



Certificates Knowledge In a Nutshell



Preface

Welcome to the World of Certificates

The world around us is currently changing faster than ever. And you may be asking yourself how to invest your money in this environment. The less encouraging news right from the start: unfortunately, there is no blueprint for it.

The good news is if you spend a little time researching and gathering information, you are bound to find the best way to invest your money. With a flexible financial instrument like a certificate, the solutions are there for you – regardless of how the market conditions present themselves.



We provide orientation to help you find your way around and make informed decisions! With “Certificates Knowledge - In a Nutshell” we want to support you. We present the different product categories of investment and leverage certificates and show which certificate is particularly advantageous in which market phase. The functionality of the type of certificate is explained and complemented by general examples. Risks associated with the certificate and details you should be aware of conclude the respective category description. The reading is suitable for certificate beginners as well as for experienced investors.

Dive with us into the fascinating world of certificates!

A handwritten signature in black ink, appearing to read 'H. Arbter'.

Heike Arbter
Head of Raiffeisen Certificates, Retail Bonds & Equity Trading
Raiffeisen Bank International AG | Raiffeisen Certificates

Raiffeisen Certificates – Reliable Partner and Industry Leader on the Austrian Certificates Market

Raiffeisen Certificates has played a key role in the development of the certificate market in Austria and Eastern Europe with pioneering work and the ongoing expansion of the product and service range. Since the issuance of the first Index and Capital Protection Certificates in 2002, the product range has been continuously expanding to new certificate categories. Easy market access, especially for contemporary investment trends, as well as innovative payout profiles have always been the focus.

Due to the financial and economic crisis, accompanied by sharp price declines on the stock markets, and the subsequent recession from 2008 to 2011, our activities increasingly focused on low-risk certificates. A milestone in 2010 was the launch of the Bonus&Safety certificates series with a particularly large safety buffer. In a zero interest rate environment, these investment products fulfill the needs of many investors. The Bonus&Safety certificates continue to possess the same qualities today as back then: a simple functionality, reduced risk, and an attractive return opportunity. In the following years "sustainability" was also established as another central investment motive. Since 2015, Raiffeisen has issued Capital Protection Certificates based on sustainable indices and in accordance with the sustainability standards.

The strong market fluctuations in the wake of the COVID-19 pandemic in 2020 have confirmed our issuing activity: a balance between security and return is the key to successful investing. With the movements on the bond and equity markets in 2022, both certificates with capital as well as partial protection were able to show top conditions and support investors in retaining their purchasing power even in the face of rising inflation. The Raiffeisen Certificates brand was founded at the end of 2022. Raiffeisen Bank International AG is the issuer of the offered certificates.

Certificates for more than 25 years!

- 1973: Centro Internationale Handelsbank AG was established
- ↓
- 1997: initial issuance of warrants
- ↓
- 2001: the bank becomes part of the Raiffeisen Group, renamed Raiffeisen Centrobank AG (RCB) and subsequently a subsidiary of Raiffeisen Bank International AG.
- ↓
- 2002: initial issuance of Index and Capital Protection Certificates
- ↓
- 2010: start of the Bonus&Safety series
- ↓
- 2022: integration of RCB's Certificates and Equity Trading divisions into Raiffeisen Bank International AG; launch of Raiffeisen Certificates as a brand

Excellent Services

Both the Raiffeisen Certificates product range and the service quality have received numerous awards. Since 2007, the Austrian representative body for the industry, Zertifikate Forum Austria, has annually selected the best certificates and certificate issuers. So far, Raiffeisen has won the voting as Austria's best certificate provider every year – seventeen times in a row. International awards for the commitment in Central and Eastern Europe underline the recognised expertise of Raiffeisen. These include the multiple Structured Retail Products Awards from the London-based magazine Capital Finance International, the Zertifikate Awards Germany and honours from the stock exchanges in Romania and Poland.



The Raiffeisen Certificates Team takes this central role in the Austrian and Eastern European certificate market with great commitment. Being a reliable provider for our customers and sales partners, providing quality service and matching investment needs in product design is the basis for our long-term success.

Easy Investing with Certificates!

Certificates Are Securities for All Investors, ...

- ... because stock exchanges and markets can rise, fall or remain unchanged and we have certificates for you for every price development.
- ... because you can choose the risk/reward ratio that suits you.
- ... because with certificates you know from the start what is decisive for your payout amount.
- ... because you can invest with small amounts of money and remain flexible - buying or selling is possible at any time.

Certificates Basics

▪ **What Are Certificates?**

→ Certificates are securities with opportunities and risks.

