates on deposits sufficiently to offset reduced income from lending at lower interest rates. In addition, the Issuer may face an increase in early repayment and refinancing of fixed-rate loans as clients take advantage of lower borrowing costs. This, along with the issuance of new loans at the low prevailing market interest rates, has resulted and may continue to result in a decrease in the average interest rate of the Issuer's portfolio of loans thereby causing a decline in the Issuer's net interest income from its lending activities. Moreover, an environment of persistently low interest rates can also have the effect of flattening the yield curve in the market more generally, which could reduce the premium generated by the Issuer from its funding activities. A flattening yield curve can also influence financial institutions to engage in riskier activities in an effort to earn the desired level of returns, which can increase overall market risk and volatility.

On the other hand, the end of a period of prolonged low interest rates, as is now the case, in particular due to tightening monetary policy, also carries risks. If market interest rates were to rise, a portfolio containing significant amounts of lower interest loans and fixed income assets would be expected to decline in value. If the Issuer's hedging strategies are ineffective or provide only a partial hedge against such a change in value, the Issuer could incur losses. Any sharper or more rapid than expected tightening could have a negative impact on the economic recovery. On the lending side, it could in particular cause stress in loan and bond portfolios, possibly leading to an increase in non-performing exposures and defaults. More generally, the ending of accommodative monetary policies (including liquidity infusions from central bank asset purchases) may lead to severe corrections in certain markets or asset classes (e.g. non-investment grade corporate and sovereign borrowers, certain sectors of equities and real estate) that particularly benefitted (including from very low risk premia as compared to historical averages) from the prolonged low interest rate and high liquidity environment, and such corrections could potentially be contagious to financial markets generally, including through substantially increased volatility. As such, no assurance can be given that such matters would not adversely affect the ability of the Issuer to satisfy its obligations under the Notes and/or the market value and/or the liquidity of the Notes in the secondary market.

Regulatory risk and Increased Regulation

The Issuer's business activities are subject to substantial regulation and regulatory oversight in the jurisdictions in which it operates. Current, together with future regulatory developments, including changes to accounting standards and the amount of regulatory capital required to support the risk, could have an adverse effect on how the Issuer conducts its business and on the results of its operations. The Issuer's business and earnings are also affected by fiscal and other policies that are adopted by the various regulatory authorities of the European Union, foreign governments and international agencies. The nature and impact of future changes in such policies are not predictable and are beyond the Issuer's control.

1.2 Risks related to the Issuer's business activities

Soundness of other Financial Institutions – counterparty risks

The Issuer is exposed to many different counterparties in the normal course of its business; hence its exposure to counterparties in the financial services industry is significant. This exposure can arise

through lending, deposit-taking, clearance and settlement and numerous other activities and relationships. These counterparties include institutional clients, brokers and dealers, commercial banks and mutual funds. Many of these relationships expose the Issuer to credit risk in the event of default of a counterparty or client. In addition, the Issuer's credit risk may be exacerbated when the collateral it holds cannot be realised at, or is liquidated at prices not sufficient to recover, the full amount of the loan or derivative exposure it is due to cover, which could in turn affect the Issuer's ability to meet its payments under the Notes.

Operational risk

Operational risk is the risk of financial or non-financial impact resulting from inadequate or failed internal processes or systems, from people's failings or from external events. The definition includes IT, legal and compliance risk but excludes strategic risk.

As with most other banks, the Issuer relies heavily on communications and information systems to conduct its business. Any failure or interruption or breach in security of these systems could result in failures or interruptions or breach in security of these systems could result in failures or interruptions on the Issuer's customer relationship management, general ledger, deposit, servicing and/or loan organisation systems. The Issuer cannot provide assurances that such failures or interruptions will not occur or, if they do occur, that they will be adequately addressed. The occurrence of any failures or interruptions could have a material adverse effect on the Issuer's financial condition and results of operations, which could in turn affect the Issuer's ability to meet its payments under the Notes.

1.3 Risks related to the Issuer's financial situation

Liquidity Risk

Liquidity risks consist of the following risks:

- inability to fulfil payment obligations when they fall due;
- inability to procure sufficient liquidity when needed at anticipated conditions (refinancing risk); and
- inability to terminate, extend or close out a transaction, or only be able to do so at a loss, due to insufficient market depth or market turbulence (market liquidity risk).

Insufficient liquidity could have a material adverse effect on the Issuer's solvency and its ability to make payments under the Notes.

Pursuant to bank regulatory requirements, the Issuer has to maintain a liquidity coverage ratio ("LCR") above 100 per cent and a net stable funding ratio ("NSFR") above 100 per cent. The LCR is defined as the ratio of available highly liquid assets to net cash outflows over the next 30 days, subject to defined stress conditions. The NSFR is defined as the ratio of the bank's available stable funding to its required stable funding.

2. RISK FACTORS SPECIFIC AND MATERIAL TO THE NOTES

The risk factors specific and material to the Notes are presented in the following categories depending on their nature with the most material risk factor presented first in each category:

- 2.1 Financial risk
- 2.2 Risks related to the market
- 2.3 Risks related to the occurrence of insolvency proceedings

2.4 Risks related to limitation on gross-up obligation

2.1 Financial risks

Early redemption and reinvestment risks

The Notes may, subject as provided in Condition 6.5 (*Redemption and Purchase – Conditions to early redemption*), at the option of the Issuer, be redeemed (in full or in part) at their principal amount plus accrued interest once every year from the fifth anniversary of the Notes. Also, the Issuer may, at its option, redeem all, but not some only, of the Notes at their principal amount plus accrued interest, in the event of certain tax changes and in the event of certain regulatory changes, both as described under Condition 6 (*Redemption and Purchase*). Any such early redemption is subject to the Issuer having obtained the prior approval of the Regulator as provided in Condition 6.5.

The redemption at the option of the Issuer on or after the fifth anniversary of the Notes may limit the market value of the Notes. During any period when the Issuer may elect to redeem the Notes, the market value of the Notes generally will not rise above the price at which they can be redeemed. This may also be true prior to the fifth anniversary of the Notes.

An investor may not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

The Notes do not benefit from any guarantee or protection from any deposit guarantee scheme in Luxembourg

In accordance with the Luxembourg act dated 5 April 1993 concerning the financial sector, as amended from time to time (the **Banking Act 1993**), the Notes, in so far as they form part of the “own funds” of the Issuer are excluded from any compensation by deposit-guarantee schemes. Accordingly, investors in the Notes need to be aware that they will not be able to claim for any compensation from any deposit guarantee scheme in the event of unavailability of the Notes (or the payments thereunder).

2.2 Risks related to the market

The secondary market

The Notes may have no established trading market when issued, and one may never develop. If a market does develop, it may not be very liquid. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. The Notes are especially designed for specific investment objectives or strategies. As such, the Notes generally will have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have a severely adverse effect on the market value of Notes.

Exchange rate risk and exchange controls

The Issuer will pay principal and interest on the Notes in Euro. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the **Investor'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 Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to Euro would decrease (1) the Investor's Currency-equivalent yield on the Notes, (2) the Investor's

Currency-equivalent value of the principal payable on the Notes and (3) the Investor's Currency-equivalent market value of the Notes.

2.3 Risks related to the occurrence of insolvency proceedings

The issuer's obligations are subordinated

The Issuer's obligations under the Notes will be unsecured and subordinated and will rank junior in priority of payment to the claims of the Senior Creditors. According to the Conditions, Senior Creditors are creditors of the Issuer (i) who are depositors and/or other unsubordinated creditors of the Issuer; (ii) whose claims are or are expressed to be subordinated (whether only in the event of the Liquidation (as defined in the Conditions) of the Issuer or otherwise) to the claims of unsubordinated creditors of the Issuer, other than those whose claims by law rank, or by their terms are expressed to rank, *pari passu* with, or junior to, the claims of the Noteholders and Couponholders. For the avoidance of doubt, this definition includes claims of holders of eligible liabilities instruments (within the meaning of the CRR (as defined in the Conditions)).

In the event of Liquidation of the Issuer, the rights of the Noteholders and Couponholders against the Issuer in respect of such Notes and related Coupons (including any damages (if payable)) shall:

- (i) be subordinated to the claims of all Senior Creditors;
- (ii) rank *pari passu* with the claims of all other subordinated creditors of the Issuer which in each case by law rank, or by their terms are expressed to rank *pari passu* with the Notes (including holders of instruments that qualify as Tier 2 instruments, within the meaning and in accordance with the CRR; and
- (iii) rank senior to the claims of holders of the Issuer's shares (*parts sociales*) and any junior subordinated obligations or other securities of the Issuer which by law rank, or by their terms are expressed to rank, junior to the Notes.

There is no restriction on the amount of securities which the Issuer may issue or guarantee, which securities or guarantees might rank senior to, or *pari passu* with, the Notes.

The issue or guarantee of any such securities may reduce the amount recoverable by Noteholders on a Liquidation of the Issuer. Accordingly, in the Liquidation of the Issuer and after payment of the claims of their respective senior ranking creditors, there may not be a sufficient amount to satisfy the amounts owing to the Noteholders.

Although the Notes may pay a higher rate of interest than comparable notes which are not subordinated, there is a real risk that an investor in the Notes will lose all or some of his investment should the Issuer become insolvent.

Restricted remedy for non-payment when due

The sole remedy against the Issuer available to any Noteholder for recovery of amounts which have become due in respect of the Notes will be the claiming in the Liquidation of the Issuer, which may imply that a Noteholder should expect settlement (if any) in respect of its claims under the Notes to be significantly delayed pending Liquidation.

Non-payment by the Issuer of any amounts when due or the occurrence of any insolvency proceedings in respect of the Issuer will not, of itself, render the Notes immediately due and payable. In the case the Issuer does not make payment for a period of seven days or more after the due date for the payment of principal or for a period of 14 days or more after an Interest Payment Date (as defined in the Conditions), for the payment of interest due in respect of any of the Notes on such Interest Payment Date, any Noteholder may ask the relevant authorities to institute Liquidation or

reprieve from payment (*sursis de paiement*) proceedings in respect of the Issuer (together, the **Proceedings**). Although the relevant authorities may take into account a request from a Noteholder to institute the Proceedings, they are not in any way bound to do so following the receipt of such a request or on any other basis. In determining whether to institute any such Proceedings, the relevant authorities will act solely on the basis of their own discretion and in accordance with Luxembourg law. Subject to such request from a Noteholder as described in Condition 9.2, a Noteholder shall not be able to take any of the Proceedings.

Bail-in of the Notes

Regulation (EU) No. 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund, as amended (the **SRM Regulation**), amongst other things, provides the Single Resolution Board (the **SRB**) and the national resolution authorities of participating EU Member States (in the Grand Duchy of Luxembourg, the CSSF acting in its capacity of resolution authority (the **Luxembourg Resolution Authority**) with a set of resolution tools and resolution powers. These include the power:

- (i) to sell or merge the business operations or parts of the individual business units with another bank (sale of business tool); or
- (ii) to set up a temporary bridge bank to operate critical functions, rights or liabilities (bridge institution tool); or
- (iii) to separate sound assets from impaired assets or assets at risk of default (asset separation tool); or
- (iv) to convert bailinable liabilities (as defined in Article 3(1)(49) of the SRM Regulation) of the Issuer, including liabilities under the Notes, into equity of the Issuer or another legal entity or to permanently reduce their principal amount to potentially zero (the **Bail-in Tool**); or
- (v) to amend the terms and conditions of the Notes.

In the event of a resolution of the Issuer, the Luxembourg Resolution Authority shall implement all decisions concerning such resolution addressed to it by the SRB. The SRB may only instruct the Luxembourg Resolution Authority in accordance with the procedure set out in Article 18 of the SRM Regulation if the following conditions are met:

- (i) the Issuer is failing or likely to fail;
- (ii) there is no reasonable prospect that any alternative private sector measures would prevent the failure of the Issuer within a reasonable timeframe; and
- (iii) a resolution action is necessary in the public interest.

For those purposes, subject to the SRM Regulation, the Luxembourg Resolution Authority shall exercise its powers in accordance with the Luxembourg act dated 18 December 2015 on the failure of credit institutions and investment firms, as amended (the **BRR Act 2015**) which implemented Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms, as amended (the **BRRD**). The Luxembourg Resolution Authority has, inter alia, the power to impose, in certain circumstances, a suspension of activities. Any suspension of activities can, to the extent determined

by the Luxembourg Resolution Authority, result in the partial or complete suspension of the performance of agreements entered into by the Issuer.

On 7 June 2019, as part of the amendments to, among others, the BRRD and the SRM Regulation, Directive (EU) 2019/879 of the European Parliament and of the Council of 20 May 2019 amending the BRRD as regards the loss-absorbing and recapitalisation capacity of credit institutions and investment firms (the **BRRD II**) and Regulation (EU) 2019/877 of the European Parliament and of the Council of 20 May 2019 amending the SRM Regulation as regards the loss-absorbing and recapitalisation capacity of credit institutions and investment firms (the **SRM II Regulation** and, together with the BRRD II, the **Banking Reforms**) have been published in the Official Journal of the EU and have been implemented into Luxembourg law by the Luxembourg act dated 21 May 2021.

The Banking Reforms, provide, among others, for the introduction of a new pre-resolution moratorium tool as a temporary measure and new suspension powers which the SRB or the Luxembourg Resolution Authority, as applicable, will be able use within the resolution period. Any suspension of activities of the Issuer, as stated above, may result in the partial or complete suspension of the performance of agreements (including any payment or delivery obligation) entered into by the Issuer. The exercise of any such power or any suggestion of such exercise could materially adversely affect the rights of the holders of the Notes, the price or value of their investment in any such Note and/or the ability of the Issuer to meet its obligations under any such Note.

Impact of BRRD II on the ranking of fully or partially recognised own fund instruments

According to the article 48(7) of the BRRD (as amended by BRRD II and as implemented into Luxembourg law by article 152(4) of the BRRD Act 2015), liabilities resulting from fully or partially recognised own funds instruments (within the meaning of the CRR) shall rank junior to all other liabilities. This would entail that, regardless of their contractual ranking, liabilities that are no longer at least partially recognised as an own funds instrument for the purpose of the CRR shall rank senior to any liabilities fully or partially recognised as an own funds instrument.

Accordingly, in the event of a Liquidation, the Issuer will, *inter alia*, be required to pay subordinated creditors of the Issuer, whose claims arise from liabilities that no longer fully or partially are recognised as an own funds instrument (within the meaning of the CRR) in full before it can make any payments on the Notes qualifying as own funds of the Issuer.

2.4 Risks related to limitation on gross-up obligation

Limitation on gross-up obligation under the Notes

The Issuer's obligation to pay additional amounts in respect of any withholding in respect of taxes under the terms of the Notes applies only to payments of interest due and paid under the Notes and not to payments of principal. As such, the Issuer would not be required to pay any additional amounts under the terms of the Notes to the extent any withholding or deduction applied to payments of principal. Accordingly, if any such withholding or deduction were to apply to any payments of principal under the Notes, Noteholders may receive less than the full amount due under the Notes, and the market value of the Notes may be adversely affected.

RESPONSIBILITY STATEMENT

Banque Raiffeisen S.C. in its capacity as Issuer accepts responsibility for the information contained in this Prospectus. Banque Raiffeisen S.C. hereby declares that, having taken all reasonable care to ensure that such is the case, the information contained in the Prospectus is, to the best of its knowledge in accordance with the facts and contains no omission likely to affect its import.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents which have previously been published and have been filed with the CSSF shall be incorporated by reference in, and form part of, this Prospectus:

- (a) the auditor's report and audited consolidated annual financial statements of the Issuer (in French) for the financial year ended 31 December 2022 including the information set out at the following pages in particular (available at: https://www.raiffeisen.lu/sites/default/files/documents/rapport_annuel_2022_raiffeisen_web_final_1_2052023.pdf):

Balance Sheet	Pages 62 and 63
Profit and Loss Account	Pages 64 and 65
Notes to the Accounts.....	Pages 66 to 106
Audit Report.....	Pages 54 to 59

- (b) the auditor's report and audited consolidated annual financial statements of the Issuer (in French) for the financial year ended 31 December 2021 including the information set out at the following pages in particular (available at: https://www.raiffeisen.lu/sites/default/files/documents/rapport_annuel_2021_raiffeisen_final_web.pdf):

Balance Sheet	Pages 42 and 43
Profit and Loss Account	Pages 44 and 45
Notes to the Accounts.....	Pages 46 to 73
Audit Report.....	Pages 36 to 39

- (c) the amended and restated articles of association of the Issuer (in French) (available at https://www.raiffeisen.lu/sites/default/files/documents/20201030_-_statuts_coordonnes_banque_raiffeisen.pdf):

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The information contained in the documents incorporated by reference that is not included in the cross-reference list, is either deemed not relevant for an investor or is otherwise covered elsewhere in this Prospectus.

Any statement contained herein or in a document which is deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Prospectus to the extent that a subsequent statement which is deemed to be incorporated by reference herein or contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise), provided, however, that such statement shall only form part of this Prospectus to the extent that it is contained in a document, all of the relevant portion of which is incorporated by reference by way of a supplement prepared and published in accordance with Article 23 of the Prospectus Regulation.

Any statement so modified or superseded shall not, except as so modified or superseded, constitute part of this Prospectus.

The information on any website does not form part of the Prospectus unless that information is incorporated by reference into the Prospectus. Other than in relation to the documents which are deemed to be incorporated by reference, the information on the websites to which this Prospectus refers does not form part of this Prospectus and has not been scrutinised or approved by the CSSF.

This Prospectus, any documents incorporated by reference therein and any supplement to this Prospectus will be published on the websites of (a) the Luxembourg Stock Exchange (www.luxse.com) and (b) the Issuer (<https://www.raiffeisen.lu/fr/particuliers/gerer-son-patrimoine/nos-produits/emprunt-subordonne>).

The Issuer will, in the event of any significant new factor, material mistake or material inaccuracy relating to information included in this Prospectus which is capable of affecting the assessment of the Notes, prepare a supplement to this Prospectus between the time when the Prospectus has been approved and the final closing of the offer to the public.

OVERVIEW OF PROVISIONS RELATING TO THE NOTES WHILE REPRESENTED BY THE GLOBAL NOTES

The following is an overview of the provisions to be contained in the Temporary Global Note and the Permanent Global Note which will apply to the Notes while they are represented by the Global Notes, some of which modify the effect of the Conditions.

1. Exchange

The Permanent Global Note will be exchangeable in whole but not in part (free of charge to the holder) for definitive Notes only if:

- (a) an event described in Condition 9.1 (*Default Enforcement – Liquidation*) has occurred and is continuing; or
- (b) the Issuer has been notified that LuxCSD has been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or has announced an intention permanently to cease business or has in fact done so and no successor clearing system is available (each such event, an **Exchange Event**).

The Issuer will promptly give notice to the Noteholders if an Exchange Event occurs. In the case of (a) or (b) above, the holder of the Permanent Global Note, acting on the instructions of one or more of the Accountholders (as defined below), may give notice to the Issuer and the Fiscal Agent of its intention to exchange the Permanent Global Note for definitive Notes on or after the Exchange Date (as defined below).

On or after the Exchange Date the holder of the Permanent Global Note may surrender the Permanent Global Note to or to the order of the Fiscal Agent. In exchange for the Permanent Global Note the Issuer will deliver, or procure the delivery of, an equal aggregate principal amount of definitive Notes (having attached to them all Coupons in respect of interest which has not already been paid on the Permanent Global Note), security printed in accordance with any applicable legal requirements and in or substantially in the form set out in the Agency Agreement. On exchange of the Permanent Global Note, the Issuer will procure that it is cancelled and, if the holder so requests, returned to the holder together with any relevant definitive Notes.

For these purposes, **Exchange Date** means a day specified in the notice requiring exchange falling not less than 30 days after that on which such notice is given, being a day on which banks are open for general business in the place in which the specified office of the Fiscal Agent is located and, except in the case of exchange pursuant to (b) above, in the place in which the relevant clearing system is located.

2. Payments

On and after 14 August 2023, no payment will be made on the Temporary Global Note unless exchange for an interest in the Permanent Global Note is improperly withheld or refused. Payments of principal and interest in respect of Notes represented by a Global Note will, subject as set out below, be made to the bearer of such Global Note and, if no further payment falls to be made in respect of the Notes, against surrender of such Global Note to the order of the Fiscal Agent or such other Paying Agent as shall have been notified to the Noteholders for such purposes. The Issuer shall procure that the amount so paid shall be entered *pro rata* in the records of LuxCSD and the principal amount of the Notes recorded in the records of LuxCSD and represented by such Global Note will be reduced accordingly. Each payment so made will discharge the Issuer's obligations in respect thereof. Any failure to make the entries in the records of LuxCSD shall not affect such discharge. Payments of interest on the Temporary Global Note (if permitted by the first sentence of this

paragraph) will be made only upon certification as to non-U.S. beneficial ownership unless such certification has already been made.

3. Notices

For so long as all of the Notes are represented by one or both of the Global Notes and such Global Note(s) is/are held on behalf of LuxCSD, notices to Noteholders may be given by delivery of the relevant notice to LuxCSD for communication to the relative Accountholders rather than by publication as required by Condition 11 (Notices) (except that the Issuer may in its discretion decide to post notices on its website (www.raiffeisen.lu), in addition to the delivery of the relevant notices to LuxCSD).

4. Accountholders

For so long as all of the Notes are represented by one or both of the Global Notes and such Global Note(s) is/are held on behalf of LuxCSD, each person who is for the time being shown in the records of LuxCSD as the holder of a particular principal amount of Notes (each an **Accountholder**) (in which regard any certificate or other document issued by LuxCSD as to the principal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes) shall be treated as the holder of that principal amount for all purposes (including but not limited to, for the purposes of any quorum requirements of meetings of the Noteholders and giving notices to the Issuer pursuant to Condition 9.1 (*Default Enforcement*) other than with respect to the payment of principal and interest on the principal amount of such Notes, the right to which shall be vested, as against the Issuer solely in the bearer of the relevant Global Note in accordance with and subject to its terms. Each Accountholder must look solely to LuxCSD for its share of each payment made to the bearer of the relevant Global Note.

5. Cancellation

Cancellation of any Note represented by a Global Note and required by the Conditions to be cancelled following its redemption or purchase or repurchase will be effected by reduction in the principal amount of the relevant Global Note.

6. Redemption at the Option of the Issuer

For so long as all of the Notes are represented by one or both of the Global Notes and such Global Note(s) is/are held on behalf of LuxCSD, no drawing of Notes will be required under Condition 6.6 *Redemption and Purchase - Provisions relating to Partial Redemption* in the event that the Issuer exercises its option pursuant to Condition 6.3 (*Redemption and Purchase - Redemption at the Option of the Issuer*) in respect of less than the aggregate principal amount of the Notes outstanding at such time. In such event, the partial redemption will be effected in accordance with the rules and procedures of LuxCSD (to be reflected in the records of LuxCSD as a reduction in principal amount).

7. Transfers

Transfers of book-entry interests in the Notes will be effected through the records of LuxCSD and its direct and indirect participants in accordance with its rules and procedures.

CONDITIONS OF THE NOTES

The up to EUR 30,000,000 5.00 per cent. Notes due 2033 (the **Notes**) of Banque Raiffeisen S.C., Luxembourg (the **Issuer**) are issued on 4 July 2023 (the **Issue Date**) subject to and with the benefit of an Agency Agreement dated 4 July 2023 (such agreement as amended and/or supplemented and/or restated from time to time, the **Agency Agreement**) made between the Issuer as such, Banque et Caisse d'Épargne de l'Etat, Luxembourg with its registered office at 1, Place de Metz, L-2954 Luxembourg and registered with the Luxembourg trade and companies register under the number B3075 as fiscal agent and principal paying agent (the **Fiscal Agent**) and Banque Raiffeisen S.C., Luxembourg with its registered office at 4, rue Léon Laval, L-3372 Leudelange and registered with the Luxembourg trade and companies register under the number B20128 as paying agent (together with the Fiscal Agent, the **Paying Agents**). The Fiscal Agent also acts as LuxCSD principal agent, i.e. an institution qualified by LuxCSD and appointed by the Issuer to interact with LuxCSD and service the Notes throughout their lifetime. The rights and claims of holders of the Notes (the **Noteholders**) in respect of the Notes and the rights and claims (if any) of holders of the related interest coupons appertaining to the Notes (the **Couponholders** and the **Coupons**) in respect of or arising from the Coupons are at all times subject to the provisions set out in these Conditions.

The statements in these terms and conditions of the Notes (the **Conditions**) include summaries of, and are subject to, the detailed provisions of and definitions in the Agency Agreement. Copies of the Agency Agreement are available for inspection during normal business hours by the Noteholders and Couponholders at the specified office of each of the Paying Agents. The Noteholders and the Couponholders are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Agency Agreement. References in these Conditions to the Fiscal Agent and the Paying Agents shall include any successor appointed under the Agency Agreement.

1. FORM, DENOMINATION AND TITLE

1.1 Form and Denomination

The Notes are in bearer form, serially numbered, in the denomination of €1,000 each with Coupons attached on issue. Each Note is fully paid on issue.

The Notes will be represented on issue by a temporary global note issued in the form of a LuxCSD Bearer Global Note (**LBN Form**) which will be exchangeable for interests in a permanent global note issued in LBN form (and together with the temporary global note, the **Global Notes**) on or after a date that is expected to be 40 days after the Issue Date upon certification as to non-U.S. beneficial ownership, as required by U.S. Treasury regulations. The permanent global note will in turn be exchangeable for notes in definitive form. The Global Notes will be deposited on or about the Issue Date with LuxCSD, société anonyme (**LuxCSD**).

1.2 Title

Title to the Notes and to the Coupons will pass by delivery.

As long as a Global Note is held by or on behalf of LuxCSD, interests in the Global Note shall only be transferable in accordance with the rules and procedures of LuxCSD.

1.3 Holder Absolute Owner

The Issuer and any Paying Agent may (to the fullest extent permitted by applicable laws) deem and treat the bearer of any Note or Coupon as the absolute owner for all purposes (whether or not the Note or Coupon shall be overdue and notwithstanding any notice of ownership or writing on the Note or Coupon or any notice of previous loss or theft of the Note or Coupon).

As long as the Notes are represented by a Global Note held by or on behalf of LuxCSD, each person (other than LuxCSD) who is for the time being shown in the records of LuxCSD as the holder of a particular amount of such Notes shall be treated by the Issuer and the Fiscal Agent as the holder of such amount of such Notes for all purposes, other than with respect to the payment of principal and interest on such amount of such Notes, for which purpose the bearer of the Global Notes shall be treated by the Issuer and the Fiscal Agent as the holder of such amount of such Notes in accordance with the terms and conditions of the respective Global Note.

2. STATUS

2.1 Status and Subordination

The Notes and the Coupons are direct, unconditional, unsecured and subordinated obligations of the Issuer and rank and will rank *pari passu*, without any preference among themselves, with all other outstanding unsecured and subordinated obligations of the Issuer. The rights and claims of the Noteholders and Couponholders against the Issuer in respect of the Notes and the Coupons are subordinated to the claims of the Senior Creditors.