In technical terms, certificates are structured products issued by banks. A certificate refers to an underlying asset, for example shares or indices, and is linked to its price. Legally speaking, certificates are bearer bonds (consider the "issuer risk" and "bail-in") and are therefore freely tradable financial instruments. Certificates are not subject to Austria's deposit protection.

▪ **What Added Value Do Certificates Bring?**

→ Certificates enable earnings opportunities in any market situation.

Would you like to invest profitably in rising, sideways-trending and falling market phases? With different types of certificates, investors of every risk profile – from security-oriented to speculative – can find a suitable product. The ratio of opportunity to risk plays a central role: the more offensive the strategy, the higher both the risk and the opportunity for return; and reverse.

Certificates are comprehensible: the payout profiles are clearly defined so the investors know which redemption they will receive at the end of the term depending on the underlying. With our certificates, there are no management fees during the term, with few exceptions.

▪ **What Should You Pay Attention to with All Certificate Types?**

→ In case of certificates, there is an "issuer risk" and the possibility of a "bail-in".

As a bearer bond, a certificate is not subject to Austria's deposit protection. If, in the event of insolvency, the issuer is unable to meet its obligations from the certificate, or is only able to meet them in part, certificate holders may lose a substantial part of the capital invested, or even a total loss. This risk is often also referred to as "issuer risk" or "creditworthiness risk".

In addition, the Federal Act on the Recovery and Resolution of Banks ("BaSAG") applies. The BaSAG regulates the possibility of the regulatory resolution of banks that have run into difficulties. Holders of certificates may be affected by such a regulatory measure with their claims to payment(s) (the so-called "bail-in"), and this may result in the loss of a substantial part of the invested capital or even a total loss for all types of certificates.



For more details see

raiffeisencertificates.com/en/basag and raiffeisencertificates.com/en/customer-information

▪ **What Different Types of Certificates Are Available?**

→ Certificates are classified as either investment or leverage products.

This is only a rough classification. Each category consists of various types of certificates suited to different investors, market phases and risk appetites. Zertifikate Forum Austria, the Austrian representative body for the industry, has visualized the product classification in the form of a football field.



Opportunities and risks of the different types of certificates are discussed in the following chapters of this brochure.

zertifikateforum.at

Taxation of Certificates in Austria

In Austria, capital gains are subject to capital yields tax income of 27.5%. Capital yields tax is deducted automatically from realised profit derived from certificates (acquired as from April 1st, 2012). The tax amount is calculated from the profit (positive difference between purchase price at acquisition minus sales price upon disposal) and paid to the tax office (as of August 2023).

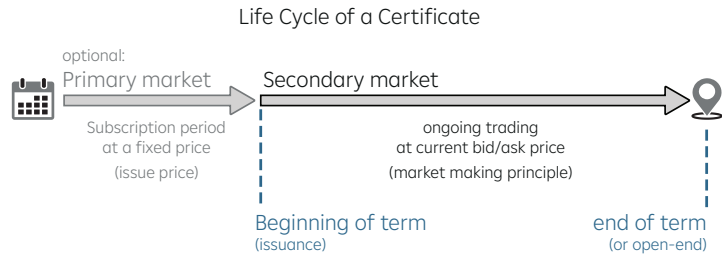
Please note that the legal situation may change due to legislative amendments, tax directives, opinions of financial authorities, jurisdiction etc. Tax treatment is generally subject to the personal circumstances of the investor and is subject to future change. In any case, we recommend, that the investor consults a tax advisor.

Fees and Charges

Raiffeisen Certificates does not bear management or administration fees. Information on fees charged by your depositary bank for trading certificates can be obtained from your local bank.

Trading Certificates

Investors who are convinced of the quality and flexibility of certificates have various opportunities for an investment: purchase on the primary market (during the subscription period) or trading on the secondary market on the exchange or OTC.



Primary Market: Purchase During the Subscription Period at the Issue Price

Many investors opt for new issues in subscription. Similar to bonds, investors can subscribe via their local bank during a limited period. During the subscription period, which usually lasts four weeks, the issue price remains unchanged. After the subscription period, certificates quote on the secondary market.

We continuously offer a selection of various products in subscription on the primary market. These products are customized to investors' requirements and the financial markets and are suited for a broad audience. Certificates are also issued directly to the secondary market without a subscription period.

Secondary Market: Trading During the Term at the Current Bid/Ask Price

As an alternative to the products in subscription, investors can also trade certificates on the secondary market. Same as all other securities they have an international security identification number (ISIN), publicly offered Raiffeisen Certificates quote at least on one stock exchange, making them easily accessible to investors. The issuer acts as market maker and continuously provides purchase and sales prices and thus liquidity which makes certificates tradable.