In the event of Liquidation of the Issuer, the rights of the Noteholders and Couponholders against the Issuer in respect of such Notes and related Coupons (including any damages (if payable)) shall:

- (a) be subordinated to the claims of all Senior Creditors;
- (b) rank *pari passu* with the claims of all other subordinated creditors of the Issuer which in each case by law rank, or by their terms are expressed to rank *pari passu* with the Notes (including holders of instruments that qualify as Tier 2 instruments, within the meaning and in accordance with the CRR (as defined in Condition 6.9 below)); and
- (c) rank senior to the claims of holders of the Issuer's shares (*parts sociales*), beneficiary shares (*parts bénéficiaires*) and any junior subordinated obligations or other securities of the Issuer which by law rank, or by their terms are expressed to rank, junior to the Notes.

2.2 No Security or Guarantee

The Notes and Coupons are not secured or subject to a guarantee that enhances the seniority of the claims of their holders. For that purpose, no security or guarantee of whatever kind is, or shall at any time be, provided by the Issuer or any other person securing rights of the holders of the Notes or Coupons.

2.3 No Set-off

Subject to applicable law, no Noteholder or Couponholder may exercise, claim or plead any right of set-off, compensation or retention in respect of any amount owed to it by the Issuer arising under, or in connection with, the Notes or Coupons and each Noteholder or Couponholder shall, by virtue of its holding of any Notes or Coupons (as the case may be), be deemed to have waived all such rights of set-off, compensation or retention.

Notwithstanding the above, if any amounts due and payable to any Noteholder or Couponholder by the Issuer in respect of, or arising under, the Notes or Coupons are discharged by set-off, such Noteholder or Couponholder shall, subject to applicable law, immediately pay an amount equal to the amount of such discharge to the Issuer (or the liquidator or administrator of the Issuer, as the case may be) and, until such time as payment is made, shall hold an amount equal to such amount in a fiduciary (*fiduciaire*) capacity, or where applicable law permits, in trust for the Issuer (or the liquidator or administrator of the Issuer, as the case may be) and, accordingly, any such discharge shall be deemed not to have taken place.

2.4 Definitions

For the purposes of these Conditions:

BRR Act 2015 means the Luxembourg act dated 18 December 2015 concerning, among others, the recovery, resolution and liquidation of credit institutions and certain investment firms, as amended or replaced from time to time, which has implemented the BRRD under Luxembourg law.

BRRD means Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms, as the same may be amended or replaced from time to time, including pursuant to Directive (EU) 2019/879 of the European Parliament and of the Council of 20 May 2019 amending the BRRD as regards the loss-absorbing and recapitalisation capacity of credit institutions and investment firms.

Liquidation means that an order is made or an effective resolution is passed for the judicial liquidation (*liquidation judiciaire*) of the Issuer or the voluntary liquidation (*liquidation volontaire*) of the Issuer, all in accordance with BRR Act 2015.

Senior Creditors means creditors of the Issuer (i) who are depositors and/or other unsubordinated creditors of the Issuer; (ii) whose claims are or are expressed to be subordinated (whether only in the event of the Liquidation of the Issuer or otherwise) to the claims of unsubordinated creditors of the Issuer, other than those whose claims by law rank, or by their terms are expressed to rank, *pari passu* with, or junior to, the claims of the Noteholders and Couponholders. For the avoidance of doubt, this definition includes claims of holders of eligible liabilities instruments (within the meaning of the CRR).

3. CONVERSION AND WRITE-DOWN POWERS

Subject to the application of the BRR Act 2015 and the SRM Regulation, notwithstanding and to the exclusion of any other term of the Notes or any other agreements, arrangements, or understanding between the Issuer and any holder, by its acquisition of the Notes and Coupons, each holder (which, for the purposes of this clause, includes each holder of a beneficial interest in the Notes or Coupons) acknowledges and accepts that any amount due arising under the Notes and Coupons may be subject to the exercise of any write-down or conversion powers and acknowledges, accepts, consents and agrees to be bound by:

- (a) the effect of the exercise of any write-down or conversion powers by the relevant resolution authority, which exercise may include and result in any of the following, or some combination thereof:
 - (i) the reduction or cancellation of all, or a portion, of the amounts due;
 - (ii) the conversion of all, or a portion, of the amounts due on the Notes and Coupons into shares (*parts sociales*), other securities or other obligations of the Issuer or another person (and the issue to or conferral on the holder of such shares (*parts sociales*), securities or obligations), including by means of an amendment, modification or variation of the terms of the Notes;
 - (iii) the cancellation of the Notes and Coupons; and
 - (iv) the amendment or alteration of the provisions of the Notes and Coupons by which the Notes or Coupons, as relevant, have no maturity or the amendment of the amount of interest payable on the Notes or Coupons, as relevant, or the date on which the interest becomes payable, including by suspending payment for a temporary period; and

- (b) the variation of the terms of the Notes and Coupons, as deemed necessary by the relevant resolution authority, to give effect to the exercise of any write-down or conversion powers by the relevant resolution authority.

For the avoidance of doubt, the exercise or any write-down or conversion powers pursuant to this Condition 3 (*Conversion and write-down powers*) shall not be construed as an event of default entitling a Noteholder to initiate any of the Proceedings as defined in Condition 9.2 (*Non-Payment*).

For the purposes of these Conditions:

SRM Regulation means Regulation (EU) No. 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund, as amended.

4. INTEREST

4.1 Interest Rate and Interest Payment Dates

The Notes bear interest on their outstanding principal amount from and including 4 July 2023 at the rate of 5.00 per cent. per annum, payable annually in arrear on 4 July of each year (each an **Interest Payment Date**). The first payment (representing a full year's interest) shall be made on 4 July 2024.

4.2 Interest Accrual

Each Note will cease to bear interest from and including its due date for redemption unless, upon due presentation, payment of the principal in respect of the Note is improperly withheld or refused or unless default is otherwise made in respect of payment. In such event, interest will continue to accrue, subject to Condition 9.1 (*Liquidation*) and Condition 3 (*Conversion and write-down powers*), until whichever is the earlier of:

- (a) the date on which all amounts due in respect of such Note have been paid; and
- (b) five days after the date on which the full amount of the moneys payable in respect of such Notes has been received by the Fiscal Agent and notice to that effect has been given to the Noteholders in accordance with Condition 11 (*Notices*).

4.3 Calculation of Broken Interest

Where interest is payable for a period of less than one year, it shall be calculated on the basis of the actual number of days in the relevant interest period divided by 365 (or, if any portion of that interest period falls in a leap year, the sum of (A) the actual number of days in that portion of the interest period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the interest period falling in a non-leap year divided by 365).

5. PAYMENTS

5.1 Payments in respect of Notes

Payments of principal and interest in respect of each Note will be made against presentation and surrender (or, in the case of part payment only, endorsement) of the Note, except that payments of interest due on an Interest Payment Date will be made against presentation and surrender (or, in the case of part payment only, endorsement) of the relevant Coupon, in each case at the specified office outside the United States of any of the Paying Agents.

Payments of principal and interest in respect of Notes represented by a Global Note shall be made in the manner specified in the Global Note. A record of each payment made, distinguishing between payments of principal and payments of interest, shall be recorded *pro rata* upon the instruction of the Fiscal Agent, in the records held by LuxCSD and such registration in the record held by LuxCSD shall be evidence that the payment has been made. Each of the persons shown in the records of LuxCSD as the beneficial holder of a particular amount of Notes represented by a Global Note must look solely to LuxCSD for his share of each payment so made by the Issuer to or to the account of the holder of the Global Note.

5.2 Method of Payment

Payments will be made by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee.

5.3 Missing Unmatured Coupons

Each Note should be presented for payment together with all relative unmatured Coupons, failing which the full amount of any relative missing unmatured Coupon (or, in the case of payment not being made in full, that proportion of the full amount of the missing unmatured Coupon which the amount so paid bears to the total amount due) will be deducted from the amount due for payment. Each amount so deducted will be paid in the manner mentioned above against presentation and surrender (or, in the case of part payment only, endorsement) of the relative missing Coupon.

5.4 Payments subject to Applicable Laws

Payments will be subject in all cases to (i) any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 7 (*Taxation*) and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the **Code**) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of Condition 7 (*Taxation*)) any law implementing an intergovernmental approach thereto.

5.5 Payment only on a Presentation Date

A holder shall be entitled to present a Note or Coupon for payment only on a Presentation Date and shall not, except as provided in Condition 4 (*Interest*), be entitled to any further interest or other payment if a Presentation Date is after the due date.

Presentation Date means a day which (subject to Condition 8 (*Prescription*)):

- (a) is or falls after the relevant due date;
- (b) is a Business Day in the place of the specified office of the Paying Agent at which the Note or Coupon is presented for payment; and
- (c) in the case of payment by credit or transfer to a euro account as referred to above, is a TARGET Settlement Day.

In this Condition, **Business Day** means, in relation to any place, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in that place and **TARGET Settlement Day** means any day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer system (known as TARGET or T2) or any successor or replacement for that system is open.

5.6 Initial Paying Agents

The names of the initial Paying Agents and their initial specified offices are set out above. The Issuer reserves the right at any time to vary or terminate the appointment of any Paying Agent and to appoint additional or other Paying Agents provided that there will at all times be a Fiscal Agent.

Notice of any termination or appointment and of any changes in specified offices shall be given to the Noteholders promptly by the Issuer in accordance with Condition 11 (*Notices*).

6. REDEMPTION AND PURCHASE

6.1 Redemption at Maturity

Unless previously redeemed or purchased or repurchased and cancelled as provided below, the Issuer will redeem the Notes at their principal amount on 4 July 2033.

6.2 Redemption for Taxation Reasons

In accordance with article 78(4)(b) of the CRR, if and provided that:

- (a) as a result of any change in, or amendment to, the laws or regulations of a Relevant Jurisdiction (as defined in Condition 7 (*Taxation*)), or any change in the official interpretation of the laws or regulations of a Relevant Jurisdiction, which change or amendment becomes effective after the Issue Date, on the next Interest Payment Date the Issuer would be required to pay additional amounts as provided or referred to in Condition 7 (*Taxation*);
- (b) the Issuer demonstrates to the satisfaction of the Regulator that such change was material and was not reasonably foreseeable as at the Issue Date; and
- (c) the requirement cannot be avoided by the Issuer taking reasonable measures available to it,

the Issuer may at its option, subject to Condition 6.5 (*Conditions to early redemption*) below and having given not less than 30 nor more than 60 days' notice to the Noteholders in accordance with Condition 11 (*Notices*) (which notice shall be irrevocable), redeem all the Notes, but not some only, at their principal amount together with interest accrued to but excluding the date of redemption, provided that no such notice of redemption shall be given (i) earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts, were a payment in respect of the Notes then due and (ii) without a prior approval of the Regulator in accordance with the Relevant Banking Regulations, all in accordance with, and subject to, articles 77 and 78 of the CRR.

6.3 Redemption at the Option of the Issuer

Subject to 6.5 (*Conditions to early redemption*) below, the Issuer may, having given:

- (a) not less than 15 nor more than 30 days' notice to the Noteholders in accordance with Condition 11 (*Notices*); and
- (b) notice to the Fiscal Agent not less than 15 days before the giving of the notice referred to in (a) above;

(which notices shall be irrevocable and shall specify the date fixed for redemption), redeem all or, subject as provided in Condition 6.6 below, from time to time some only, on 4 July 2028, 4 July 2029, 4 July 2030, 4 July 2031 and 4 July 2032 at their principal amount together with interest accrued to the date of redemption.

6.4 Redemption for Regulatory Event

Subject to 6.5 (*Conditions to early redemption*) below and in accordance with article 77 and 78(4)(a) of the CRR, if there is a change which the Regulator considers to be sufficiently certain, in the regulatory classification of the Notes that occurs on or after the Issue Date, that the Issuer demonstrates to the satisfaction of the Regulator was not reasonably foreseeable as at the Issue Date, that would be likely to result in the exclusion of the Notes from Own Funds or their reclassification as a lower quality form of Own Funds, the Issuer may, at its option, redeem the Notes, in whole but not in part at their principal amount together with interest accrued to but excluding the date of redemption.

6.5 Conditions to early redemption

Notwithstanding any other provision, the Issuer may early redeem the Notes (and give notice thereof to the Noteholders) only if it has obtained the prior approval of the Regulator and has complied with the Regulatory Procedures for the redemption of the Notes and solely to the extent permitted by the Relevant Banking Regulations, all in accordance with, and subject to, articles 77 and 78 of the CRR.

6.6 Provisions relating to Partial Redemption

In the case of a partial redemption of Notes, the Notes to be redeemed (the **Redeemed Notes**) will:

- (a) in the case of Redeemed Notes represented by a Global Note, be selected in accordance with the rules of LuxCSD (to be reflected in the records of LuxCSD by reducing the principal amount of all such Notes in proportion to the aggregate principal amount by application of a pool factor) not more than 30 days prior to the date fixed for redemption, and
- (b) in the case the Redeemed Notes are represented by definitive Notes, be selected individually by lot, in such place and in such manner as the Fiscal Agent may decide not more than 30 days before the date fixed for redemption.

Notice of any such selection or reduction will be given not less than 15 days before the date fixed for redemption. Each notice will specify the date fixed for redemption and the aggregate principal amount of the Notes to be redeemed, the serial numbers of the Notes called for redemption (in the case of definitive Notes), the serial numbers of Notes previously called for redemption and not presented for payment (in the case of definitive Notes) and the aggregate principal amount of the Notes which will be outstanding after the partial redemption.

Any reference in these Conditions to the principal amount of the Notes shall be to the principal amount outstanding at any given time after any one or more partial redemptions of the Notes have been effected in accordance with this Condition 6.6.

6.7 Purchases and repurchases

The Issuer may purchase, repurchase Notes (provided that all unmatured Coupons appertaining to the Notes are purchased or repurchased with the Notes) or otherwise acquire any of the outstanding Notes at any price in the open market (if any), (i) for market making purposes as provided for by article 78(4)(e) of the CRR, or (ii) in accordance with and in the circumstances permitted by the Relevant Banking Regulations (in particular, article 78(4)(d) of the CRR), provided that no such purchase, repurchase or acquisition will be effected unless the prior approval of the Regulator is obtained and such purchase, repurchase or acquisition complies with the Regulatory Procedures and subject to the Relevant Banking Regulations, including the provisions laid down in article 29 of CDR 241/2014.

For the avoidance of doubt, any repurchase of the Notes prior to the fifth anniversary of the Issue Date pursuant to (ii) above, is subject to the Issuer having, before or at the same time as such purchase, replaced 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 Regulator having permitted such action on the basis of the determination that it would be beneficial from a prudential point of view and justified by exceptional circumstances (as provided for by article 78(4)(d) of the CRR).

6.8 Cancellations, Holdings and Resales

- (a) The Issuer may at its discretion either (i) cancel or (ii) hold and/or (iii) sell or resell any and all Notes which have been purchased or repurchased by or on behalf of the Issuer pursuant to Condition 6.7.
- (b) Any Notes that have been redeemed in accordance with Conditions 6.1, 6.2, 6.3, 6.4 or 6.7 or purchased or repurchased for cancellation, as provided in (a) above, will forthwith be cancelled, together with all relative unmatured Coupons attached to the Notes or surrendered with the Notes, and accordingly may not be reissued or resold.

6.9 For the purposes of these Conditions:

Banking Act 1993 means the Luxembourg act dated 5 April 1993 concerning the financial sector, as amended from time to time.

CRD Directive means Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, as the same may be amended or replaced from time to time, including pursuant to Directive (EU) 2019/878 of the European Parliament and of the Council of 20 May 2019 amending the CRD Directive as regards exempted entities, financial holding companies, mixed financial holding companies, remuneration, supervisory measures and powers and capital conservation measures.

CRR means Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms, as the same may be amended or replaced from time to time, including pursuant to Regulation (EU) 2019/876 of the European Parliament and of the Council of 20 May 2019 amending the CRR as regards the leverage ratio, the net stable funding ratio, requirements for own funds and eligible liabilities, counterparty credit risk, market risk, exposures to central counterparties, exposures to collective investment undertakings, large exposures, reporting and disclosure requirements.

Own Funds has the meaning ascribed to such term in the CRR.

Regulator means the (i) the *Commission de Surveillance du Secteur Financier* (CSSF) or such other authority of Luxembourg (or if the Home Member State of the Issuer becomes a jurisdiction other than Luxembourg, such other jurisdiction) which assumes or performs the functions, as at the Issue Date, performed by such authority or such other or successor authority exercising primary supervisory authority with respect to prudential matters in relation to the Issuer and (ii) as applicable in accordance with Council Regulation (EU) No 1024/2013 of 15 October 2013 conferring specific tasks on the European Central Bank concerning policies relating to the prudential supervision of credit institutions, the European Central Bank.

Regulatory Procedures means, in accordance with article 78(1) of the CRR, in respect of any early redemption or purchase or repurchase of the Notes:

- (a) on or before such early redemption or purchase or repurchase (as the case may be) of the Notes, the Issuer replaces the Notes with own funds instruments of an equal or higher quality on terms that are sustainable for its income capacity; or
- (b) the Issuer has demonstrated to the satisfaction of the Regulator that the Own Funds of the Issuer would, following such redemption or purchase or repurchase (as applicable), exceed its minimum capital requirements (including any capital buffer requirements) as set out in the Relevant Banking Regulations by a margin that the Regulator may consider necessary on the basis set out in the Relevant Banking Regulations for it to determine the appropriate level of capital of an issuer.

Relevant Banking Regulations means the CRR (including for the avoidance of doubt Commission Delegated Regulation (EU) No 241/2014 of 7 January 2014 supplementing the CRR with regard to regulatory technical standards for Own Funds requirements for institutions, as amended (**CDR 241/2014**)), the CRD Directive, the BRRD, the BRR Act 2015, the Banking Act 1993, the CSSF Regulation N°18-03 on the implementation of certain discretions of the CRR, any laws, regulations or acts implementing the CRD Directive and, at any time, the laws, regulations, circular letters and other requirements, standards, guidelines and policies relating to capital adequacy for credit institutions of either (i) the Regulator and/or (ii) any other national or European authority, in each case then in effect in Luxembourg (or in such other jurisdiction in which the Issuer may have its home member state as defined in the CRR, the CRD Directive, the BRRD, the BRR Act 2015 and the Banking Act 1993 (**Home Member State**)) and applicable to the Issuer.

7. TAXATION

7.1 Payment without Withholding

All payments in respect of the Notes by or on behalf of the Issuer shall be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature (**Taxes**) imposed or levied by or on behalf of the Relevant Jurisdiction, unless the withholding or deduction of the Taxes is required by law. In that event, the Issuer will pay such additional amounts in respect of payments of interest (but not, for the avoidance of doubt, in respect of payments of principal) as may be necessary in order that the net amounts received by the Noteholders and Couponholders after the withholding or deduction shall equal the respective amounts which would have been receivable in respect of the Notes or, as the case may be, Coupons in the absence of the withholding or deduction; except that no additional amounts in respect of payments of interest shall be payable in relation to any payment in respect of any Note or Coupon:

- (a) presented for payment by or on behalf of a holder who is liable to the Taxes in respect of the Note or Coupon by reason of his having some connection with the Relevant Jurisdiction other than the mere holding of the Note or Coupon; or
- (b) presented for payment in Luxembourg; or
- (c) presented for payment by or on behalf of a holder who would not be liable or subject to the withholding or deduction by making a declaration of non-residence or other similar claim for exemption to the relevant tax authority; or
- (d) where such withholding or deduction is imposed in respect of the Luxembourg act dated 23 December 2005, as amended, introducing in Luxembourg a 20% withholding tax as regards Luxembourg resident individuals;
- (e) presented for payment more than 30 days after the Relevant Date (as defined below) except to the extent that a holder would have been entitled to additional amounts on presenting the

same for payment on the last day of the period of 30 days assuming that day to have been a Presentation Date (as defined in Condition 5 (*Payments*)); or

- (f) where such withholding or deduction is required pursuant to an agreement described in Section 1471(b) of the Code or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder or any official interpretations thereof.

7.2 Interpretation

In these Conditions:

- (a) **Relevant Date** means the date on which the payment first becomes due but, if the full amount of the money payable has not been received by the Fiscal Agent on or before the due date, it means the date on which, the full amount of the money having been so received, notice to that effect has been duly given to the Noteholders by the Issuer in accordance with Condition 11 (*Notices*); and
- (b) **Relevant Jurisdiction** means the Grand Duchy of Luxembourg or any political subdivision or any authority thereof or therein having power to tax or any other jurisdiction or any political subdivision or any authority thereof or therein having power to tax to which the Issuer becomes subject in respect of payments made by it of principal and interest on the Notes and Coupons.

7.3 Additional Amounts

Any reference in these Conditions to any interest amounts payable in respect of the Notes or Coupons shall be deemed also to refer to any additional amounts which may be payable under this Condition.

8. PRESCRIPTION

Notes and Coupons will become void unless presented for payment within periods of 10 years (in the case of principal) and 5 years (in the case of interest) from the Relevant Date in respect of the Notes or, as the case may be, the Coupons, subject to the provisions of Condition 5 (*Payment*).

The Luxembourg act dated 3 September 1996 on the involuntary dispossession of bearer securities, as amended (the **Involuntary Dispossession Act 1996**) requires that, in the event that (i) an opposition has been filed in relation to the Notes or Coupons and (ii) the Notes mature prior to becoming forfeited (as provided for in the Involuntary Dispossession Act 1996), any amount that is payable under the Notes or Coupons (if any), but has not yet been paid to the holders of such Notes or Coupons, will be paid to the *Caisse des consignations* in Luxembourg until the opposition has been withdrawn or the forfeiture of the Notes occurs.

9. DEFAULT ENFORCEMENT

9.1 Liquidation

If an order is made or an effective resolution is passed for the Liquidation of the Issuer in Luxembourg (or such other jurisdiction in which the Issuer may be organised), the holder of any Note may give written notice to the Issuer and the Fiscal Agent at its specified office that such Note is due and payable, whereupon the outstanding principal amount of such Note together with accrued interest to the date of payment or opening of relevant proceedings, as applicable, shall become immediately due and payable.

9.2 Non-Payment

If the Issuer does not make payment for a period of seven days or more after the due date for the payment of principal or for a period of 14 days or more after an Interest Payment Date, for the payment of interest due in respect of any of the Notes on such Interest Payment Date, any Noteholder may ask the relevant authorities to institute Liquidation or reprieve from payment (*sursis de paiement*) proceedings in respect of the Issuer (together, the **Proceedings**).

Although the relevant authorities may take into account a request from a Noteholder to institute the Proceedings, they are not in any way bound to do so following the receipt of such a request or on any other basis. In determining whether to institute any such Proceedings, the relevant authorities will act solely on the basis of their own discretion and in accordance with Luxembourg law. Subject to such request from a Noteholder as described in this Condition 9.2, a Noteholder shall not be able to take any of the Proceedings.

9.3 Breach of Other Obligations

To the extent permitted by applicable law and by these Conditions, a Noteholder may at its discretion institute such proceedings against the Issuer as it may think fit to enforce any obligation, condition, undertaking or provision binding on the Issuer under the Notes or the Coupons (other than any payment obligation of the Issuer under or arising from the Notes or the Coupons, including, without limitation, payment of any principal or interest; provided always that such Noteholder shall not enforce, and shall not be entitled to enforce or otherwise claim, against the Issuer any award given in such proceedings that requires the payment of money by the Issuer, whether by way of damages or otherwise, except by proving in the relevant Proceedings).

9.4 Waiver

The Noteholders expressly unconditionally and irrevocably waive all rights of rescission under article 1184 of the Luxembourg Civil Code, and to the extent applicable, under article 470-21 of the Luxembourg act dated 10 August 1915 on commercial companies, as amended (the **Companies Act 1915**) and of otherwise claiming early termination or early repayment of the Notes in case of default by the Issuer under any of its obligations under the Notes.

10. REPLACEMENT OF NOTES AND COUPONS

Should any Note or Coupon be lost, stolen, mutilated, defaced or destroyed it may be replaced at the specified office of the Fiscal Agent, upon payment by the claimant of the expenses incurred in connection with the replacement and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Notes or Coupons must be surrendered before replacements will be issued.

The replacement of Notes and Coupons, in the case of loss or theft, is subject to the procedure set out in the Involuntary Dispossession Act 1996.

11. NOTICES

All notices to the Noteholders will be valid if posted on the website of the Issuer (www.raiffeisen.lu).

Notices may in addition be published in any of the following newspapers: the *Luxemburger Wort*, the *Tageblatt* and the *Quotidien* or, if the said newspaper shall cease to be published or timely publication therein shall not be practicable, in such other newspaper as the Fiscal Agent shall deem necessary to give fair and reasonable notice to the Noteholders.

Any such notices shall be deemed to have been given on the date of the first publication. Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the Noteholders.

For so long as all of the Notes are represented by one or both of the Global Notes and such Global Note(s) is/are held on behalf of LuxCSD, notices to Noteholders may be given by delivery of the relevant notice to LuxCSD for communication to the relative accountholders rather than by publication as required by this Condition 11 (*Notices*) (except that the Issuer may in its discretion decide to post notices on its website (www.raiffeisen.lu), in addition to the delivery of the relevant notices to LuxCSD).

12. MEETINGS OF NOTEHOLDERS AND MODIFICATION

12.1 The Noteholders acknowledge and accept or shall be deemed to have acknowledged and accepted that the exercise of collective rights and decisions of Noteholders in respect of the Notes and meetings of Noteholders (including Couponholders) shall be subject to the provisions of articles 470-3 to 470-19 of the Companies Act 1915 and the provisions of this Condition 12 (*Meetings of Noteholders and Modification*).

Pursuant to the Companies Act 1915, the Noteholders will belong to a masse (the **Masse**) created, among other things, for the representation of their common interests pursuant to the provisions of the Companies Act 1915. The following is an overview of the relevant provisions of the Companies Act 1915.

A general meeting of the Noteholders (the **Masse Meeting**) or a court order may appoint and determine the powers of one or more representatives (the **Representatives**). Where Representatives have been appointed, Noteholders may no longer individually exercise their rights against the Issuer. A Masse Meeting may be called at any time by the Representatives (if any); the board of directors of the Issuer; or the auditors of the Issuer. The Representatives or the approved statutory auditor of the Issuer, provided an advance on expenses has been paid to them by the Issuer, or the board of directors of the Issuer must convene the Masse Meeting if called upon to do so by Noteholders representing 5 per cent. or more of the Notes outstanding. Meetings of Noteholders will be convened in accordance with article 470-11 of the Companies Act 1915. All Masse Meetings shall be held at the place specified in the notice calling the meeting. All Noteholders have the right to attend and vote at the Masse Meeting either personally or by proxy. The voting rights attached to the Notes are equal to the proportion of the principal amount of the outstanding Notes represented by the principal amount of the Note or Notes held by the relevant holder. A Masse Meeting may be called to approve certain changes in the rights of the Noteholders and may, generally, determine any measures designed to ensure the defence of interests or the exercise of the rights of the Noteholders in accordance with the provisions of the Companies Act 1915. A Masse Meeting may deliberate validly without a quorum and by vote of a simple majority of the Noteholders attending or represented at such Masse Meeting on the appointment and revocation of the Representatives, the revocation of special representatives appointed by the Issuer and the approval of any measures of a conservatory nature in the general interests of the Noteholders. On all other matters, including for the avoidance of doubt, matters other than those set out in article 470-13 of the Companies Act 1915, the Masse Meeting may deliberate validly on the first convening notice only if Noteholders present or represented hold at least 50 per cent. of the Notes then outstanding. The board of directors of the Issuer or Noteholders representing 20 per cent. of the Notes then outstanding may require the adjournment of the meeting for four weeks. A new meeting must be called in accordance with article 470-11 of the Companies Act 1915. On the second convening notice no quorum is required. Decisions at such meetings shall be taken by a majority of 66 2/3 per cent. of the votes cast by Noteholders attending such meetings or represented thereat.