Therefore, certificates are not only a transparent investment solution, but they are also a flexible instrument. If the investor wishes to buy a certificate, the purchase can be executed at the respective ask (buy) price. The same applies to the sell or bid price. The difference between bid and ask price is the spread. In addition, there are transaction costs charged by the custodian bank.

Certificates are also directly tradable with Raiffeisen Bank International AG if the investor's depositary bank offers OTC direct trading of certificates. Experienced traders can execute their purchases and sales via (or through) electronic trading within a few seconds.

Raiffeisen Certificates are listed on the exchanges in Vienna and Stuttgart and some on the exchanges in Budapest, Bucharest, Prague and Warsaw.



Our trading hours can be found on our website: [raiffeisencertificates.com](https://www.raiffeisencertificates.com)



PRAGUE STOCK EXCHANGE
BURZA CENNÝCH PAPIRŮ PRAHA



Finding the Right Certificate Online

Products in Focus

In order to better navigate the diverse universe of certificates, Raiffeisen Certificates experts continuously make a selection of certificates on the secondary market that currently have an attractive risk/reward ratio. The focus here is set on product categories that are demanded most:

- Capital Protection Certificates
- Bonus Certificates
- Reverse Convertible Bonds
- Express Certificates



raiffeisencertificates.com/en/productsinfocus

The key decision criteria for selecting certificates are the possible annual return, the remaining term (time to maturity), and the available safety buffer. This compilation narrows down the comprehensive selection of instruments and thus serves as guidance for the decision-making.



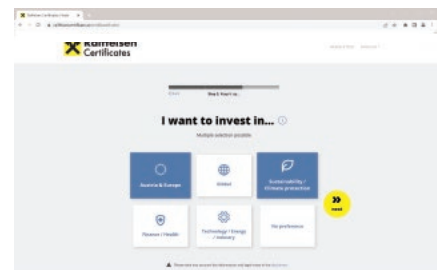
Current Products in Focus as a dynamic table as well as a download document (PDF) is available at raiffeisencertificates.com/en/productsinfocus.

Raiffeisen Certificates Finder

For experienced investors, the comprehensive product range brings a great advantage: the right certificate for every investment wish and risk aversion! For newcomers to certificates, it can be difficult to find the way around the variety and form their own opinion. This is where the Raiffeisen Certificates Finder comes in:

- For certificate beginners and professionals
- Individual selection criteria
- Finding suitable certificates

“The Certificate Finder enables a wide audience to immerse into the world of certificates in a straightforward, practical and easy-to-manage way. It is a great opportunity to provide the investor with the right information digitally at any time and to get more people in Austria interested in investments”, emphasizes Philipp Arnold from Raiffeisen Certificates Team, Head of Department Certificates Sales & Marketing at Raiffeisen Bank International AG.



raiffeisencertificates.com/zertifikatefinder



Use the Raiffeisen Certificates Finder to find a selection of certificates that corresponds to your criteria! raiffeisencertificates.com/zertifikatefinder

Investing Sustainably with Certificates

When it comes to climate change we all face one of the biggest challenges that we can only overcome together. Everyone can make a contribution in everyday life. For example, in terms of mobility and consumption, but we also want to set an example financially!

Our aim is to design our financial products and services with sustainability in mind. We are aware of our social and ecological responsibility and want to make a contribution to resource conservation, climate protection and social change.

Our Sustainability Strategy



Our sustainable investment products take into account environmental, social and responsible corporate governance requirements, also known as ESG.

Austrian Ecolabel

In 2022, our Capital Protection Certificates were awarded with the Austrian Ecolabel for Sustainable Financial Products for the first time. As an independent seal of quality, in the financial sector the Austrian Ecolabel certifies ethically oriented projects and companies that generate profits through sustainable investments.



The Sustainability Standard for Raiffeisen Certificates

Sustainable underlying - sustainable issuer - sustainable certificate: this is the chain on which the sustainability standard for Raiffeisen Certificates and our sustainable activities are based. Whether a certificate is sustainable or not according to this set of rules is determined by means of an exclusion procedure.



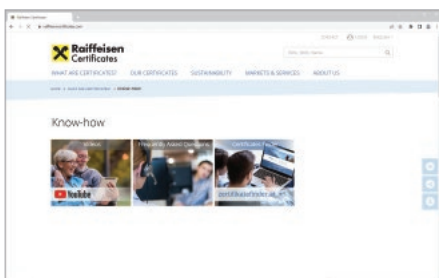
Further information and the sustainable Raiffeisen Certificates can be found at raiffeisencertificates.com/sustainability

Additional Information



Website: raiffeisencertificates.com

On our website you will find everything about our investment and leverage products: relevant marketing and legal documents about our certificates, current prices and announcements. In addition, we provide information about new subscriptions and news from the world of certificates.