12.2 The Fiscal Agent and the Issuer may agree, without the consent of the Noteholders to:

- (a) any modification (except as mentioned above) of the Notes, the Coupons or the Agency Agreement which is not prejudicial to the interests of the Holders; or
- (b) any modification of the Notes, the Coupons or the Agency Agreement which is of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of the law or requirements of the Regulator.

Any such modification shall be binding on the Noteholders and any such modification shall be notified to the Noteholders in accordance with Condition 11 (*Notices*) as soon as practicable thereafter.

- 12.3 No amendment to the Conditions can be adopted without the consent of the Issuer and the Regulator (to the extent required by the Relevant Banking Regulations).

13. NO SUBSTITUTION

The Issuer may not be substituted by any other entity.

14. GOVERNING LAW AND SUBMISSION TO JURISDICTION

14.1 Governing Law

The Agency Agreement, the Notes and the Coupons are governed by, and will be construed in accordance with Luxembourg law.

14.2 Jurisdiction of Luxembourg Courts

The Issuer has irrevocably agreed for the benefit of the Noteholders and the Couponholders that the courts of Luxembourg are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Notes or the Coupons and accordingly has submitted to the exclusive jurisdiction of the Luxembourg courts. The Issuer waives any objection to the courts of Luxembourg on the grounds that they are an inconvenient or inappropriate forum.

14.3 Other Documents

The Issuer has in the Agency Agreement submitted to the jurisdiction of the Luxembourg courts.

USE OF PROCEEDS

The net proceeds of the issue of the Notes, amounting to a maximum of approximately € 29,900,000 will be applied by the Issuer for its general corporate purposes.

DESCRIPTION OF THE ISSUER

The Issuer was established on 9 February 1926, by deed under private seal, and denominated “CAISSE CENTRALE DES ASSOCIATIONS AGRICOLES LUXEMBOURGEOISES”. The Issuer’s name has been changed twice, first to become “CAISSE CENTRALE RAIFFEISEN” following a decision by an Extraordinary General Meeting of Shareholders of 30 December 1982, second to become “BANQUE RAIFFEISEN” following a decision by an Extraordinary General Meeting of Shareholders held on 14 June 2001.

BANQUE RAIFFEISEN, hereinafter in this section, “the **Bank**” or “the **Issuer**”, has been established as a cooperative company (“*société coopérative*”) under the provisions of the Companies Act 1915, in order to carry out the activity of a credit institution.

The duration of the Issuer is indefinite.

As set out in Article 3 of the articles of association of the Issuer (the **Articles**), the corporate object of the Issuer is to operate a credit institution within the meaning of the Banking Act 1993 (as defined in the Conditions), the main operations of which consist of:

- carrying-out, for itself or on behalf of third parties, in the Grand Duchy of Luxembourg or abroad, any financial, banking or other operation;
- receiving funds on deposit, on demand or for a fixed term, in current account or otherwise and holding any securities in deposit;
- granting of loans and credits;
- establishing branches and participating in any financial, industrial and commercial enterprise;
- managing and administering portfolios and business activities on behalf of third parties;
- issuing capital instruments and subordinated loans, including Common Equity Tier 1 instruments, Additional Tier 1 instruments and Tier 2 instruments whose terms and conditions will be set by the Board of Directors; and
- carrying out any related operation that directly or indirectly relates to achieving the purposes indicated above.

As set out in Article 4 of the Articles, the purpose of the Issuer is to meet the financial needs of its members and customers by providing them with the best service at the lowest possible cost according to the principles laid down by F.W. Raiffeisen, without prejudice to the rules set out by the Articles, the provisions on cooperative companies of the Companies Act 1915 (as defined in the Conditions), the provisions of the Banking Act 1993, the provisions of the CRR (as defined in the Conditions) and any other legal or regulatory provision applicable to the Issuer. The Issuer has more specifically the following purposes:

- to offer its services in the interest of agricultural and viticultural enterprises, their cooperatives, associations and professional bodies;
- to serve the interests of members from other economic sectors with the same commitment as its private clientele;
- to induce the establishment, establish and organise any services or entities that may facilitate the functioning of the savings and credit cooperative;

- to create and maintain useful and regular relations among its members.

The Issuer's associates as of today are (i) (Category A), legal and natural persons, fulfilling certain criteria as defined in the statutes, (ii) (Category B) other associates, that are present on 22nd May 2019 as well as legal persons with an associative or cooperative activity in the agricultural or viticultural business sectors and (iii) (Category C) all other natural or legal persons. The number of shares (*parts sociales*) in Category C may in principle not exceed a third of the total number of issued shares (*parts sociales*).

An Extraordinary General Meeting of Shareholders held on 1 September 2005 has decided to modify the by-laws of the Issuer in order to allow the association of one or more partners who would not be local co-operative savings and loans banks or agricultural associations or legal persons belonging to the agricultural or viticultural business sectors. Such partners would constitute a third category (C) of associates. They could hold a number of voting rights that would not exceed one third of the total voting rights in the Issuer. The respective voting rights of the associates belonging to the other two categories would then be reduced in proportion. The Board of Directors decided on 15 March 2016 to admit POST Luxembourg to the third category (C).

An Extraordinary General Meeting of Shareholders held on 22 May 2019 has decided to modify the by-laws of the Issuer in order to allow the merger with / absorption of the local co-operative savings and loans banks (Caisses Raiffeisen), legally applicable as of 1st June 2019.

As at 6 June 2023, the Issuer has a share capital of EUR 1,343,475, represented by 48,151 Category A Shares, 4,525 Category B Shares and 1,063 Category C Shares, each fully paid up, the principal characteristics of which are set out under Article 8 of the Articles.

No single associate of the Issuer, and not any of the different categories of associates, directly or indirectly owns or controls the Issuer. The Issuer is not aware of any arrangement that might result in a change in control of the Issuer.

The Board of Directors of the Issuer comprises four representatives of legal and natural persons, fulfilling certain criteria as defined in the statutes (category A associates), two representatives of the co-operatives, associations and companies of the agricultural and viticultural sector associated to the Issuer (category B associates), one representative of POST Luxembourg (category C associate), additional members, the chairman and one member of the Executive Committee.

The Board of Directors is ultimately responsible for the management of the Issuer. It defines the business strategy and decides the valuation principles of the Issuer in accordance with the legal and regulatory environment. The Board decides all measures and conditions designed to enhance the development of the Issuer and it monitors the functioning of the Issuer's activities.

The daily management of the Issuer as well as its representation in this respect are delegated, according to its by-laws, to the Executive Committee.

Registered name, corporate headquarters, registration numbers and legal entity identifier ("LEI")

Banque Raiffeisen S.C., Luxembourg

4, rue Léon Laval

L-3372 LEUDELANGE

Tel.: +352 24501

Fax: +352 227541

www.raiffeisen.lu

Luxembourg Register of Commerce and Companies: B20128

Legal form: *société coopérative*

Legislation under which the Issuer operates: Luxembourg law

Legal entity identifier (“LEI”): 549300F7FBD744MEP844

Banking license

The Issuer is regulated by the Banking Act 1993. The Issuer is duly authorised to carry on the business of a credit institution according to the provisions of the aforesaid law.

Employees as of 31 December 2022

The total number of employees of the Issuer had been: 617.

Business activities

The foremost purpose of the Issuer is to run a financial clearing and banking institution under the form of a credit institution according to the Banking Act 1993.

The Issuer aspires to respond to the financial needs of its co-operative members and its customers by providing the best services at the lowest possible cost in accordance with the principles laid down by F.W. Raiffeisen. The Issuer thus aims at promoting the interest of agricultural and viticultural enterprises, their cooperatives and professional organisations as well as of the Issuer’s other corporate and private clients.

Recent developments and new business

The Issuer’s 2021 financial statements and 2022 financial statements, on an individual, give proof of a regular growth of activities and revenues in 2021 as well as in 2022.

Businesses

Since its creation in 1926, the Issuer has evolved from a rural union to a universal financial institution, covering retail activities but also specialising in corporate and private banking. The Issuer is a Luxembourg based bank, focused on the national/domestic market and offering a complete range of products and services for private customers as well as for SMEs. The main aim of the Issuer still remains, namely to satisfy the financial needs of its customers as well as its co-operative members by providing quality service at low costs.

Retail

Since its foundation in 1926, the Issuer has always tried to be close to its local customers and has developed a strong retail banking business in Luxembourg. It has been – and still is – the first cooperative bank in the Grand Duchy.

The Issuer’s core business is the activity of a traditional savings and credit bank. Nevertheless, the Issuer also focuses on developing third party product distribution activities in the areas of investment funds, life insurances, savings schemes and asset management services for private clients.

Combining its traditional and prudent business strategy with an evermore complete offer of services, the Issuer has substantially increased its market share on the domestic market over the last years. While remaining attached to its cooperative origins, the Issuer is nowadays providing professional and reliable banking services for more than 120,000 customers carrying out a multitude of professions and belonging to all kinds of economic sectors.

The Issuer is present over the entire national territory with sales points that are directly linked to Banque Raiffeisen. Network infrastructures are steadily being modernized, enabling the Issuer to further develop its strong and long-term relationships with its clients.

SMEs

Having considerably strengthened its team of experts, the Issuer has substantially built up and developed its services towards businesses, SMEs and industrial companies. These customers can by now benefit from tailor-made solutions, suitable for every business' needs in day-to-day financial activities as well as financing.

Private banking

The Issuer offers a complete range of private banking products and services, including investment advices and discretionary mandates.

Wanting to develop its private banking activities further, Banque Raiffeisen has a collaboration agreement with Vontobel, a well renowned Swiss Private Bank. This collaboration allows the Issuer to enhance its asset management services while simultaneously benefiting from daily follow-ups and in-depth market analysis provided by Vontobel.

IT infrastructure

In order to cope with an evermore demanding competitive as well as regulatory environment, the Issuer continuously improves its IT infrastructure set up in 2013.

Historical financial statements of the Issuer

Annual financials

The audited annual financial statements of the Issuer (in French) for the financial year ended 31 December 2021 are incorporated by reference into this Prospectus.

The audited annual financial statements of the Issuer (in French) for the financial year ended 31 December 2022 as approved by the board of directors of the Issuer (which remain subject to shareholder approval) are incorporated by reference into this Prospectus.

Outlook

After the closing of the 2022 financial year, no events which might negatively influence the Issuer's normal course of business have occurred.

GOVERNING BODIES OF THE ISSUER

The organisation of Banque Raiffeisen, established in 1926, was updated several times and for the last time by a resolution of an extraordinary general meeting of shareholders dated 1 September 2005 wherein the respective powers of the Board of Directors and of the Executive Committee were defined. According to Articles 26 and 27 of the articles of incorporation of the Issuer, the Board of Directors shall define the general policy of the Issuer and shall supervise the management of the Executive Committee. All administrative acts and arrangements necessary or conducive to the attainment of the Issuer's objectives shall be the responsibility of the Executive Committee, subject to the authorisations required hereunder.

BOARD OF DIRECTORS

CHAIRMAN	Mr Guy HOFFMANN	Chairman of the ABBL (Luxembourg Bankers' Association), member of the board of directors of the European Association of Cooperative Banks and of the International Raiffeisen Union, Leudelange
VICE-CHAIRMAN	Mr Camille SCHRENGER	Farmer and insurance agent, Leudelange
MEMBERS	Mr Manuel BALDAUFF	
	Mr Romain BAUSCH	Member of the board of directors of Compagnie Financière La Luxembourgeoise and of Luxembourg Future Fund, Leudelange
	Mr Yves BIEWER	Chairman of the Management Board of Banque Raiffeisen société cooperative, and member of the board of directors of subsidiaries or affiliated companies of Banque Raiffeisen société cooperative, Leudelange
	Mr John BOUR	
	Mr Marc HENTGEN	
	Mr Carlo HESS	Farmer and member of the board of directors of (i) Luxemburger Saatbaugenossenschaft, association Agricole, (ii) T.H.T. S.à r.l., and (iii) Hess Solar, société cooperative, Leudelange
	Mr Claude PUNDEL	Human Resources Director and member of the board of directors of subsidiaries or affiliated companies of CEPAL S.A., Leudelange
	Mr Marc REINERS	Farmer and Chairman of the Committee of Luxlait Association Agricole, and member of the board of directors of subsidiaries or affiliated companies of Luxlait Association Agricole, Leudelange
	Mr Raymond SCHADECK	

Mr Claude STRASSER	Chairman of the Executive Committee of POST Luxembourg and member of the board of directors of subsidiaries or affiliated companies of POST Luxembourg, Leudelange
Ms Diane WOLTER	Philanthropy advisor and member of the board of directors of the Luxembourg Institute of Science and Technology (LIST), Leudelange

EXECUTIVE COMMITTEE

CHAIRMAN	Mr Yves BIEWER	Member of the Board of Directors of Banque Raiffeisen société cooperative, and member of the board of directors of subsidiaries or affiliated companies of Banque Raiffeisen société cooperative, Leudelange
MEMBERS	Mr Jean-Louis BARBIER	
	Mr Eric PEYER	
	Mr Laurent ZAHLES	
	Mr Georges HEINRICH	

The business address of each of the Directors and members of the Executive Committee is 4, rue Léon Laval, L-3372 Leudelange.

The Issuer is not aware of any potential conflicts of interest between the duties to the Issuer of the persons listed under “Board of Directors”, and “Executive Committee” above and their private interests or other duties.

TAXATION

The statements herein regarding taxation are based on the laws in force, in Luxembourg and in the United States as at the date of this Prospectus and are subject to any changes in law occurring after such date, which changes could be made on a retroactive basis. The following overview does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to subscribe for, purchase, own or dispose of the Notes and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities or commodities) may be subject to special rules. Prospective purchasers of the Notes are advised to consult their own tax advisers concerning the overall tax consequences of their ownership of the Notes.

Tax legislation, including in the country where the investor is domiciled or tax resident and in the Issuer's country of incorporation, may have an impact on the income that an investor receives from the Notes.

Luxembourg Taxation

The following information is of a general nature only and is based on the laws presently in force in Luxembourg, though it is not intended to be, nor should it be construed to be, legal or tax advice. Prospective investors in the Notes should therefore consult their own professional advisers as to the effects of state, local or foreign laws, including Luxembourg tax law, to which they may be subject.

Please be aware that the residence concept used under the respective headings below applies for Luxembourg income tax assessment purposes only. Any reference in the present section to a tax, duty, levy, impost or other charge or withholding of a similar nature, or to any other concepts, refers to Luxembourg tax law and/or concepts only. Also, please note that a reference to Luxembourg income tax encompasses corporate income tax (*impôt sur le revenu des collectivités*), municipal business tax (*impôt commercial communal*), a solidarity surcharge (*contribution au fonds pour l'emploi*) as well as personal income tax (*impôt sur le revenu*) generally. Investors may further be subject to net wealth tax (*impôt sur la fortune*) as well as other duties, levies or taxes. Corporate income taxes, municipal business tax, the solidarity surcharge as well as net wealth tax invariably apply to most corporate taxpayers resident in Luxembourg for tax purposes. Individual taxpayers are generally subject to personal income tax and the solidarity surcharge. Under certain circumstances, where an individual taxpayer acts in the course of the management of a professional or business undertaking, municipal business tax may apply as well.

Withholding Tax

(a) Non-resident holders of Notes

Under Luxembourg general tax laws currently in force, there is no withholding tax on payments of principal, premium or interest made to non-resident holders of Notes, nor on accrued but unpaid interest in respect of the Notes, nor is any Luxembourg withholding tax payable upon redemption or repurchase of the Notes held by non-resident holders of Notes.

(b) Resident Holders of Notes

Under Luxembourg general tax laws currently in force and subject to the law of 23 December 2005, as amended (the **Relibi Law**), there is no withholding tax on payments of principal, premium or interest made to Luxembourg resident holders of Notes, nor on accrued but unpaid interest in respect of Notes, nor is any Luxembourg withholding tax payable upon redemption or repurchase of Notes held by Luxembourg resident holders of Notes.

Under the Relibi Law payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to an individual beneficial owner who is a resident of Luxembourg will be subject to a withholding tax of 20 per cent. Such withholding tax will be in full discharge of

income tax if the beneficial owner is an individual acting in the course of the management of his/her private wealth. Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent. Payments of interest under the Notes coming within the scope of the Relibi Law will be subject to withholding tax at a rate of 20 per cent.

Income Taxation

(a) Non-resident holders of the Notes

A non-resident holder of Notes, not having a permanent establishment or permanent representative in Luxembourg to which/whom such Notes are attributable, is not subject to Luxembourg income tax on interest accrued or received, redemption premiums or issue discounts, under the Notes. A gain realised by such non-resident holder of Notes on the sale or disposal, in any form whatsoever, of the Notes is further not subject to Luxembourg income tax.

A non-resident corporate holder of Notes or an individual holder of Notes acting in the course of the management of a professional or business undertaking, who has a permanent establishment or permanent representative in Luxembourg to which or to whom such Notes are attributable, is subject to Luxembourg income tax on interest accrued or received, redemption premiums or issue discounts, under the Notes and on any gains realised upon the sale or disposal, in any form whatsoever, of the Notes.

(b) Resident holders of Notes

Holders of the Notes who are residents of Luxembourg will not be liable for any Luxembourg income tax on repayment of principal.

(i) Luxembourg resident corporate holder of Notes

A corporate holder of Notes must include any interest accrued or received, any redemption premium or issue discount, as well as any gain realised on the sale or disposal, in any form whatsoever, of the Notes, in its taxable income for Luxembourg income tax assessment purposes.

A corporate holder of Notes that is governed by the law of 11 May 2007 on family estate management companies, as amended, or by the law of 17 December 2010 on undertakings for collective investment, as amended, or by the law of 13 February 2007 on specialised investment funds, as amended, or by the law of 23 July 2016 on reserved alternative investment funds, as amended, and which does not fall under the special tax regime set out in article 48 thereof, is neither subject to Luxembourg income tax in respect of interest accrued or received, any redemption premium or issue discount, nor on gains realised on the sale or disposal, in any form whatsoever, of the Notes.

(ii) Luxembourg resident individual holder of Notes

An individual holder of Notes, acting in the course of the management of his/her private wealth, is subject to Luxembourg income tax at progressive rates in respect of interest received, redemption premiums or issue discounts, under the Notes, except if (i) withholding tax has been levied on such payments in accordance with the Relibi Law, or (ii) the individual holder of the Notes has opted for the application of a 20% tax in full discharge of income tax in accordance with the Relibi Law, which applies if a payment of interest has been made or ascribed by a paying agent established in a EU Member State (other than Luxembourg), or in a Member State of the European Economic Area (other than a EU Member State). A gain realised by an individual holder of Notes, acting in the course of the management of his/her private wealth, upon the sale or disposal, in any form whatsoever, of

Notes is not subject to Luxembourg income tax, provided this sale or disposal took place more than six months after the Notes were acquired. However, any portion of such gain corresponding to accrued but unpaid interest income is subject to Luxembourg income tax, except if tax has been levied on such interest in accordance with the Relibi Law.

An individual holder of Notes acting in the course of the management of a professional or business undertaking must include this interest in its taxable basis. If applicable, the tax levied in accordance with the Relibi Law will be credited against his/her final tax liability.

Net Wealth Taxation

A corporate holder of Notes, whether it is a resident of Luxembourg for tax purposes or, if not, it maintains a permanent establishment or a permanent representative in Luxembourg to which/whom such Notes are attributable, is subject to Luxembourg wealth tax on such Notes, except if the holder of Notes is governed by the law of 11 May 2007 on family estate management companies, as amended, or by the law of 17 December 2010 on undertakings for collective investment, as amended, or by the law of 13 February 2007 on specialised investment funds, as amended, or by the law of 23 July 2016 on reserved alternative investment funds, as amended, or is a securitisation company governed by the law of 22 March 2004 on securitisation, as amended, or is a capital company governed by the law of 15 June 2004 on venture capital vehicles, as amended.

Please however note that securitisation companies governed by the law of 22 March 2004 on securitisation, as amended, or capital companies governed by the law of 15 June 2004 on venture capital vehicles, as amended, or reserved alternative investment funds governed by the amended law of 23 July 2016 and which fall under the special tax regime set out under article 48 thereof may, under certain conditions, be subject to minimum net wealth tax.

An individual holder of Notes, whether he/she is a resident of Luxembourg or not, is not subject to Luxembourg wealth tax on such Notes.

Other Taxes

In principle, neither the issuance nor the transfer, repurchase or redemption of Notes will give rise to any Luxembourg registration tax or similar taxes.

However, a fixed or ad valorem registration duty may be due upon the registration of the Notes in Luxembourg in the case where the Notes are physically attached to a public deed or any other document subject to mandatory registration, as well as in the case of a registration of the Notes on a voluntary basis.

Where a holder of Notes is a resident of Luxembourg for tax purposes at the time of his/her death, the Notes are included in his/her taxable estate for inheritance tax assessment purposes.

Gift tax may be due on a gift or donation of Notes if embodied in a Luxembourg deed passed in front of a Luxembourg notary or recorded in Luxembourg.

US tax considerations

Foreign Account Tax Compliance Act

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a **foreign financial institution** (as defined by FATCA) 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. The Issuer is a foreign financial institution for these purposes. A number of jurisdictions (including Luxembourg) 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. Under the provisions of IGAs as currently in effect, a foreign financial institution in an

IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as Notes, such withholding would not apply prior to the date that is two years after the date on which final regulations defining foreign passthru payments are published in the U.S. Federal Register and Notes characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal tax purposes that are issued on or prior to the date that is six months after the date on which final regulations defining foreign passthru payments are filed with the U.S. Federal Register generally would be grandfathered for purposes of FATCA withholding unless materially modified after such date. Holders should consult their own tax advisers regarding how these rules may apply to their investment in Notes.

PLACEMENT

United States

The Notes have not been and will not be registered under the Securities Act or any state securities law and may not be offered, sold, pledged or otherwise transferred directly or indirectly within the United States or to, or for the account or benefit of, U.S. Persons except to an exemption from, or in a transaction not subject to, 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 Notes in bearer form are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986, as amended and regulations promulgated thereunder.

The Placement Agent has represented and agreed, and each further Placement Agent will be required to represent and agree, that it will not offer, sell or deliver Notes (a) as part of their distribution at any time or (b) otherwise prior to expiration of 40 days after the completion of the distribution within the United States or to, or for the account or benefit of, U.S. Persons. The Placement Agent has further agreed, and each further Placement Agent will be required to agree, that it will send to each Placement Agent to which it sells the Notes 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 under the Securities Act.

Until the day immediately following 40 days after the commencement of the offering of the Notes, an offer or sale of such Notes within the United States by the Placement Agent (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an available exemption from registration under the Securities Act.

Public Offer Selling Restriction under the Prospectus Regulation

In relation to each Member State of the European Economic Area (each, a **Relevant Member State**), the Placement Agent has represented and agreed, and each further Placement Agent will be required to represent and agree, that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Prospectus to the public in that Relevant Member State except in Luxembourg as described in this Prospectus and except that it may make an offer of such Notes to the public in that Relevant Member State:

- (A) at any time to any legal entity which is a qualified investor as defined in the Prospectus Regulation;
- (B) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation) subject to obtaining the prior consent of the relevant Placement Agent or Placement Agents nominated by the Issuer for any such offer; or
- (C) at any time in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Notes referred to in (A) to (C) above shall require the Issuer or any Placement Agent to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision:

- the expression **an offer of Notes to the public** in relation to any Notes in any Member State means 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; and

- the expression **Prospectus Regulation** means Regulation (EU) 2017/1129.

General

Except for Luxembourg, no action has been taken by the Issuer that would, or is intended to, permit a public offer of the Notes in any country or jurisdiction where any such action for that purpose is required.

Public Offer

Upon approval of this Prospectus by the CSSF, the Issuer intends to offer the Notes to the public in Luxembourg. The Notes may only be offered or sold in any jurisdictions (including, without limitation, Luxembourg), in accordance with the requirements of the relevant securities laws and regulations applicable in such jurisdiction.

- (a) Offer Period:

From 12 June 2023 to 30 June 2023 (both inclusive) the Notes may be offered for subscription to investors (the **Offer Period**). However, an amount of EUR 20,000,000 (the **Reserved Amount**) will be reserved to investors which are co-operative members of the Issuer, that is, persons holding one or more shares (*parts sociales*) in the Issuer (each a **Qualifying Member**). After having reached the Reserved Amount (or such lower amount in case the Reserved Amount has been lowered by the Issuer as a consequence of the Reserved Amount having not been reached by 15 June 2023) the Notes are also open for subscription to all investors, whether or not qualifying as Qualifying Members. The Issuer reserves the right to close subscription early.

- (b) Offer Price:

The issue price / offer price of the Notes is 100.0 per cent of their principal amount.

- (c) Conditions to which the offer is subject:

Offers of the Notes are conditional on their issue.

- (d) Description of the application process:

Applications for Notes may be made by a prospective purchaser through the Placement Agent by contacting your usual contact at the Placement Agent's or by contacting the Placement Agent at +352 2450 1000. No subscription via the website of the Placement Agent will be provided. Pursuant to anti-money laundering regulations, prospective purchasers who are not existing clients of the Placement Agent may be required by the Placement Agent of choice to complete an anti-money laundering form and to provide further evidence of identification in advance of applying for any Notes.

- (e) Details of the minimum and/or maximum amount of application:

Investors are required to subscribe for a minimum of one (1) Note and thereafter in multiples of one (1) Note. The maximum subscription amount per retail investor (including any subscriptions by one or more agents and/or via one or more investment vehicles for the account or the benefit of such retail investor) is EUR250,000. The Issuer however reserves the right, in its discretion to dis-apply the maximum amount for subscriptions received from retail investors. No maximum subscription amount applies to legal entities.

- (f) Allocation of the Notes

The allocation of the Notes to Qualifying Members will be made, up to the Reserved Amount, on a first come, first served basis: Notes will be allocated to Qualifying Members in the order of receipt of their application by the Placement Agent for the subscription of Notes. The last order received that will trigger a crossing of the Reserved Amount will, where applicable, be scaled back by the Issuer in its discretion.