Knowledge Section:
raiffeisencertificates.com/en/know-how

- **Certificate Videos:** The Raiffeisen Certificates experts explain the functionality and payout profiles of the certificate categories in short video clips. These and other videos are also available on our website. Please note: most content is in German language.
- **Frequently Asked Questions:** See the section to find most essential answers.
- **Brochures & Downloads:** Deepen your product knowledge with the digital documents from Raiffeisen Certificates for download.

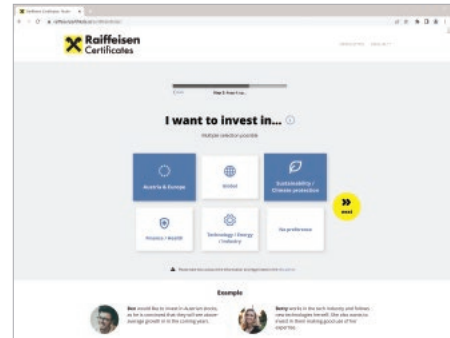


raiffeisencertificates.com

Services and Tools

Raiffeisen Certificates Finder

Choosing the right certificate – tailored to individual requirements and matching the market situation – is crucial. With our extensive range of products, the Certificate Finder is designed to provide a simple overview; quick and easy. You determine, for example, whether the invested capital should be protected or whether you consider partial protection sufficient in favour of a higher return. Based on your choice of further criteria, the products listed are sorted according to the highest number of matches. raiffeisencertificates.com/zertifikatefinder



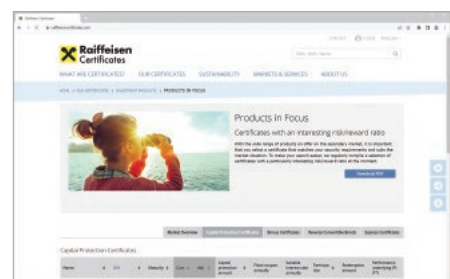
Inflation Calculator

The Raiffeisen Certificates Inflation Calculator makes it possible to calculate the personal purchasing power development of your money on the basis of historical inflation data from Austria. Negative effects of the devaluation of money or the loss of purchasing power become clear. raiffeisencertificates.com/en/inflation-calculator



Products in Focus

With the digital product selection or in the form of a PDF document, you receive an overview of about 30 certificates from the Products in Focus that appear particularly interesting in view of their risk/reward profile, the remaining term, the possible p.a. return and the safety mechanism. raiffeisencertificates.com/en/productsinfocus



Certificates Hotline

We are also available to answer your questions directly. You can reach our experts via the certificates hotline Monday to Friday during business hours.

- **Via phone:** +431 71707 5454
- **Via e-mail:** info@raiffeisencertificates.com

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Under certain circumstances the issuer is authorized to redeem the certificates prior to the agreed repayment date.

Issuer Risk/Creditor Participation ("bail-in"): Any payments during or at the end of the term of the certificates depend on the solvency of the issuer ("issuer risk"). Investors are therefore exposed to the risk that Raiffeisen Bank International AG might be unable to fulfil its payment obligations in respect of the described financial instrument such as in the event of insolvency ("issuer risk") or an official directive ("bail-in"). The resolution authority may also issue such an order before any insolvency proceedings if the issuer is judged to be in crisis. Under these circumstances the resolution authority has wide-ranging powers to take action (so-called "bail-in instruments"). For example, it can reduce the claims of investors in respect of the described financial instruments to zero, terminate the described financial instruments, or convert them into shares of the issuer and suspend investors' rights. More detailed information is available at raiffeisencertificates.com/basag. Further important risk information - see base prospectus.

The information presented does not constitute binding tax advice. Tax treatment of investments is dependent on the personal situation of the investor and may be subject to change. As regards tax treatment and impact on the investor's individual tax situation, the investor is advised to consult with a tax advisor.

This report is based on the knowledge the persons preparing the document have obtained up to the date of creation. Please note that the legal situation may change due to legislative amendments, tax directives, opinions of financial authorities, jurisdiction etc. The information contained in this brochure has been carefully compiled by us and is based on sources that we consider to be reliable. However, we cannot guarantee the completeness and accuracy of the information.

For further information please visit raiffeisencertificates.com or contact your advisor.

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