The allocation of the remaining Notes (i.e. a total of EUR 10,000,000 or a higher amount in case the Reserved Amount has been lowered by the Issuer as a consequence of the Reserved Amount having not been reached by 15 June 2023) will be done on a first come, first served basis, should the total subscriptions exceed the maximum amount that may be issued.

As mentioned above, the Issuer has the discretion to close the offering at any time prior to the end of the Open Period.

(g) Scale-back and Cancellation

Notwithstanding any of the offer provisions set out above and below, the Issuer reserves the right, prior to the Issue Date, in its absolute discretion to:

- (i) Decline in whole or in part an application for Notes such that an investor may, in certain circumstances, not be issued the number of (or any) Notes for which it has applied (**Scale-back**); or
- (ii) Withdraw, cancel or modify the offer of the Notes (**Cancellation**).

The Issuer may Scale-back or effect a Cancellation without notice and will notify investors of such Scale-back or Cancellation after such Scale-back or Cancellation has occurred. In the event that the Notes are not issued, no subscription monies shall be payable by investors to the Issuer in respect of the Notes. Investors should contact the Placement Agent for details of the arrangements for the return of application monies in such circumstances.

Once a prospective purchaser has applied for Notes through the Placement Agent, the prospective purchaser cannot cancel its subscription, whether it be during or following the close of the Offer Period.

(h) Details of the method and time limits for paying up and delivering the Notes:

The Notes will be issued on the Issue Date against payment to the Issuer of the net subscription moneys. Investors will be required to provide the necessary funds on a cash account held with the Placement Agent for subscription (at the latest 1 business day prior to the Issue Date) and will be notified by the Placement Agent of their allocations of the Notes and the settlement arrangements in respect thereof. The investor's securities account with the Placement Agent will thereafter promptly be credited with the Notes allocated to such investor. The settlement is executed over internal accounts of the Placement Agent and the Fiscal Agent.

(i) Manner and date in which results of the offer are to be made public

The final number of Notes placed with investors in connection with the offering is expected to be published on or promptly after the date of closing of the subscription period on the website of the Luxembourg Stock Exchange (www.luxse.com) and on the website of the Issuer (www.raiffeisen.lu) and filed with the CSSF, all in accordance with the Prospectus Regulation.

Where applicable, the Issuer will also publish a notice on the website of the Luxembourg Stock Exchange to inform potential investors that the Reserved Amount has been lowered (due to the Reserved Amount having not been reached by 15 June 2023).

(j) Categories of potential investors to which the Notes are offered:

Offers may be made by the Placement Agent in Luxembourg to any person (both retail and qualified investors) during the Offer Period. In other EEA countries and in all jurisdictions (including Luxembourg) outside of the Offer Period, offers will only be made by the Placement Agent pursuant to an exemption from the obligation under the Prospectus Regulation to publish a prospectus.

A total amount of EUR 20,000,000 (the **Reserved Amount**) of Notes will be reserved to Qualifying Members. Should the Reserved Amount not be subscribed by Qualifying Members by 15 June 2023, then the Issuer may elect, but shall have no obligation, to lower the Reserved Amount, in which case the previously reserved Notes may be subscribed by investors other than Qualifying Members.

Should the Reserved Amount be fully subscribed by Qualifying Members, then the remaining Notes may be subscribed by investors whether or not qualifying as Qualifying Members.

(k) Process for notification to applicants of the amount allotted

Each investor should contact the Placement Agent to receive confirmation that such subscription has been accepted or not.

The name and address of the Placement Agent is set out at the back of this Prospectus.

(l) Conflicts of interests

The Issuer and the Placement Agent involved in the placement of the Notes may be subject to conflicts of interest between their own interests and those of Noteholders. The Issuer and the Placement Agent involved in the placement of the Notes may, when they perform the obligations in connection with the Notes, have an interest, relationship or arrangement that is material to, or may conflict with, such obligations. The Noteholders understand that neither the Issuer nor the Placement Agent shall be required to disclose such interests, relationships or arrangements to the Noteholders, or to account for or disclose any profit, charge, commission or other remuneration arising in respect of such interests, relationships or arrangements, unless required by law.

GENERAL INFORMATION

Authorisation

The issue of the Notes was duly authorised by resolutions of the Board of Directors of the Issuer dated 29 March 2023.

Clearing Systems

The Notes have been accepted for clearance through LuxCSD. The Notes are also eligible for clearance through Clearstream, Luxembourg. The ISIN for this issue is LU2603886495 and the Common Code is 260388649.

The address of LuxCSD is LuxCSD S.A., 42, avenue J.F. Kennedy L-1855 Luxembourg.

Yield

The yield of the Notes is 5.00% per annum and is calculated at the issue date on the basis of the issue price. It is not an indication of future yield.

Expenses

The total expenses of the issue / offer are estimated to amount to EUR 100,000.

No expenses will be charged to investors by the Issuer.

No significant change and no material adverse change

There has been no significant change in the financial performance or financial position of the Issuer and no material adverse change in the prospects of the Issuer since the financial year ended 31 December 2022.

Description of the expected financing of the Issuer's activities

The Issuer finances its activities using the usual sources of funding, in particular, the deposits from all types of customers and banks, and the issuance of commercial paper and debt securities.

Litigation

Neither the Issuer is or has been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) in the 12 months preceding the date of this document which may have or have in such period had a significant effect on the financial position or profitability of the Issuer.

Statutory auditors

The statutory auditors of the Issuer are Ernst & Young S.A., member of the *Institut des Réviseurs d'Entreprises*, who have audited the Issuer's standalone accounts, without qualification, in accordance with Luxembourg GAAP for each of the two financial years ended 31 December 2021 and 31 December 2022. The statutory auditors of the Issuer have no material interest in the Issuer.

The reports of the statutory auditors of the Issuer are included or incorporated in the form and context in which they are included or incorporated, with the consent of the auditors who have authorised the contents of that part of this Prospectus.

U.S. tax

The permanent and definitive Notes and Coupons will contain the following legend: "Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code."

Documents Available

For the period of 12 months following the date of this Prospectus, copies of the following documents will be available for inspection from the registered office of the Issuer and from the specified offices of the Paying Agents:

- (a) the articles of incorporation of the Issuer;
- (b) the audited financial statements of the Issuer in respect of the financial years ended 31 December 2022 and 31 December 2021, in each case together with the audit reports in connection therewith;
- (c) the most recently published audited annual financial statements of the Issuer; and
- (d) the Agency Agreement.

In addition, copies of this Prospectus and each document incorporated by reference are available on the Luxembourg Stock Exchange's website at www.luxse.com and <https://www.raiffeisen.lu/fr/particuliers/gerer-son-patrimoine/nos-produits/emprunt-subordonne>. Printouts of the Prospectus may be obtained free of charge at the specified office of the Placement Agent.

**AUDITED CASH FLOW STATEMENT FOR THE FINANCIAL YEARS ENDED 31 DECEMBER
2021 AND 31 DECEMBER 2022**

BANQUE RAIFFEISEN
Société Coopérative
4, rue Léon Laval
L-3372 Leudelange

R.C.S. Luxembourg B-20128

**Situation des flux de trésorerie (état financier) au 31 décembre 2022 et
au 31 décembre 2021, et Rapport du réviseur d'entreprises agréé**

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Rapport du réviseur d'entreprises agréé

Au Conseil d'Administration de
Banque Raiffeisen S.C
4, rue Léon Laval
L-3372 Leudelange

Opinion

Nous avons effectué l'audit de la situation des flux de trésorerie (ci-après « état financier ») de la Banque Raiffeisen, Société Coopérative (la « Banque ») au 31 décembre 2022 et au 31 décembre 2021 incluant un résumé des principales méthodes comptables.

A notre avis, l'état financier ci-joint présente sincèrement, dans tous ses aspects significatifs, la situation financière de la Banque au 31 décembre 2022 et au 31 décembre 2021, conformément aux obligations légales et réglementaires relatives à l'établissement et à la présentation d'un tel état financier au Luxembourg.

Fondement de l'opinion

Nous avons effectué notre audit en conformité avec le Règlement (UE) N° 537/2014, la loi du 23 juillet 2016 relative à la profession de l'audit (la « loi du 23 juillet 2016 ») et les normes internationales d'audit (« ISAs ») telles qu'adoptées pour le Luxembourg par la Commission de Surveillance du Secteur Financier (« CSSF »). Les responsabilités qui nous incombent en vertu de ces règlements, loi et normes sont plus amplement décrites dans la section « Responsabilités du réviseur d'entreprises agréé pour l'audit de l'état financier du présent rapport. Nous sommes également indépendants de la Banque conformément au code de déontologie des professionnels comptables du conseil des normes internationales de déontologie comptable (le « Code de l'IESBA ») tel qu'adopté pour le Luxembourg par la CSSF ainsi qu'aux règles de déontologie qui s'appliquent à l'audit de l'état financier et nous nous sommes acquittés des autres responsabilités qui nous incombent selon ces règles. Nous estimons que les éléments probants que nous avons recueillis sont suffisants et appropriés pour fonder notre opinion d'audit.

Responsabilités du Conseil d'Administration et des responsables du gouvernement d'entreprise pour l'état financier

Le Conseil d'Administration est responsable de l'établissement et de la présentation fidèle de l'état financier conformément aux obligations légales et réglementaires relatives à l'établissement et la présentation d'un tel état financier au Luxembourg, ainsi que du contrôle interne qu'il considère comme nécessaire pour permettre l'établissement d'un état financier ne comportant pas d'anomalies significatives, que celles-ci proviennent de fraudes ou résultent d'erreurs.

Lors de l'établissement de l'état financier, c'est au Conseil d'Administration qu'il incombe d'évaluer la capacité de la Banque à poursuivre son exploitation, de communiquer, le cas échéant, les questions relatives à la continuité d'exploitation et d'appliquer le principe comptable de continuité d'exploitation, sauf si le Conseil d'Administration a l'intention de liquider la Banque ou de cesser son activité ou si aucune autre solution réaliste ne s'offre à lui.

Responsabilités du réviseur d'entreprises agréé pour l'audit de l'état financier

Nos objectifs sont d'obtenir l'assurance raisonnable que l'état financier pris dans leur ensemble ne comportent pas d'anomalies significatives, que celles-ci proviennent de fraudes ou résultent d'erreurs, et de délivrer un rapport du réviseur d'entreprises agréé contenant notre opinion. L'assurance raisonnable correspond à un niveau élevé d'assurance, qui ne garantit toutefois pas qu'un audit réalisé conformément au Règlement (UE) N° 537/2014, à la loi du 23 juillet 2016 et aux ISA telles qu'adoptées pour le Luxembourg par la CSSF permettra toujours de détecter toute anomalie significative qui pourrait exister. Les anomalies peuvent provenir de fraudes ou résulter d'erreurs et elles sont considérées comme significatives lorsqu'il est raisonnable de s'attendre à ce que, individuellement ou collectivement, elles puissent influencer sur les décisions économiques que les utilisateurs de cet état financier prennent en se fondant sur celui-ci.

Dans le cadre d'un audit réalisé conformément au Règlement (UE) N° 537/2014, à la loi du 23 juillet 2016 et aux ISA telles qu'adoptées pour le Luxembourg par la CSSF, nous exerçons notre jugement professionnel et faisons preuve d'esprit critique tout au long de cet audit. En outre :

- Nous identifions et évaluons les risques que l'état financier comporte des anomalies significatives, que celles-ci proviennent de fraudes ou résultent d'erreurs, concevons et mettons en œuvre des procédures d'audit en réponse à ces risques, et réunissons des éléments probants suffisants et appropriés pour fonder notre opinion. Le risque de non-détection d'une anomalie significative résultant d'une fraude est plus élevé que celui d'une anomalie significative résultant d'une erreur, car la fraude peut impliquer la collusion, la falsification, les omissions volontaires, les fausses déclarations ou le contournement du contrôle interne ;
- Nous acquérons une compréhension des éléments du contrôle interne pertinents pour l'audit afin de concevoir des procédures d'audit appropriées aux circonstances et non dans le but d'exprimer une opinion sur l'efficacité du contrôle interne de la Banque;
- Nous apprécions le caractère approprié des méthodes comptables retenues et le caractère raisonnable des estimations comptables faites par le Conseil d'Administration, de même que les informations y afférentes fournies par ce dernier ;
- Nous tirons une conclusion quant au caractère approprié de l'utilisation par le Conseil d'Administration du principe comptable de continuité d'exploitation et, selon les éléments probants obtenus, quant à l'existence ou non d'une incertitude significative liée à des événements ou situations susceptibles de jeter un doute important sur la capacité de la Banque à poursuivre son exploitation. Si nous concluons à l'existence d'une incertitude significative, nous sommes tenus d'attirer l'attention des lecteurs de notre rapport sur les informations fournies dans les états financiers au sujet de cette incertitude ou, si ces informations ne sont pas adéquates, d'exprimer une opinion modifiée. Nos conclusions s'appuient sur les éléments probants obtenus jusqu'à la date de notre rapport. Cependant, des événements ou situations futurs pourraient amener la Banque à cesser son exploitation ;

- Nous évaluons la présentation d'ensemble, la forme et le contenu de cet état financier, et apprécions si cet état financier représente les opérations et événements sous-jacents d'une manière propre à donner une image fidèle ;
- Nous obtenons des éléments probants suffisants et appropriés concernant l'information financière des entités et activités de la Banque pour exprimer une opinion sur l'état financier. Nous sommes responsables de la direction, de la supervision et de la réalisation de l'audit de la Banque, et assumons l'entière responsabilité de notre opinion d'audit.

Nous communiquons aux responsables du gouvernement d'entreprise notamment l'étendue et le calendrier prévu des travaux d'audit et nos constatations importantes, y compris toute déficience importante du contrôle interne que nous aurions relevée au cours de notre audit.

Ernst & Young
Société anonyme
Cabinet de révision agréé



Dorian Rigaud

Luxembourg, 20 mars 2023

Tableau des flux de trésorerie

	2022	2021
En euro		
SITUATION DE TRESORERIE ET ASSIMILES AU 1er JANVIER	1 330 744 223	1 337 529 321
Résultat avant impôts	31 443 888	27 104 923
Eléments non monétaires inclus dans le résultat avant impôts et autres ajustements hors résultat	34 948 350	22 636 980
Dotations nettes aux amortissements des immobilisations corporelles et incorporelles	8 954 888	8 582 471
Dotations nettes aux provisions	23 051 176	15 356 032
Corrections de valeur sur valeurs mobilières ayant le caractère d'immobilisations financières, sur participations et sur parts dans des entreprises liées	5 606 933	-461 330
Effet de l'ajustement de la juste valeur non réalisé sur les positions de change	-2 340 819	-521 102
Autres ajustements	-323 828	-319 091
Augmentation (diminution) nette liée aux actifs et passifs provenant des activités opérationnelles	-129 052 957	-49 577 706
Augmentation (diminution) nette liée aux opérations avec les établissements de crédit	-166 931 116	-18 513 764
Diminution nette liée aux opérations de crédits avec la clientèle	-327 886 773	-314 192 602
Augmentation (diminution) nette liée aux opérations sur valeurs mobilières	-149 390 383	-205 036 292
Augmentation nette liée aux opérations de dépôts avec la clientèle	528 269 677	504 642 767
Augmentation (diminution) nette liée aux autres actifs et passifs	9 369 918	-2 087 212
Contribution aux systèmes de garantie des dépôts et aux fonds de résolution	-10 404 653	-10 126 264
Impôts versés	-12 079 628	-4 264 340
Augmentation (diminution) nette de la trésorerie générée par l'activité opérationnelle	-62 660 719	164 197
Augmentation (diminution) nette liée aux immobilisations corp & incorp	-5 708 138	-8 436 784
Augmentation (diminution) nette liée aux actifs et passifs provenant des activités d'investissement	-5 708 138	-8 436 784
Augmentation (diminution) nette liée à des opérations réalisées avec les membres	45 292 225	1 487 490
Augmentation (diminution) nette liée aux actifs et passifs provenant des activités de financement	45 292 225	1 487 490
SITUATION DE TRESORERIE ET ASSIMILES AU 31 décembre	1 307 667 591	1 330 744 223

Informations complémentaires

	2022	2021
Composition des comptes de trésorerie et assimilés	1 307 667 590	1 330 744 223
Caisse, avoirs auprès des banques centrales et des offices des chèques postaux	1 179 227 993	1 264 008 116
Créances sur les établissements de crédit dont la durée résiduelle est inférieure à 90 jours	255 932 650	91 937 909
Dettes envers les établissements de crédit dont la durée résiduelle est inférieure à 90 jours	-127 493 053	-25 201 802

Principales méthodes comptables

Les principales méthodes comptables qui ont été appliquées sont les suivantes :

1. Présentation des comptes

Les états financiers sont établis conformément à la loi du 17 juin 1992 relative aux comptes annuels et comptes consolidés des établissements de crédit de droit luxembourgeois telle qu'elle a été modifiée (la « loi sur les comptes des banques »).

L'exercice social coïncide avec l'année civile.

2. Evaluation

1. Principes généraux

Les états financiers sont établis conformément aux principes comptables généralement admis et en conformité avec les lois et règlements en vigueur au Grand-Duché de Luxembourg. Les règles d'évaluation appliquées par la Banque se basent sur le chapitre 7 de la loi sur les comptes des banques.

2. Conversion des postes en devises

La Banque utilise la méthode de la comptabilité pluri-monétaire qui consiste à maintenir les postes d'actif et de passif dans leurs devises d'origine. Les actifs et passifs en monnaies étrangères sont convertis en EUR aux cours de change au comptant applicables à la date de bilan.

Aussi bien les pertes que les bénéfices de change réalisés et non réalisés lors de la réévaluation sont enregistrés au compte de profits et pertes de l'exercice, à l'exception de ceux sur postes d'actif et de passif spécifiquement couverts par des opérations de change à terme (« swaps » et opération de change à terme couvrant des postes d'intérêts). La réévaluation de ces opérations n'affecte pas le résultat de l'exercice en cours.

Les résultats provenant d'opérations de change à terme couvrant des postes du bilan sont inclus suivant le principe de la spécificité des exercices au prorata temporis sous les postes d'intérêts perçus ou bonifiés.

Les opérations à terme non couvertes font l'objet d'une évaluation individuelle sur base des cours à terme en vigueur à la date d'établissement du bilan. Les plus-values sont négligées ; les moins-values sont provisionnées au passif du bilan sous le poste « Provisions : autres provisions ».

Les revenus et charges exprimés en devises étrangères sont convertis en EUR aux cours de change applicables à la date de leur enregistrement.

3. Instruments dérivés

Les engagements éventuels de la Banque qui résultent d'instruments dérivés tels que swaps de taux d'intérêts, « forward rate agreements », « financial futures » et options sont enregistrés à la date de transaction en hors-bilan.

A la date d'établissement du bilan, si nécessaire, une provision est constituée pour les moins-values non réalisées constatées lors de l'évaluation individuelle au cours du marché des transactions non encore dénouées. Cette provision est renseignée au passif du bilan sous le poste du passif « Provisions : autres provisions ». Les plus-values latentes sont ignorées.

Les montants des devises engagées dans des opérations de swaps de trésorerie sont neutres par rapport à une fluctuation des cours de change. Les reports et déports sont comptabilisés dans les comptes de régularisation actifs et passifs en contrepartie du résultat d'intérêts. Les montants comptabilisés correspondent aux prorata temporis des reports et déports totaux entre la date de départ des swaps et le 31 décembre. Les différences de change résultant de l'évaluation des opérations swaps sont neutralisées par inscription en comptes de régularisation.

Dans le cas où l'instrument financier couvre un poste individuel d'actif ou de passif ou un portefeuille d'actifs ou de passifs et l'unité économique est établie, ainsi que dans des cas où l'instrument financier est couvert par une opération en sens inverse ne laissant pas de position ouverte, aucune provision n'est constituée.

4. Corrections de valeur spécifiques sur créances douteuses et créances irrécupérables

La politique de la Banque consiste :

- d'une part à constituer des corrections de valeur spécifiques sur toutes les créances douteuses et créances irrécupérables. Le montant de la correction de valeur correspond à la différence entre la valeur comptable des créances et la valeur recouvrable estimée ;
- d'autre part à constituer des corrections de valeur sectorielles pour toutes les expositions relatives à un ou des segments d'activité économique laissant apparaître un risque de défaillance possible ou probable dans le futur. Le montant de la correction de valeur sectorielle est déterminé à l'aide d'un modèle interne des pertes de crédit attendues.

La Banque réexamine régulièrement tous ses actifs et apprécie s'il existe une quelconque indication qu'une créance ou qu'une exposition sectorielle a pu se déprécier. Les corrections de valeur sont déduites des actifs auxquels elles se rattachent.

5. Provision forfaitaire pour éléments d'actifs et de hors bilan à risques

La politique de la Banque consiste à constituer, en accord avec les dispositions de la législation fiscale luxembourgeoise, une provision forfaitaire pour éléments d'actifs et de hors bilan à risques au sens de la réglementation prudentielle bancaire. Cette provision a pour objectif la couverture de risques probables mais non encore identifiés au moment de l'établissement des comptes annuels.

Conformément aux instructions du Directeur des Contributions du 16 décembre 1997, le taux maximum de la provision, constituée en franchise d'impôt, s'élève à 1,25 % des actifs à risques.

La provision forfaitaire pour éléments d'actifs et de hors bilan à risques est ventilée au prorata des éléments de l'assiette ayant servi au calcul de la provision, entre :

- une part de correction de valeur, qui est déduite des postes de l'actif qui composent les actifs à risques ; et
- une part de provision, qui est attribuable au risque de crédit affectant les éléments de hors-bilan, au risque de change et aux risques de marché et qui figure au poste « Provisions : autres provisions » au passif du bilan.

6. Fonds pour risques bancaires généraux

La politique de la Banque consiste à créer un fonds affecté à la couverture des risques bancaires généraux, en accord avec l'article 63 de la loi sur les comptes des banques. Ce fonds est renseigné séparément au passif du bilan.

Les dotations au fonds pour risques bancaires généraux ne sont pas déductibles à des fins fiscales.

7. Valeurs mobilières

La Banque a divisé son portefeuille-titres à revenu fixe en trois catégories dont les caractéristiques principales sont les suivantes :

- un portefeuille d'immobilisations financières qui inclut les valeurs mobilières destinées à servir de façon durable à l'activité de la Banque ;
- un portefeuille de négociation qui reprend les valeurs mobilières acquises avec l'intention de les revendre à brève échéance ;
- un portefeuille de placement qui comprend des valeurs mobilières acquises dans un but de rendement et de constituer une certaine structure d'actifs.

Les valeurs mobilières à revenu fixe sont évaluées de la manière suivante :

Immobilisations financières

Les valeurs mobilières à revenu fixe sont évaluées au prix d'acquisition.

En cas de dépréciation durable d'un titre de créance, une correction de valeur correspondant à la différence entre le prix d'acquisition et la valeur recouvrable estimée est constituée. La Banque réexamine régulièrement et à chaque fin de période cette catégorie d'actifs et apprécie s'il existe une quelconque indication qu'un titre de créance a pu se déprécier.

Les agios (différence positive entre le prix d'acquisition et la valeur de remboursement d'un titre) et les disagios (différence négative entre le prix d'acquisition et la valeur de remboursement) sont amortis linéairement.

Portefeuille de placement

Les valeurs mobilières à revenu fixe incluses dans le portefeuille de placement sont évaluées selon la méthode « lower of cost or market ». Suivant cette méthode, les valeurs mobilières sont valorisées au plus faible du prix d'acquisition ou de la valeur de marché. La valeur de marché est généralement déterminée par référence au cours boursier.

Portefeuille de négociation

Les valeurs mobilières incluses dans le portefeuille de négociation sont évaluées selon la méthode « mark-to market ».

Le coût d'acquisition des valeurs mobilières de même catégorie, tous portefeuilles confondus, est basé sur la méthode du coût moyen d'achat pondéré.

8. Actions et autres valeurs mobilières à revenu variable

Les actions et autres valeurs mobilières à revenu variable sont évaluées selon la méthode « lower of cost or market » à la date de l'établissement du bilan.

9. Participations et parts dans des entreprises liées

Les participations et parts dans des entreprises liées ayant le caractère d'immobilisé sont évaluées en devise originale au prix d'acquisition à la date de l'établissement du bilan.

En cas de dépréciation durable, une correction de valeur correspondant à la différence entre le prix d'acquisition et la valeur d'évaluation est constituée. La Banque réexamine régulièrement et à chaque fin de période cette catégorie d'actifs et apprécie s'il existe une quelconque indication qu'une participation ou part dans une entreprise liée a pu se déprécier.

10. « Beibehaltungsprinzip »

La politique de la Banque consiste à maintenir les corrections de valeur constituées antérieurement sur certains postes de l'actif mais ne répondant plus à une moins-value des actifs en question en vertu des articles 56 (2) (f) et 58 (2) (e) de la loi modifiée du 17 juin 1992 sur les comptes des banques.

11. Actifs incorporels et corporels

Les actifs incorporels et corporels sont renseignés au prix d'acquisition.

La valeur des actifs incorporels et corporels dont l'utilisation est limitée dans le temps est diminuée des corrections de valeur calculées de manière à amortir systématiquement la valeur de ces éléments sur leur durée d'utilisation. Les terrains, œuvres d'art et acomptes versés ne sont pas amortis.

Les taux d'amortissement pratiqués pour les postes les plus importants sont les suivants :

i) Immobilisations incorporelles :	de 10% à 33%
ii) Constructions, installations techniques et agencements :	de 1,5% à 33%
iii) Systèmes informatiques :	de 10% à 33%
iv) Matériel de bureau, mobilier :	de 10% à 33%

12. Postes spéciaux avec une quote-part de réserves

Les postes spéciaux avec une quote-part de réserves comprennent des montants qui sont susceptibles d'immunisation fiscale. L'immunisation, en vertu de l'article 54 de la loi concernant l'impôt sur le revenu, porte notamment sur des plus-values réalisées lors de la vente de participations, d'immeubles et de terrains.

13. Impôts

Les impôts sont comptabilisés suivant le principe de la spécificité des exercices et non pas pendant l'exercice au cours duquel intervient leur paiement.

Des provisions fiscales ont été constituées pour les exercices pour lesquels l'Administration des Contributions Directes n'a pas encore fixé définitivement le montant de l'impôt.

Une éventuelle insuffisance de provision (différence positive entre le décompte de l'administration fiscale et le montant provisionné pour l'exercice considéré) est portée en charge de l'exercice au cours duquel le décompte de l'Administration des Contributions Directes a été réceptionné.

Un éventuel excès de provision (différence négative entre le décompte de l'administration fiscale et le montant provisionné pour l'exercice considéré) est porté en produit au cours de l'exercice suivant l'échéance du délai de forclusion du décompte reçu de l'Administration des Contributions Directes.

14.Comparabilité des exercices

Certaines reclassifications ont été effectuées au niveau des sous rubriques des postes « Dettes représentées par un titre » et « Autres passifs » pour assurer une meilleure comparabilité des soldes entre les exercices 2021 et 2022.

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